INDIA - SWEDEN RELATIONS

The ties between India and Sweden were established in 1949, based on the strong foundation of shared democratic values. High level contacts between the two countries go back to 1957 when Prime Minister Jawaharlal Nehru visited Sweden. The most recent high level visit was the first-ever State Visit by the President of India, which has taken the relationship to new heights. From the Swedish side the most recent Head of State/Government visit is that of former Prime Minister Fredrik Reinfeldt in November 2009 for the India-EU Summit and bilateral talks. Besides, a number of bilateral Ministerial visits have taken place in the last five years which have promoted cooperation in a number of important areas. Parliamentary contacts have also gathered momentum, adding further substance to the relations between the two democracies.

Mutual economic interests have emerged as the driver of the relationship. Bilateral trade crossed US$2 billion in 2009-10. It stood at nearly US$2.5 billion in 2014-15. During the visit of President of India in May-June, 2015, both sides agreed to reach the ambitious target of US$ 5 billion by 2017. Most of the major Swedish companies entered India decades ago but in recent years their investments have increased and Indian companies have also begun to invest in Sweden. There is significant potential for enhancing bilateral collaboration in key areas like green technologies, renewable energy, smart infrastructure, healthcare and defence.

Political Relations

President of India Shri Pranab Mukherjee paid a landmark visit to Sweden from May 31 to June 2, 2015. His delegation, inter alia, included the Minister of State for Chemicals and Fertilizers, Shri Hansraj Gangaram Ahir and other senior MPs. He was also accompanied by high-level educational and business delegations comprising several Vice Chancellors and Directors of leading Indian Universities and representatives of about 35 Indian companies. Apart from interacting with the Royal family, the President also met the Swedish Speaker and the Prime Minister. The President had a closed-door Round Table with CEOs of major Swedish companies and addressed a large gathering on the subject of "India-Sweden Partnership – Co-creating a Brighter Future". He also gave a public address at the Uppsala University on ‘Tagore & Gandhi: Contemporary Relevance for Global Peace’. Six intergovernmental Agreements/MOUs in important areas including sustainable development and 15 agreements between educational institutions were signed during the visit.

The momentum which this Presidential visit imparted to India-Sweden relations was maintained by the visit of Prime Minister Stefan Löfven to India from February 13-14, 2016 for the ‘Make in India’ Week in Mumbai. He was accompanied, among others, by State Secretary in PMO, Hans Dahlgren, State Secretary in the Ministry of Defence Jan Salestrand and State Secretary in the Ministry of Enterprise and Innovation Oscar Stenström and a large business delegation. He met Prime Minister Narendra Modi on February 13. The Joint Statement issued after the meeting, inter alia, identified defence, infrastructure, urban development, education, S&T, environment, health and space sectors for further cooperation. The two Prime Ministers endorsed the creation of an India-Sweden Business Leader Round Table. They also agreed that a new Joint Working Group would be established on Digital Technologies and Economy. Prime Minister Löfven gave an address at the inauguration of the Make in India Week. He, along with Finance Minister Arun Jaitley,
addressed the inaugural session of the Sweden-India Business Leaders’ Round Table on February 14. He also met the Chief Minister of Maharashtra. State Secretary for Enterprise & Innovation Oscar Stenström and members of the Swedish business delegation had meetings with the Minister of Communications & Information Technology Ravi Shankar Prasad, the Minister for Road Transport, Highways & Shipping Nitin Gadkari and the Minister for Heavy Industries & Public Enterprises Anant Geete on February 14 and 15. The State Secretary for Defence Jan Salestrand had a meeting with the Minister for Defence Manohar Parrikar on February 15. A Memorandum of Understanding for cooperation in Railways was signed on February 16.

Several other important high-level contacts cemented bilateral ties in 2015. Prime Minister Narendra Modi and Swedish Prime Minister Stefan Löfven met in New York on September 25, 2015 on the sidelines of the UN General Assembly. Minister of State for External Affairs Gen (Dr.) V.K. Singh met Foreign Minister of Sweden Ms. Margot Wallström in Luxembourg in November on the sidelines of ASEM Foreign Ministers’ Meeting.


Recent years have witnessed active Ministerial exchanges. From the Swedish side, in 2015 the Minister for Infrastructure Anna Johansson visited India (in March) and the State Secretary in the Prime Minister's Office Mr. Hans Dahlgren (in April) and the Swedish Defence Minister Mr. Peter Hulquist (in June). State Secretary in Prime Minister’s Office Mr. Hans Dahlgren visited India again in October 2015 for the first round of the revived Strategic Dialogue with the Indian National Security Advisor. Ms. Ann Linde, State Secretary for Home Affairs and member of the delegation led by Mr. Dahlgren, called on the MoS for Home Affairs, Mr. Kiren Rijiju, on October 6. The most recent Ministerial visit from Sweden was that of Mr. Mehmet Kaplan, Minister of Housing, Urban Development & Information Technology who visited India from October 13 to 18, 2015. He met the Indian Minister of Urban Development, Housing & Poverty Alleviation as well as the Minister for Communications & Information Technology. The Ministers agreed on the following priority areas for bilateral cooperation between: public transport, municipal waste management and digitalization. They also agreed to identify specific projects for promoting sustainable urban development in India. Minister Kaplan also visited Mumbai where an MoU was signed between Maharashtra and Sweden on Smart Cities whereby Sweden will provide infrastructure to transform cities into ‘Symbiocities’ having economic, ecological, social and sustainable development. In 2014, the Swedish Minister for Healthcare, Public Health and Sports, Mr. Gabriel Wikström, visited India in November. In 2013, State Secretary (equivalent to Deputy Minister) for Foreign Trade Mr. Gunnar Oom and State Secretary for Enterprise and Energy Mr. Daniel Johansson visited India in February and April respectively. Swedish Deputy Prime Minister and Minister for Education, Mr. Jan Björklund accompanied by a large delegation consisting of State Secretary in the Prime Minister’s office as well as other senior officials visited India in May. Mr. Peter Norman, Minister for Financial Markets visited India in October. Foreign Minister Mr. Carl Bildt visited India in November to attend the ASEM Meeting.
From the Indian side, in 2015, the Minister for Women & Child Development Ms Maneka Gandhi visited Stockholm in May. Besides meeting her counterpart, she inaugurated the Indian cultural festival ‘Namaste Stockholm’ and participated in conferences related to Gender and to Travel. There were many important visits from states including delegations led by (i) Mr. Devendra Fadnavis, the Chief Minister of Maharashtra in April 2015, (ii) Dr. Raghuram Rajan, Governor of the Reserve Bank of India visited Stockholm on June 24 to give the Keynote address at the macro-prudential policy conference organised by the Riksbank, the Central Bank of Sweden, (iii) Mr. Satyendar Kumar Jain, Minister of Health, Home, Power, PWD and Industries visited of Delhi in October and (iv) Dr. Rajiv Sharma, Chief Secretary of Telangana, also in October. In 2014, a delegation from Karnataka led by Additional Chief Secretary Ms. K. Ratnaprabha paid a study visit to Sweden. In 2013, Minister of State for Corporate Affairs Shri Sachin Pilot and Minister of State for Power Shri J. M. Scindia visited Sweden in April and May, respectively; Minister of Health and Family Welfare Shri Gulam Nabi Azad in May and Minister of State for External Affairs Mrs. Preneet Kaur in June.

The first ever India Friendship Group was set up in Swedish Parliament in February 2006. A six-member delegation from this Group visited in September 2013. The Friendship Group has been reconstituted in 2015.

A number of bilateral Institutional Dialogue Mechanisms and Agreements are in place to foster cooperation in different areas. These include Avoidance of Double Taxation Agreement and Bilateral Protection Agreement (BIPA) which provides the necessary umbrella for close economic collaboration. Another important MOU is on Cooperation in the field of Healthcare and Public Health signed in February 2009 which provides mutually beneficial interaction between concerned agencies on both sides. There are also MOUs in the key areas of defence, environment, science & Technology, health and renewable energy. Regular meetings are held to review and foster cooperation in these areas. A Bilateral Social Security Agreement was signed on November 26, 2012. Six new intergovernmental Agreements/MOUs were signed during the Presidential visit pertaining to Sustainable Urban Development; Micro, Small and Medium Enterprises; Visa Exemption for Diplomatic Passports; Polar and Ocean Research; Ageing and Health; and Pharmaceutical products.

The leading institutional mechanism of inter-Governmental dialogue between India and Sweden is the Joint Economic Commission (JEC) at the level of the Ministers of Commerce and Industry. The last round (17th) was held in Stockholm on January 30, 2015, which was chaired by Mr. Amitabh Kant, Secretary, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry on the Indian side and Mr. Oscar Stenström, State Secretary in Ministry of Enterprise, on the Swedish side.

The first India-Sweden Joint Working Group Meeting under the MoU on Sustainable Urban Development was held in New Delhi from October 14-17, 2015. The JWG meeting concluded with a discussion of possible areas of common interest, major investment and technological transfers for the two countries. Accordingly, the areas of solid and liquid waste management, urban mobility, digital urban management and partnering in the smart city mission came forth as key sectors.

There is a mechanism for regular dialogue between the two Foreign Ministries through Foreign Office Consultations. The fifth round was held in Stockholm on April
26, 2013, chaired by the State Secretary in the Ministry of Foreign Affairs, Mr. Frank Belfrage, and Shri Sudhir Vyas, Secretary (West).

**Strategic & Defence Cooperation**

An MoU for Defence Cooperation was signed in 2009 and the Joint Working group established under it meets regularly. The 5th meeting was held in New Delhi on September 29-30, 2015. In their meeting in New Delhi in June 2015, the Swedish Defence Minister and the Indian Defence Minister noted the scope for further enhancing bilateral defence cooperation. The Swedish side expressed its willingness to work with India under ‘Make in India’ initiative and to pursue defence equipment cooperation. The Strategic Dialogue between the two countries was revived during the Presidential visit to Sweden and State Secretary in Prime Minister’s Office Mr. Hans Dahlgren visited India in October 2015 for the first round of Strategic Dialogue with the Indian National Security Advisor.

**Economic & Commercial relations**

Bilateral trade grew steadily till 2011-12. It declined a little thereafter but has again begun to rise and stands at almost US$2.5 billion in 2014-15. India is Sweden’s 19th largest export market and third largest trade partner after China and Japan in Asia. The main Swedish exports to India are pharmaceuticals, paper & pulp products, chemicals, engineering products and telecom equipment. The main items of Indian exports are chemical products, food products, and semi manufactured and manufactured goods. Recent trade figures are tabulated below:

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<tr>
<td>India’s Exports to Sweden</td>
<td>476.7</td>
<td>615.7</td>
<td>825.00</td>
<td>686.1</td>
<td>733.4</td>
<td>740.5</td>
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<tr>
<td>India’s Imports from Sweden</td>
<td>1590.1</td>
<td>1619.4</td>
<td>1992.00</td>
<td>1681.4</td>
<td>1679.5</td>
<td>1748.0</td>
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<tr>
<td>Total</td>
<td>2066.8</td>
<td>2235.1</td>
<td>2817.00</td>
<td>2367.5</td>
<td>2412.9</td>
<td>2488.5</td>
<td>1142.30</td>
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**Source:** Department of Commerce, India. Figures in US $ million and year refer to financial year i.e April-March

According to the International Trade Centre, Indian service exports to Sweden were US$778 million and Swedish service exports to India were US$611 million in 2013.

Many Indian IT companies have opened representative offices in Sweden. Indian Pharma and Biotech companies are also present. Aditya Birla Group, Wipro and Bharat Forge are among the other major Indian investors in Sweden. According to rough estimates, the cumulative Indian investment in Sweden is in the range of US$700-800 million.

Many Swedish companies such as Ericsson, Swedish Match (WIMCO), SKF and ASEA (later to become ABB) came to India even before it became independent. Since then numerous other Swedish companies like Atlas Copco, Sandvik, Alfa Laval, Volvo, Astra Zeneca, SAAB, etc., have invested in India. Other leading Swedish MNCs such as transport solution provider Scania, the hygiene and forest products company SCA and retail giants IKEA and H&M are among the more recent
entrants. At present there are over 170 Swedish joint ventures wholly owned subsidiaries in India and according to Swedish Statistics, the size of investment is about one billion USD (2014).

**Cultural & Educational Relations**

Indian music, dance, art, literature, films and cuisine are widely appreciated in Sweden. In the absence of a Cultural Exchange Agreement between the two countries, cultural ties are promoted mainly by local associations and by the Embassy with the support of the Indian Council of Cultural Relations.

The establishment of Chairs on India Studies at major Swedish Universities – Lund (now discontinued), Gothenburg and Uppsala – have given an impetus to the academic interest in India. Several Swedish universities have established links with Indian educational institutions and regularly send students to India for different programmes. Many Indian students study in Swedish Universities. However, the number has declined after fees were introduced for non-EU foreign students in 2011.

**Indian Community**

As per latest statistics, there are about 9,000 persons of Indian origin, including 5,003 PIO/OCI card holders, and 10,406 Indian passport holders are living in Sweden. They are working in the academic/professional fields or in business/trading.

**Useful Resources:**

Embassy of India, Stockholm website: [www.indianembassy.se](http://www.indianembassy.se)
Embassy of India, Stockholm, Facebook: [https://www.facebook.com/EmbassyofIndiaSweden](https://www.facebook.com/EmbassyofIndiaSweden)
Embassy of India, Stockholm, Twitter: [https://twitter.com/eoistockholm](https://twitter.com/eoistockholm)
Embassy of India, Stockholm Youtube: [https://www.youtube.com/user/eoistockholmsweden](https://www.youtube.com/user/eoistockholmsweden)

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January 2016