

India-U.S. Relations

Overview:

India-U.S. bilateral relations have developed into a global strategic partnership, based on increasing convergence of interests on bilateral, regional and global issues. Regular exchange of high level political visits coupled with wide ranging dialogue architecture has enabled sustained momentum to bilateral cooperation and helped establish a long-term framework for India-U.S. global strategic partnership. The bilateral cooperation is now broad-based and multi-sectoral, covering trade and investment, defence and security, education, science and technology, cyber security, high-technology, civil nuclear energy, space technology and applications, clean energy, environment, agriculture and health. People to people interaction provide further vitality and strength to bilateral relationship. Bilateral partnership enjoys bipartisan support in both our countries.

Strategic Dialogue:

India and the U.S. launched a Ministerial-level Strategic Dialogue, co-chaired by External Affairs Minister and the U.S. Secretary of State in July 2009, which focuses on bilateral relations along five pillars of mutual interest, namely: Strategic Cooperation; Energy and Climate Change, Education and Development; Economy, Trade and Agriculture; Science and Technology; and Health and Innovation. The first round of the Strategic Dialogue was held in Washington D.C. in June 2010. The fourth meeting of the Strategic Dialogue was held in New Delhi in June 2013.

Foreign Office Consultations:

There have been regular contacts at political and official levels on bilateral, regional and global issues. Foreign Office Consultations are an important part of the dialogue structure. The last round of Foreign Office Consultations was held in Washington D.C., for which Indian Foreign Secretary paid a visit to U.S. on 9-11 December 2013.

Civil Nuclear Cooperation:

The bilateral civil nuclear cooperation agreement was finalized in July 2007 and signed in October 2008. During the visit of President Obama to India in November 2010, the two Governments announced completion of all steps to begin implementation of the Civil Nuclear Agreement. U.S. nuclear companies (Westinghouse and GE Hitachi) are in consultations with NPCIL to commence commercial cooperation in this area. NPCIL and Westinghouse signed a "preliminary contract" in September 2013 for the nuclear power project in Gujarat. The civil nuclear initiative has been strengthened by the regular

meeting of the Indo-US Civil Nuclear Working Group (CNWG). The last meeting of the joint CNWG was held in July 2013.

Defence Cooperation:

With the signing of 'New Framework for India-U.S. Defense Relations' in 2005, bilateral defense cooperation has intensified with growing defense trade, joint exercises, personnel exchanges, collaboration and cooperation in maritime security and counter-piracy, and exchanges between each of the three services. Defense trade has shown significant growth in recent years with aggregate worth of defense acquisition from U.S. crossing over US\$ 10 billion. The two sides are in consultation to upgrade the defense relationship by simplifying technology transfer policies and exploring possibilities of co-development and co-production of defense systems to invest the defense relationship with strategic value. A Joint Declaration on Defence Cooperation highlighted the deepening of Indo-US relations was issued in 2013. Both countries also continue to engage under several bilateral institutional mechanisms, which include Defence Policy Group (DPG), Defence Joint Working Group (DJWG), Defence Procurement and Production Group (DPPG), Senior Technology Security Group (STSG), Joint Technical Group (JTG), Military Cooperation Group (MCG), and Service-to-Service Executive Steering Groups (ESGs). India and United States are making efforts to transform defence ties to pursue opportunities for technological collaboration in the field of joint research and co-production of major defence equipment.

Counter-terrorism:

Cooperation in counter-terrorism has seen considerable progress with intelligence sharing, information exchange, operational cooperation, counter-terrorism technology and equipment. A new India-US Counter-Terrorism Cooperation Initiative was signed in 2010 to expand collaboration on counter-terrorism, information sharing and capacity building. Separately functional level cooperation on counter-terrorism is being pursued through a Joint Working Group (JWG) on Counter Terrorism that was established in January 2000 and the Homeland Security Dialogue, which was announced during President Obama's visit to India in November 2010 to further deepen operational cooperation, counter-terrorism technology transfers and capacity building. The U.S. Secretary of Homeland Security Janet Napolitano visited India in May 2011 to hold the first round of this dialogue. The second meeting of this Dialogue was held in May 2013 in Washington D.C. The Dialogue reviewed engagement in each of the Homeland Security Dialogue Sub-Groups, namely: (a) Megacities Policing; (b) Combating Illicit Finance, Bulk Cash Smuggling, and Counterfeiting; (c) Cyber-security and Critical Infrastructure Protection; (d) Port, Border, Maritime, Transportation and Supply Chain Security; (e) Science and Technology Cooperation; and (f) Capacity Building. In December 2013, India-U.S Police Chief Conference on homeland security was organized in New Delhi.

Strategic Consultations:

India and U.S. have intensified and expanded their strategic consultations in recent years with dialogues covering East Asia, Central Asia and West Asia. The two sides have agreed on strategic consultations covering Latin America, Africa and the Indian Ocean Region. India and the U.S. have a trilateral with Japan (fifth meeting took place in Tokyo in November 2013) and a trilateral with Afghanistan (last meeting held in 2013).

Strategic security related issues:

Matters relating to international security and disarmament, multilateral export control regimes are reviewed under the Strategic Security Dialogue, which last met in December 2013. Issues relating to high-technology trade are discussed in the India-U.S. High Technology Cooperation Group (HTCG).

Trade and Economic:

Total bilateral trade in goods touched USD 63.7 billion in 2013, registering growth of about 1.7% over the last year. Indian exports accounted for USD 41.8 billion; whereas, US exports stood at USD 21.9 billion. The merchandise trade in first three months (January to March) of 2014 was USD 15.26 billion, growing at 2.94% over the same period last year. Total trade in services in 2011 (the last year for which the complete data is available) was USD 54.42 billion, registering a growth rate of 16.12%. In 2011, India's exports to the United States reached USD 26.80 billion, and US exports to India accounted for USD 27.62 billion. There are several dialogue mechanisms to strengthen bilateral engagement on economic and trade issues, including a Ministerial Trade Policy Forum (TPF) and a Ministerial level Economic and Financial Partnership. The last Meeting of India- U.S. Financial and Economic Partnership was held in Washington in October 2013. India and U.S. are negotiating a Bilateral Investment Treaty (BIT).

As part of the Economic Dialogue, a Commercial Dialogue has been set up to cover (a) Trade Defence Measures (b) Small and Medium Enterprises and (c) capacity building on Intellectual Property Rights (IPRs). In April 2014, both sides have extended the India-US Commercial Dialogue for another two years, until March 2016. For greater involvement of private sector in discussion on issues involving trade and investment the bilateral India-US CEO's Forum was reconstituted in 2009. The last round of the reconstituted CEOs' Forum was held in July 2013 in Washington D.C. Separately a Private Sector Advisory Group (PSAG) has been created consisting of prominent Indian and international trade experts to provide strategic recommendations and insights to the US-India Trade Policy Forum. An MoU on agricultural cooperation and food security was initialed in 2009, which replaced the India-US Agriculture Knowledge Initiative.

Mutual Investments:

U.S. is the fifth largest source of foreign direct investments into India. As per the official statistics of March, 2014, the cumulative FDI inflows from the US from April 2000 to March 2014 amounted to about \$ 11.92 billion constituting nearly 5.48 % of the total FDI into India. During the financial year 2013-14 (from April 2013 to March 2014), the FDI inflows from US into India were \$ 806 million contributing 6% of the total FDI inflow during this period. In recent years, growing Indian investments into the US, has been a novel feature of bilateral ties. A recent study of 68 Indian companies which have invested in the US, conducted by the Confederation of Indian Industry (CII), has found that these companies invested nearly US \$ 17 billion in the US; and, about one-third of the companies actively engage in Research and Development (R&D), having spent over US \$ 340 million in R&D activities, thus contributing to innovation in this country.

Energy:

The U.S.-India Energy Dialogue was launched on May 31, 2005 to promote increased trade and investment in the energy sector. Five working groups have been set up under the initiative in areas, e.g., oil & gas, coal, power and energy efficiency, new technologies & renewable energy and civil nuclear co-operation. Another working group on 'sustainable development' has been added recently. The last meeting of the working groups and of the Dialogue took place in March, 2014 in New Delhi. In a positive development, the US Department of Energy (DoE) has so far given its approval for export of LNG from seven liquefaction terminals, set up by various companies in the US, to countries with which the US does not have a free trade agreement (FTA) - with two of these five terminals, the Indian public sector entity, Gas Authority of India Limited (GAIL) has off-take agreements, totaling nearly 6 million metric tonnes per annum (MTPA). These terminals are expected to be complete and in a position to export cargoes by late 2016/early 2017.

Clean Energy:

As a priority initiative under the PACE, the U.S. Department of Energy (DOE) and the Government of India signed an agreement to establish the Joint Clean Energy Research and Development Center (JCERDC) in November, 2010. The JCERDC is a bilateral initiative designed specifically to promote clean energy innovations initiative by teams of scientists from India and the United States, with a total joint committed funding from both Governments of US \$ 50 million. The Center has funded three research projects, in the areas of solar energy, second generation bio-fuels and energy efficiency of buildings.

Education:

Under the Singh-Obama Knowledge Initiative launched in 2009, cooperation in education sector has been made an integral part of the strategic partnership between the two countries. The India-U.S. Higher Education Summit that was held in October 2011 in Washington, followed by the Higher Education Dialogues in June, 2012 and June 2013, have laid out the road map for promoting strategic institutional partnerships, deepening collaboration in research and development, fostering partnerships in vocational education and focusing on junior faculty development. As part of this vision, eight joint India U.S. research projects were awarded in 2012, and additional eight in 2013. Moreover, 126 junior faculty have been selected for being deputed to the United States (under the Raman fellowship program of the University Grants Commission [UGC]) for placement in post-doctoral research programs. The Fulbright program was renewed in 2008 as the Nehru-Fulbright Program, with enhanced mandate and joint funding, to provide more student and scholar exchange grants. As per the Open Doors 2013 study of the International Institute of Education (IIE), there are 96,754 students of Indian origin studying in the United States presently, which is the second largest international group comprising 12% of the total in that category.

Regulations have been liberalized to allow twinning arrangements for faculty exchange and other collaborations between universities on both sides. An Memorandum of Understanding (MoU) was signed between All India Council for Technical Education (AICTE) and the American Association of Community Colleges (AACC) in June, 2013, for co-operation between the two sides in setting up community colleges in India. Finally, given India's population and geographic spread, India proposes to forge collaborations with U.S. Institutions in the area of Technology Enabled Learning and Massive Open On-line Courses (MOOCs) to extend the reach of education. An MoU was signed in June 2013, between IIT Bombay and edX for collaboration in spreading the use of MOOCs in India.

Space:

The two sides have had long history of cooperation in Civil Space arena. A bilateral Joint Working Group on Civil Space Cooperation has been established as a forum for discussions on joint activities in space. The Group had its fourth meeting in Washington DC from 21-22 March 2013. Both the sides have agreed to continue and expand their joint activities in the area of civil space cooperation. Major areas include: (i) exchange of scientists; (ii) OCM2, INSAT3D collaboration; (iii) Cooperation on Mars mission; (iv) nano-satellites; (v) carbon /ecosystem monitoring and modeling; (vi) feasibility of collaboration in radio occultation; (vii) Earth Science Cooperation; (viii) international space station; (ix) global navigation satellite systems; (x) L&S band SAR; (xi) space exploration cooperation; (xii) space debris mediation. NASA and ISRO signed an agreement for activities related to India's Mars Orbiter Mission.

Science & Technology (S&T):

The India-U.S. S&T multi-faceted cooperation has been steadily growing under the framework of U.S.-India Science and Technology Cooperation Agreement signed in October 2005. Subsequently, it was decided to setup an Indo-U.S. Science & Technology Joint Commission, co-chaired by the Science Advisor to U.S. President & Minister of S&T, India. The Joint Commission has developed an action plan for 2012-2014 that includes joint projects, joint workshops, exchange visits of scientists, and establishment of virtual networking in various disciplines such as basic and applied sciences; atmospheric, environmental and earth sciences; health and medical sciences; data sharing; science, technology, engineering, and mathematics education; innovation; and women in science. U.S.A will be the partner country at forthcoming Technology Summit 2014 at New Delhi.

In 2000, both the governments endowed the India-U.S. Science & Technology Forum (IUSSTF) to facilitate mutually beneficial bilateral cooperation in science, engineering, and health. Over the past decade, the IUSSTF has facilitated more than 12,000 interactions between Indian and U.S. scientists, supported over 250 bilateral workshops and established over 30 joint research centers. The U.S.-India Science & Technology Endowment Fund, established in 2009, under the Science and Technology Endowment Board (STEB) promote commercialization of jointly developed innovative technologies with the potential for positive societal impact.

Millennium Alliance (MA), a joint initiative between USAID and the Federation of Indian Chambers of Commerce and Industry (FICCI), is working to identify, support, and scale innovative, game-changing, and cost-effective solutions to developmental challenges in India. Collaboration between the Ministry of Earth Sciences (MoES) and US National Oceanographic and Atmospheric Administration (NOAA) has been strengthened under the 2008 MOU on Earth Observations and Earth Sciences. Under the 2010 U.S.-India Agricultural Dialogue, a "monsoon desk" at the U.S. National Centers for Environmental Prediction (NCEP) has been established. Under NSF and MoES collaboration, the "JOIDES Resolution Program" will conduct deep ocean seabed core sample drilling in the Arabian Sea/Indian Ocean and research to shed light on global climate change and variations in the Indian region. India's contribution of \$250 million towards Thirty-Meter Telescope (TMT) Project and Indian Initiative in Gravitational Observations (IndiGO) with U.S. LIGO Laboratory are examples of joint collaboration to create a world-class research facilities.

Health Sector:

Under the U.S.-India Health Initiative signed in 2010, four working groups have been organized in the areas of Non-Communicable Diseases, Infectious Diseases,

Strengthening Health Systems and Services, and Maternal and Child Health. In order to build up the disease surveillance and epidemiological capacity in India, Global Disease Detection-India Centre has been established in 2010, which is now fully operational with an Epidemic Intelligence Service (EIS) program launched in Oct 2012. U.S. National Institutes of Health (NIH), the Indian Council of Medical Research, and India's Department of Biotechnology have developed a robust relationship in the biomedical and behavioral health sciences, research related to HIV/AIDS, infectious diseases, diabetes, cardiovascular diseases, eye disease, hearing disorders, mental health, and low-cost medical technologies. In June, 2012, the United States, India, and Ethiopia, in collaboration with UNICEF, hosted the Child Survival Call to Action event in Washington, D.C. to mobilize the world to achieve the ambitious yet achievable goal of reducing all preventable child deaths by 2035. Subsequent to the meeting in Jun 2012 between Secretary US Department of Health & Human Services and Minister Health Govt. of India, various programs on Low Cost Diagnostics and to deal with scourge of Diabetics were initiated.

People to people ties:

The Indian American community is an important ethnic group in the United States of America, having a population of more than 3 million, which consists approximately 1% of the total US population. Indian American community includes a large number of professionals, business entrepreneurs and educationalists with increasing sphere of influence in the society. With two Indian Americans occupying high level posts of Governor and several representatives of the people, the Indian Diaspora has assimilated into their adopted country and is acting as a catalyst to forge closer and stronger ties between India and USA.

Cultural cooperation:

Between India and the U.S. has rich and varied channels. Apart from the India-focused educational programs at the Universities and educational institutions, there are hundreds of private schools, which teach Indian cultural arts. Apart from the website 'www.indianembassy.org' and social media channels, the Embassy provides updated information on various aspects of India that are relevant to the United States, through its various publications, including "India: Partner in Growth", a weekly newsletter focusing on business and strategic matters, "India Media Digest", a fortnightly newsletter providing overall developments in India, and "India Review", a monthly magazine focusing on initiatives of the Embassy and the Consulates, major developments in India, and culture and tourism.

The Embassy, in collaboration with the Indian American Community and cultural organizations caters to the demand to the extent possible. These activities are grouped in to Reading India Series (featuring events related to Indian authors and writings,

Performing Indian Series (featuring music, dance and theatre), Beholding India Series (film screening, art and photo exhibitions), Understanding India Series (featuring lectures on comprehensive and cross-sectional views of India), and Young India Series (cultural events catering specifically to younger audience).

Media:

Indian media is based in the U.S. in a marked way, including PTI, IANS, Times of India, The Hindu, The Hindustan Times, Outlook, Telegraph, Pioneer and other Indian media organizations, which have correspondents based in Washington D.C. and other major cities. The TV channels represented in the U.S. include NDTV, Times Now, CNN-IBN and Asia TV. Reflecting the growing relevance of Internet based information dissemination, correspondents from websites like Rediff.com, Firstpost.com based here also cover the India-U.S. relations.

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