

# INTERNATIONAL RELATIONS

PART-05

INDIA'S RELATIONS WITH

ASIA

CENTRAL, EAST & WEST

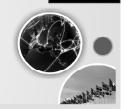
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# INTERNATIONAL RELATIONS



### **CENTRAL ASIA**

### India - Kazakhstan Relations

In modern times, Pandit Nehru along with Indira Gandhi visited Almaty in 1955. Diplomatic relations were established in February 1992. India was the first country outside CIS region visited by President Nazarbayev after independence of Kazakhstan. This visit in 1992 was followed by the visit of Prime Minister of India Shri Narsimha Rao in 1993 which gave impetus to India-Kazakhstan relations. President Nazarbayev also visited India in December, 1996, February, 2002 and January 2009. In Jan 2009 he was the Chief Guest at India's Republic Day celebrations. Vice President of India Sh. KR Narayanan visited Kazakhstan in September, 1996 and Indian Prime Minister Shri Atal Bihari Vajpayee visited Kazakhstan in June, 2002.

Vice President of India Shri Hamid Ansari visited Kazakhstan on 6-10th April, 2008.

EAM Shri S.M. Krishna visited Kazakhstan on 11th-13th May, 2010. Prime Minister Manmohan Singh visited Astana on 15-16 April 2011. During the visit, several Agreements were signed.

### Important among them were

- (i) Agreement between ONGC Videsh Limited and Kazmunaigas on Satpayev Exploration Block.
- (ii) Agreement for Cooperation in the Peaceful Uses of Atomic Energy, and
- (iii) Joint Action Plan for furthering Strategic Partnership between India and Kazakhstan.

Mr Rajeev Kher, Secretary Commerce led an officialcum- business delegation for participation in the "India Show-2014" held in Almaty from 27-30 March 2014. Representatives of over 150 Indian companies participation in the "India Show" which included trade exhibition, B2B & B2C meetings and cultural evening.

India and Kazakhstan actively cooperate under

the aegis of Multilateral Fora including CICA, SCO and the UN organizations. India has been a consistent supporter of Conference on Interaction and Confidence-Building Measures in Asia (CICA) and is actively participating in the process.

India was admitted as Observer in the SCO Summit held in July 2005 in Astana. Kazakhstan is supportive of India's permanent membership to UNSC.

Trade between India and Kazakhstan do not match the existing vast potential in this field. Bilateral trade in 2013 was USD 676.91 million in comparison to USD 525.15 million in 2012. Major commodities of export from India to Kazakhstan are Tea, Pharmaceuticals, Medical equipments, Machinery, Tobacco, Valves and Consumer Items etc. Major items of import by India are asbestos, soft wheat, steel, aluminium, wool and raw hides.

**INDIA SHOW-2014".** The India Show was held in Almaty from 27-30 March 2014, where over 140 Indian companies and PSU's representing diverse sectors such as manufacturing, engineering products, mechanical equipments.

A fresh impetus to bilateral trade and commercial relations was given as a result of the visit of President Nazarbayev to India in January 2009. An agreement between ONGC Videsh Ltd. and KazMunaiGaz on Satpayev oil block and MoU between NPCIL and Kazatomprom envisaging cooperation including supply of uranium to India among others was signed during the visit. A memorandum of understanding for cooperation in the field of Space; extradition treaty between both countries and the protocol on the accession of Kazakhstan to WTO was also signed during the visit.

Kazakhstan and India cooperate with each other under International North South

### Transport Corridor Project.

### **Current Indian Participation in Kazakhstan**

- I. KEC (laying Transmission Lines)
- II. Punjab National Bank (4 operational



- branches, first PSU bank having wholly | should they experience a disruption. owned operations in the region)
- Satpayev Block of Caspian Sea)
- IV. 3i-infotech Limited (offering business | solutions)
- V. Dr Reddy's (distributor office in Almaty)
- VI. C-ahead (business solutions)

Indian Cultural Centre conducts classes in Yoga, I Hindi and Kathak dances.

India trains specialists and scholars from | Kazakhstan in various fields under ITEC program sponsored by Ministry of External Affairs, and under the ICCR Scholarship programmes for international students. Since 1992 more than 750 specialists have I published by The Diplomat, Kazakh foreign minister undergone training under ITEC and more than 160 students have studied in India under ICCR | programme.

There are about 3000 NRIs in the whole of Kazakhstan. Most of the NRIs are in the private sector (oil exploration, downstream industries, steel and IT) and business (tea, pharmaceuticals etc).

### Civil Nuclear Deal: Signed 2011

which is Central Asia's largest economy and the world's largest producer of uranium, agreed to supply India with 5,000 metric tons of nuclear fuel in the 2015-2019 period. Between 2010 and 2014, Kazakhstan supplied India with 2,100 metric tons of uranium.

The increase in uranium supply is a boon to Modi's energy plans. India, which has increasingly faced an energy-deficit, dealing with blackouts and leaning heavily on coal has begun to focus on building up its nuclear power capabilities in recent years. India has seven nuclear power plants, which operate a total of 21 nuclear reactors. Six more nuclear reactors are under construction. India's aim is to supply a quarter of its electricity from nuclear power by 2050, an ambitious goal. Last summer, I Modi directed the Department of Atomic Energy to triple India's nuclear capacity to 17 GWe by 2024.

Kazakhstan produces 38 percent of the world's uranium–22,451 metric tons in 2013–more than the next three top producers combined (Canada, Australia, and Niger). The country is also set to host the International Atomic Energy Agency's lowenriched uranium (LEU)bank, a facility which will stockpile LEU, used in civilian nuclear power reactors, in order to assure supply to members

While Kazakhstan is decidedly rich in nuclear III. ONGC Videsh Limited (25% stake in | materials, it has distinguished itself as a firm proponent of nonproliferation and peaceful use of civilian nuclear power. In 1991, when the Soviet Union dissolved, newly-independent Kazakhstan inherited a sizable stockpile of Soviet nuclear weapons-the world's fourth largest at the time. The Semipalatinsk test site, also called the Polygon and located on the Kazakh steppe, had been the scene of more than 450 nuclear tests over four decade of Soviet control. In the 1990s Kazakhstan worked to repatriate the weapons, and was declared nuclearfree in 1995. Twenty years later, in an article Erlan Idrissov said "This history explains the determination of Kazakhstan and its citizens to campaign for a permanent end to nuclear testing and, in the long run, a nuclear weapon-free world."

India and Kazakhstan also made a number of other agreements during Modi's visit, covering cooperation, military coordination counterterrorism, and range of economic and During Narendra Modi visit in July 2015, Kazakhstan | business deals. The uranium supply agreement, between Kazakhstan's state nuclear energy supplier Kazatomprom and India's Department of Atomic Energy, is just a small part of increasing cooperation between the two countries. (The Diplomat, 9 Jul 2015)

> List of Agreements signed during the Visit of Prime Minister to Kazakhstan (7-8 July, 2015) July 08, 2015.

- ١. Agreement on Transfer of Sentenced Persons
- II. Agreement on Defence and Military -Technical Cooperation between Republic of India and Republic of Kazakhstan.
- III. Memorandum of Understanding between Ministry of Youth Affairs and Sports of Republic of India and Ministry of Culture and Sports of Republic of IV. Kazakhstan on Cooperation on Physical Cultural and Sports.
- IV. Memorandum of Understanding between Ministry of Railways of Republic of India and the Kazakhstan Temir Zholy of Republic of Kazakhstan on Technical Cooperation in the field of Railways
- Long term contract between Department of Atomic Energy of Republic of India and JSC



National atomic company "KazAtomProm' | for sale and purchase of natural uranium concentrates

### India-Tajakistan Relations

President Pratibha Devisingh Patil paid a state visit to Tajikistan in September 2009. President Rahmon visited India from 1 to 4 September 2012 (earlier in 1995, 1999, 2001 and 2006). India and Tajikistan elevated bilateral relations to the level of a "Strategic Partnership", encompassing cooperation in a wide spectrum of areas, including political, economic, education, health, human resource development, defence, counter-terrorism, science and technology, | laboratories; an Entrepreneurship Development culture and tourism.

Vice President of India Shri Hamid Ansari paid an official visit to Tajikistan from 14 to 17 April, 2013. During the visit, he announced the setting up of a Centre for IT Excellence with a super computer at the Tajik Technical University.

To overcome a crisis caused by unprecedented harsh winter in January-February 2008, India gave a grant of US \$ 2 million (US \$ 1 million as cash assistance and US\$ 1 million in kind like power cables, generators and pump sets). In June 2009, US \$ 200,000 cash assistance was given by India to overcome damage caused by floods in April-May 2009.

Recently, Govt. of India gifted a high quality ambulance to the Governor of Khorog city.

Project Assistance: (1) In 1995, India extended a credit line of US \$ 5 million to the Government of Tajikistan to set up a Joint Venture with a private Indian company "Ajanta Pharma" for production of pharmaceuticals. The Joint venture, "Tajik Ajanta Pharma" could not function due to the inability of Tajik side to provide working capital. The Government of India converted the principal amount along with the accrued interest of US\$ 3.37 million into a grant during the visit of Prime Minister of India in November 2003. (2) With a grant of US\$ 0.6 million, a Fruit Processing Plant was established in 2005. (3) With a grant of US\$ 0.6 million, an Information and Technology Centre (Bedil Centre) was commissioned in 2006. (4) Under a grant of US\$ 0.75 million, India set up a Modern Engineering Workshop which was commissioned it in June 2011.

Private investments and projects: Indian private investments in Tajikistan include a 5 star hotel being constructed by CHL. An Indian company KEC/RPG completed the construction of 116 km long power transmission line from Sangtuda-1 Hydropower plant to the Afghan border in October 2010. On a commercial contract, BHEL supplied a 7 MW generator to Tajik company "Pamir Energy" and this project was completed in 2011.

New Package of Assistance: During the visit of President Rahmon to India from 1 to 4 September 2012, India, as part of its ongoing developmental | partnership with Tajikistan, announced new development projects including: an IT Centre of excellence; an e-network, including tele-education and tele-medicine; medical centres; language Institute; supply of agricultural machinery.

India's support to Tajikistan's accession to WTO: On 3 August 2012, Mr. Sharif Rahimzoda, Minister of Economic Development and Trade and Ambassador Mr. Asith Bhattacharjee signed a Protocol supporting Tajikistan's accession to the WTO. On 2 March, 2013, Tajikistan became 159th member of the World Trade Organization (WTO).

2012-13: Total 48.02 M Imp 12.86 Exp 35.16 2013-14: 55.13 M, Imp .86 Expo 54.27

Bilateral trade with Tajikistan is not at any significant level. Trade is hampered by the circuitous route for transportation of goods (India to Bandar Abbas by sea route, from Bandar Abbas via Turkmenistan and Uzbekistan by land). The major items of India's exports are pharmaceuticals, tea, coffee, chemicals, textiles & clothing and machinery and the major imports are aluminum, cotton, dry fruits, vegetables, organic chemicals and essential oil.

### Air link:

Tajik Air started a weekly Dushanbe-Delhi direct flight from 6 July 2012.

### **Cultural:**

ICCR's Cultural Center (India Cultural Center- ICC) attached to the Embassy was officially inaugurated on 30th June 2003. ICCR has deputed a Kathak (dance) teacher and a Tabla teacher to the Center. Yoga classes are also conducted and these classes have become very popular. Hindi is also taught in the Centre.

### Scholarship:

Till date, 844 slots for ITEC and 296 ICCR scholarships have been utilized by Tajik candidates



to study in India. Tajikistan is one of the largest beneficiaries of the ITEC programme (ITEC training slots increased to 150 from 100 during President Rahmon's visit in September 2012).

### **Indian Community in Tajikistan:**

The total number of NRIs is estimated at 400 of which 300 are students in the Dushanbe Medical College.

### Agreements during PM Narendra Modi visit in Jul 2015

### 1. Programme of Cooperation (POC) between Ministries of Culture of India and Tajikistan in the field of Culture for the years 2016-18:

The POC envisages cooperation in the field of culture through exchange of expertise in protection, preservation and promotion of cultural heritage in both countries, exchange of information and experts and organization of cultural days in each other's countries for greater cultural understanding between the countries.

### 2. Exchange of Note Verbale (NV) on setting up of Computer Labs in 37 Schools in Tajikistan:

The Note Verbale conveys the intention of Indian side to set up computer labs in 37 schools in Tajikistan for supporting Government of Tajikistan's human resource and skill development efforts. The NV also outlines responsibilities of both sides in implementing the project.

Farkhor Air Base is a military air base located near the town of Farkhor in Tajikistan, 130 kilometers (81 mi) south east of the capital Dushanbe. It is operated by the Indian Air Force in collaboration with the Tajikistan Air Force. Farkhor is India's first and only military base outside its territory.

### India- Turkmenistan

The year 2013 marked the 21st anniversary of | The total trade between India and Turkmenistan establishment of diplomatic ties between India and 1 Turkmenistan. TAPI (Turkmenistan-Afghanistan-Pakistan- India) gas pipeline project has made steady progress since the TAPI Summit was held in Ashgabat in December 2010. This project which will elevate bilateral ties to a strategic partnership is expected to be operational in August 2017. The TAPI Technical Working Group (TWG) was held in Ashgabat on 6-7 July followed by the TAPI Steering Committee Meeting. Shri Saurabh Chandra, Secretary, Ministry of Petroleum and Natural Gas led the Indian delegation at the 18th Steering Committee Meeting of TAPI project held in Ashgabat

on July 8, 2014.

### **Political**

India enjoys close, friendly and historical ties with Turkmenistan.

'Turkman Gate' built in Delhi in 1650s bears testimony to this friendship.

Prime Minister Nehru visited Ashgabat in June 1955. India and Turkmenistan have implemented w.e.f. 1 April 2011 an Agreement on visa free entry for Diplomatic Passport holders. The 5th Inter-Governmental Commission on Trade, Economic, Scientific and Technological Cooperation is expected to be held in Ashgabat in 2014.

Major visits from India - PM Shri P.V. Narasimha Rao, 19-21 Sept 1995; EAM Shri Jaswant Singh -May 1999; MOS(EA) Shri E. Ahamed - 1-4 Oct 2006 & 14 Feb 2007; EAM Shri S.M. Krishna 18-19 Sept.2009; Minister (Communications & IT) Shri Kapil Sibal, 16-19 September 2012; Minister (P&NG) Dr. M. Veerappa Moily, 9-10 July 2013; Major visits to India - President Saparmyrat Niyazov, 18-20 April 1992 & 25-26 February 1997.

India provides ITEC training for Turkmen nationals in India. In the year 2014-15, 20 ITEC slots were offered to them. In all, since the inception of the programme for Turkmenistan in 1994, a total of 332 Turkmen nationals have been trained in various courses.

India provides ICCR Scholarships to students from Turkmenistan. 20 ICCR scholarships are offered every year. There are approximately 100 Students from Turkmenistan pursuing various courses.

### Commercial:

in the year 2012-13 stood at US \$ \$ 78.25 million; of which exports from India stood at \$ 69.92 million and Imports by India at \$8.33 registering a trade surplus of US\$ 61.59 million in India's I favour.

Major items of import from India include electronic and electrical items (LG products made in India), Machinery and woven apparel and pharmaceuticals, frozen meat and tyres. Exports to India comprises of raw cotton, raw hides and inorganic chemicals (e.g. lodine).

### Air links with Turkmenistan:

Turkmenistan Airlines operates 8 flights a week to



India – 2 direct flights to New Delhi (Friday and | Sunday) and 6 flights to Amritsar (all days except | Friday). Turkmenistan Airlines proposes to start 2 | flights a week on the Ashgabat-Goa-Ashgabat sector | in 2014.

### **Cultural relations:**

The Days of Indian Culture in Turkmenistan were held in Turkmenistan from 9-11 July 2013. A 15-member Bollywood Group led by Shri Jasvinder Singh Paras held performances in Ashgabat on 9 and 11 July and in Mary on 10 July. The Bollywood performances attracted nearly packed halls with great appreciation from the Turkmen audience.

### **Indian community in Turkmenistan:**

At present there are about 850 Indians nationals in Turkmenistan, comprising junior engineers/technicians (working in oil and gas industry) and construction workers.

### **TAPI PROJECT**

# Agreements during PM Narendra Modi visit in Jul 2015

- Memorandum of Understanding on supply of Chemical Products between the Indian Public Sector Undertaking 'Rashtriya Chemicals and Fertilizers Limited' and the Turkmen State concern 'Turkmenhimiya.'
- Memorandum of Understanding between the Foreign Service Institute of the Ministry of External Affairs of the Republic of India and the Institute of International Relations of the Ministry of Foreign Affairs of Turkmenistan.
- Agreement between the Ministry of Youth Affairs and sports of the Republic Of India and the State Committee for sport of Turkmenistan on Cooperation in the field Of sports.
- Programme of Cooperation in Science and Technology between the Government of the Republic of India and the Government of Turkmenistan for the Period of 2015-2017.
- Memorandum of Understanding between the Government of the Republic of India and the Government of Turkmenistan on Cooperation in Yoga and Traditional Medicine.
- 6. Memorandum of Understanding between the Government of the Republic of India and the Government of Turkmenistan on Cooperation in the field of Tourism.

- 7. Agreement between the Government of the Republic of India and the Government of the Republic of Turkmenistan on Cooperation in the field of Defence.
- Indo-Turkmen Joint Statements.

### TAPI Project(Aug 2015, FirstPost Article):

GAIL India Ltd will hold stake in the four-nation company being set up to build the Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline as global firms have so far shunned the USD 7.6 billion project.

The four nations planning the TAPI pipeline last week decided to co-own the project and a joint venture company with participation from each country would be set up to build and operate the over 1,800 km line.

"Turkmenistan's state-owned TurkmenGaz has said it will be the leader of the consortium and will take a minimum 51 per cent stake." The work on TAPI pipeline is yet to commence as the four nations have not succeeded in finding a reputed international firm that could lead the consortium to construct pipeline.

Pradhan said at the 22nd Steering Committee meeting of TAPI project in Ashgabat last week it was agreed by the four nations to make investment in the project subject to techno-commercial viability, shareholders agreement and investment agreement.

GAIL will take equity from Indian side in the project consortium.

Since the four state-owned firms, including GAIL of India, neither have the financial muscle nor the experience of a cross-country line, an international company is needed to build and operate it in hostile territories of Afghanistan and Pakistan.

The TAPI pipeline will have a capacity to carry 90 million standard cubic metres a day (mmscmd) gas for a 30-year period and will be operational in 2018. India and Pakistan would get 38 mmscmd each, while the remaining 14 mmscmd will be supplied to Afghanistan.

TAPI will carry gas from Turkmenistan's Galkynysh field, better known by its previous name South Yolotan Osman that holds gas reserves of 16 trillion cubic feet.

From the field, the pipeline will run to Herat and Kandahar province of Afghanistan, before entering Pakistan. In Pakistan, it will reach Multan via Quetta before ending at Fazilka (Punjab) in India.



### **EAST ASIA**

### **India - Mongolia Relations**

India and Mongolia have interacted through the medium of Buddhism over a period of 2600 years. Establishment of diplomatic relation in 1955.

Mongolia reiterated its support to India becoming a permanent member of a reformed and expanded UNSC.

In February 1994, a Treaty of Friendly Relations and Co-operation was signed during the visit of President Ochirbat to India.

During PM visit to India in 2004, Both sides also formalized the ratification of the Extradition Treaty and the Treaty on Legal Assistance in Civil and Commercial Matters.

India and Mongolia also cooperate in the defence sector. There is India-Mongolia Joint Working Group for defence cooperation which meets annually. Sixth meeting of this Working Group was held on 21-22 November 2013 in India. Joint India-Mongolia exercise 'Nomadic Elephant' is held regularly, the last one being conducted in June 2013 in Ulaanbaatar, Mongolia. Civil Nuclear Deal: 12 Sep 2009.

A Working Group for cooperation in the field of nuclear energy has been set up between the respective agencies of the two countries i.e. the Department of Atomic Energy and the Nuclear Energy Agency of Mongolia. The second meeting of this Working Group was held in Mumbai from 10-12 December 2012.

### **Trade Relations:**

In 1996 during the visit of the then Vice President, Mr. K.R. Narayanan to Mongolia, an Agreement on Trade and Economic Cooperation between India and Mongolia was signed. The Agreement provides for MFN status to each other in respect of customs duties and all other taxes on imports and exports.

The main items of exports to Mongolia include medicines, mining machinery and auto parts, etc. Imports from Mongolia include raw wool. India-Mongolia bilateral trade figures for the last five calendar years as per Mongolian statistics are as follows:

(Table:)

ITEC Assistance: During President Elbegdorj's

visit to India, 120 slots per annum were earmarked to Mongolia under ITEC. During 2011-12, the allocation of slots under ITEC civilian training programme was increased to 150.

### **India Japan Relations**

### 1. Background:

The friendship between India and Japan has a long history rooted in spiritual affinity and strong cultural and civilizational ties. The modern nation states have carried on the positive legacy of the old association which has been strengthened by shared values of belief in democracy, individual freedom and the rule of law. Over the years, the two countries have built upon these values and created a partnership based on both principle and pragmatism. Today, India is the largest democracy in Asia and Japan the most prosperous. India's earliest documented direct contact with Japan was with the Todaiji Temple in Nara, where the consecration or eye-opening of the towering statue of lord Buddha was performed by an Indian monk, Bodhisena, in 752 AD. Among other Indians closely associated with Japan were the Hindu leader Swami Vivekananda, Nobel laureate Rabindranath Tagore, enterpreneur JRD Tata, freedom fighter Netaji Subhash Chandra Bose and Judge Radha Binod Pal. The Japan-India Association was set up in 1903, and is today the oldest international friendship body in Japan. Throughout the various phases of history since civilizational contacts between India and Japan began some 1400 years ago, the two countries have never been adversaries. Bilateral ties have been singularly free of any kind of dispute - ideological, cultural or territorial. The relationship is unique and one of mutual respect manifested in generous gestures and sentiments, and of standing by each other at times of need. Post the Second World War, India did not attend the San Francisco Conference, but decided to conclude a separate peace treaty with Japan in 1952 after its sovereignty was fully restored, marking a defining moment in the bilateral relations and setting the tone for the future. The sole dissenting voice of Judge Radha Binod Pal at the War Crimes Tribunal struck a deep chord among the Japanese public that continues to reverberate to this day.

In the first decade after diplomatic ties were established, relations between the two countries



were upbeat. Several high level exchanges took place, including Japanese Prime Minister Nobusuke | bilateral economic and strategic engagement in Kishi's visit to India in 1957, Prime Minister Nehru's return visit to Tokyo the same year (with a gift of two elephants) and President Rajendra Prasad's visit in 1958. The momentum of bilateral ties, however, was not quite sustained as per expectations in the | between the two countries are particularly striking. following decades. This is evidenced by the fact that | (i) Japan's ageing population (23% above 65 years) after Prime Minister Hayato Ikeda's visit to India in 1961, the next Prime Ministerial visit was by Yasuhiro Nakasone in 1984. When Prime Minister Rajiv Gandhi visited Tokyo in 1988, it was after a gap of 30 years since the last high-level visit from India. But a transformational development in the economic history of India was Suzuki Motor Corporation's path | with burgeoning middle class. Japanese ODA, for breaking investment in India in the early 1980s that revolutionized the automobile sector, bringing in advanced technology and management ethics to India. Japanese Official Development Assistance (ODA) also continued to flow helping to supplement the work of the Indian government and helping to plug the gaps in economic development. A test of the reliability of Japan as a friend was witnessed in 1991, when Japan was among the few countries that | with eight new industrial townships, the Chennaibailed India out of the balance of payment crisis.

dramatic transformation in bilateral ties. Guided by the strategic vision of Prime Minister Yoshiro Mori, the leadership of the two countries, cutting across party lines, recognised the merit of substantive bilateral engagement. Recognition of the mutual advantage in enhancing and widening the ambit of the bilateral relationship has driven India-Japan ties in the past decade and a half. During Prime Minister Mori's path-breaking visit to India in 2000, the Japan-India Global Partnership in the 21st Century was launched providing the much-needed impetus for the trajectory of relations to soar to new heights. The Global Partnership formed the foundation for the strengthening ties in diverse fields, including identifying strategic convergences. The joint statement signed by Prime Ministers Manmohan Singh and Shinzo Abe in 2006 added a new dimension to factor in new challenges as they emerged, and the relationship was upgraded to a

Global and Strategic Partnership with the provision of annual Prime Ministerial Summits. India is the only country with which Japan has such annual summit meetings alternating between Delhi and Tokyo.

There has been unprecedented progress in the recent years resulting in cooperation in a vast swathe of fields and the conclusion of a Comprehensive Economic Partnership Agreement (CEPA) in 2011.

In the economic sphere, the complementarities and India's youthful dynamism (over 50% below 25 years); (ii) India's rich natural and human resources and Japan's advanced technology; (iii) India's prowess in services and Japan's excellence in manufacturing; and (iv) Japan's surplus capital for investments and India's large and growing markets long the backbone of the bilateral relationship, still continues to provide long-term loans for India's infrastructural development. If soon New Delhi will boast of having the largest metro network in the world, it will be due to Japanese assistance which helped to conceptualise and execute the prestigious Delhi Metro Project. The Western Dedicated Freight Corridor (DFC), the Delhi-Mumbai Industrial Corridor Bengaluru Industrial Corridor(CBIC) are all mega The beginning of the 21st Century witnessed a projects on the anvil which will transform India in the next decade.

### 2. Political:

Prime Minister Shri Narendra Modi visited Japan for on 30 August – September 3, 2014 for the Annual Summit Meeting with Prime Minster Shinzo Abe of Japan. The two sides decided to upgrade the relationship 'Special Strategic and Global Partnership' and launched an India-Japan Investment Promotion Partnership under which Japan announced its intention to invest in India approx. USD 35 billion over 5 years. Prime Minister Shinzo Abe paid an official visit to India for the 8th Annual Summit with Prime Minister from 25-27 January 2014 and as the Chief Guest at the Republic Day parade in New Delhi. Both the Prime Ministers signed a Joint Statement sharing their vision on intensifying the India-Japan Strategic and Global Partnership. Emperor Akihito and Empress Michiko were on a week-long visit to India from 30 November 6 December 2013.

Under the Parliamentary exchanges programme between India and Japan, the Sasakawa Peace Foundation (SPF), in collaboration with the



Confederation of Indian Industry (CII), has been organizing the visit of Members of Parliament since 2004. Under this exchange, so far, 10 Parliamentary delegations have visited Japan between 2004 and 2013.

### 3. Economic and Commercial Cooperation:

Economic relations between India and Japan have vast potential for growth, given the obvious complementarities that exist between the two Asian economies. Japan's interest in India is increasing due to variety of reasons including India's huge and growing market and its resources, especially the human resources. The signing of the historic India-Japan Comprehensive Economic Partnership Agreement (CEPA) and its implementation from August 2011 is expected to further accelerate growth of trade, economic and commercial relations between the two countries. In FY 2013-14, Japan-India bilateral trade reached \$16.31 billion, which is 11.89% lower than \$18.51 billion in the previous fiscal year. The fall in the total trade is mainly due to reduction in Japanese exports by 23.53%. However, India's exports have risen by 4.36% in 2013-14. The share of the India-Japan bilateral trade has been hovering around 1 per cent of Japan's total foreign trade, while it was in the range of 2.2 to 2.5 per cent of India's total trade in the last couple of years. India's primary exports to Japan have been petroleum products, chemicals, nonmetallic minerals, fish and fish products, metalliferrous ores and scrap, animal feeds, iron and steel products, clothing and accessories, textile and fabrics and machinery etc. India's primary imports from Japan are machinery, iron and steel products, electrical machinery, transport equipment, plastic materials, metal products, etc.

Japanese FDI into India grew exponentially from US\$ 139 million in 2004 to all time high of \$5.55 billion in 2008 due to mega deals particularly acquisition of Ranbaxy by Daichi Sankyo. However, in 2012, Japan's FDI into India increased by 19.8% over 2011 to reach \$2.8 billion. Japanese FDI into India has mainly been in automobile, electrical equipment, telecommunications, chemical and pharmaceutical sectors. Japanese companies have made an investment of \$15.359 billion in India between April 2000 and December 2013. This accounted for 7% of total FDI inflow into India and made Japan the 4th largest investor in India.

Japanese automakers are moving to bolster Indian production bases. Japanese heavy electrical machinery manufacturers and trading houses are also eyeing demand stemming from India's efforts to improve its underdeveloped power infrastructure. Japan has been extending bilateral loan and grant assistance to India since 1958. Japan is the largest bilateral donor to India. Japanese ODA supports India's efforts for accelerated economic development particularly in priority areas like power, transportation, environmental projects and projects related to basic human needs.

# 4. Science & Technology and Cultural Cooperation:

The Science & Technology Cooperation Agreement between India and Japan was signed in 1985 with Ministry of Foreign Affairs Japan and Department of Science & Technology, India as nodal agencies on behalf of two governments. The cooperation picked up its momentum after establishment of India-Japan Science Council (IJSC) in the year 1993 and so far 17 annual meetings of IJSC have taken place. The IJSC activities include collaborative research projects sessions, academic seminars, exploratory visits by scientists from both countries and Raman-Mizushima lecture series. Under the collaborative projects, 6 priority themes for research in the basic sciences were identified. Another important cooperation under the new science and technology initiative between JST and DST is a theme based activity. Under the S&T cooperative agreement between two countries, MEXT and DST have signed **Implementation** 

Arrangement on 25 January 2014 during the visit of Prime Minister Shinzo Abe to India. In 1951, India established a scholarship system for young Japanese scholars to study in India. Prime Minister Rajiv Gandhi attended the April 1988 opening ceremony of the Festival of India. The year 2012 marked the 60th anniversary of establishment of diplomatic relations between India and Japan. India Cultural Centre in Tokyo was formally inaugurated during the visit of ICCR President on 25 September 2009. The Centre offers classes on Yoga, Tabla, Bharatanatyam, Odissi, Sambalpuri, Bollywood dances and Hindi and Bengali languages.

### 5. Indian Community:

The arrival of Indians in Japan for business and



commercial interests began in the 1870s at the two major open ports of Yokohama and Kobe. More Indians entered Japan during World War I when Japanese products were sought to fill gaps in demand that war-torn Europe could not meet. The old Indian community in Japan focused on trading in textiles, commodities and electronics. In recent | years, there has been a change in the composition | of the Indian community with the arrival of a large | number of professionals. These include IT professionals and engineers working for Indian and | Japanese firms as well as professionals in management, finance, education, and S&T research who are engaged with multinational as well as Indian and Japanese organisations. The Nishikasai area in Tokyo is emerging as a "mini-India". The community is engaged in a range of cultural and | The recent visit to Japan by Prime Minister Narendra social activities. This maintains their links with the motherland and also promotes contacts with their Japanese neighbours.

- Q. The recent visit of PM of India to Japan has been seen as the momentous change in the Indo Japan relationship, however Japan has not gone | agreement in the context of India's nuclear immediately for Civil Nuclear deal with India. Discuss the elements of the visit which strengthen the bilateral relationship further.
- Q. Recent India Japan MoU on defence exchanges and their intention to work out an agreement for collaboration on defence technologies reflect the new level of mutual trust and commitment to deepen their strategic partnership in all dimensions". Elucidate.
- **Q.** What are the persistent issues in the Indo Japan Nuclear Cooperation?

### **Current News:**

### 1. India, Japan to accelerate civil nuclear deal (Sep 2014):

- Japan PM Shinzo Abe commended India's efforts in non-proliferation including the affirmation that goods and technologies transferred from Japan would not be used for WMD delivery systems.
- II. Japan Government to remove six of India's space and defence—related entities from its Foreign End User List to enter into transactions involving sensitive dual-use equipment, technology and software.
- III. "Japan's decision to remove several Indian entities from the Foreign End Users List, our

- MoU on defence exchanges and our intention to work out an agreement for collaboration on defence technologies reflect the new level of mutual trust and commitment to deepen our strategic partnership in all dimensions"
- III. The two Prime Ministers affirmed their commitment to work together for India to become a full member in the four international export control regimes: Nuclear Suppliers Group, Missile Technology Control Regime, Wassenaar Arrangement and Australia Group, with the aim of strengthening the international nonproliferation efforts.

### 2. The nuclear thorn in India-Japan ties(Sep 2014):

Modi has brought into focus the ongoing India-Japan negotiations on a civil nuclear agreement. This remains an item of unfinished business, though both sides have declared that it would be pursued with greater vigour. Exactly how important is this programme? What factors underlie the Japanese position?

India has embarked upon an ambitious programme to step up nuclear power generation. This is to be achieved through (a) indigenous pressurised heavy water reactors (PHWR), (b) fast breeder reactors (FBRs), and (c) imported pressurised light water reactors (PWRs) of advanced design sourced from suppliers such as Russia, France, the US and Japan.

India has developed its PHWRs and scaled them up to 700 megawatt electrical (MWe) capacity. These reactors require natural uranium fuel which is scarce in India and needs to be imported. In all other aspects such as reactor design, construction, operation, including heavy water production, India is fully selfsufficient.

The PHWR can also be used to produce fissile plutonium-239 for civil or military use after reprocessing the spent fuel.

India's fast breeder reactor programme is advancing rapidly. The first commercial FBR will come on stream in Kalpakkam with 500 MWe capacity. It would be capable of transforming fertile thorium-232 (which India has in ample quantity), into fissile uranium-233, enabling India to produce this nuclear fuel for its reactors. Uranium-233, which has



to be produced through fuel reprocessing, can also | and that in the event of a nuclear test by India, the be used for nuclear weapons.

### Short on enriched uranium:

In the PWR sector, India has had some experience with imported reactors at Tarapore (supplied by the US ) and Koodankulam (supplied by Russia). The post-1974 and post-1998 nuclear embargo on India made it clear that imported low enriched uranium fuel supply could be withheld, effectively shutting down these reactors.

At present, India does not have enough commercial uranium enrichment capacity to produce its own low enriched fuel in sufficient quantities for its PWRs. So it is dependent on imported fuel for its PWRs. India is therefore planning to increase its | Unfair stipulation uranium enrichment capability.

Russia (Koodankulam), France (Jaitapur), the US | beyond what was agreed with the US and other and Japan under its state-run company the Nuclear Power Corporation of India Ltd (NPCIL).

setting up an advanced PWR, the European | The other condition that components should be Pressurised Reactor (EPR), of 1650 MWe capacity | returned in the event of a nuclear test is also at Jaitapur, though the project is facing many impossible to implement for the reason that it hurdles.

### Component dependency

The PWR sector is dependent on Japan for supply of some components, notably very large sized special steel forgings as part of the reactor pressure vessel capable of withstanding the high pressures and temperatures and the intense neutron bombardment from the reactor core, without failure for over 40 years.

Typically, the pressure vessel would weigh some 300 tonnes and is made from special steel over 20 cm thick. The most experienced companies and largest supplier is from Japan. Their order books are full up to 5-6 years in the future.

A few other companies in South Korea, US, I France, Russia and China are also capable of building such components. India is encouraging companies such as L&T, BHEL, and Bharat Forge to develop the capability. Areva and other companies would be severely handicapped if Japanese components were not available for their PWR projects.

The importance of an Indo-Japanese nuclear deal stems from these considerations. The hurdles to this deal emanate from Japan's insistence that no reprocessing of spent fuel would be done in India.

components supplied would be immediately returned to Japan. On the other hand, India considers it should get the same regime applicable to nuclear weapons states (NWS) under the Nuclear Non-Proliferation Treaty, which it has not signed but has unilaterally undertaken to respect. The conditions imposed on India are more stringent than those on countries China, the US and other NWS under the NPT.

Japan was one of the countries that reacted strongly to India's nuclear tests in 1974 and 1998. It was pressured by the Bush administration to agree to the waiver given to India by the nuclear suppliers group (NSG).

The condition that spent fuel be returned for India has planned to set up PWRs imported from | reprocessing is unacceptable to India as it goes countries. It would also be difficult and unsafe to transport highly radioactive spent fuel across Areva of France and NPCIL are working on | thousands of kilometres to the fuel supplying country. involves shutting down a reactor, and dismantling and shipping back massive reactor vessel components which would be highly radioactive.

> What would be the consequences of Japan continuing to insist on these conditions? It would result in India facing delays in implementing the PWR programme using imported reactors and fuel. India would then be compelled to step up its PHWR and FBR programmes, and also its enrichment and reprocessing capability to compensate for the shortfall in nuclear power generation. These are programmes where India is fully self-sufficient, and is not obliged to declare them as civilian and subject to IAEA inspections.

> The question that Japanese negotiators must face is this: Do they wish India to enlarge its indigenous unsafeguarded PHWR and FBR programmes (and possibly its strategic programmes), or do they wish India to enlarge its IAEA-safeguarded PWR programmes that are dependent on fuel imports? Should they give China more favourable treatment than India in matters of civil nuclear cooperation?

> If the answer is no to both questions, then they need to show more flexibility in reaching a reasonable agreement with India, along the lines of



civil nuclear agreements India has signed with the US, France, the UK, South Korea, Canada and other countries. India has other options that it will and must follow in case the PWR programme is delayed due to the lack of a civil agreement with Japan.

### Q. What is NGS?

Nuclear Suppliers Group (NSG) is a multinational body concerned with reducing nuclear proliferation by controlling the export and re-transfer of materials that may be applicable to nuclear weapon development and by improving safeguards and protection on existing materials. The NSG was founded in response to the Indian nuclear test in May 1974 and first met in November 1975. The test demonstrated that certain non-weapons specific nuclear technology could be readily turned to weapons development. As of 2014 the NSG has 48 members.

### Q. What is Wassenaar Arrangement?

The Wassenaar Arrangement (The Wassenaar | PAK- N Korea Relations Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies) is a multilateral export control regime (MECR) with 41 participating states including many former COMECON (Warsaw Pact) countries.

The Wassenaar Arrangement has been established in order to contribute to regional and international security and stability, by promoting transparency and greater responsibility in transfers of conventional arms and dual-use goods and technologies, thus preventing destabilising accumulations.

### 1. What is the MTCR?

### What are it's objective?

### **Objectives:**

The MTCR seeks to limit the risks of proliferation of weapons of mass destruction (WMD) by controlling exports of goods and technologies that could make a contribution to delivery systems (other than manned aircraft) for such weapons.

In this context, the Regime places particular focus on rockets and unmanned aerial vehicles capable of delivering a payload of at least 500 kg to a range of at least 300 km and on equipment, software, and technology for such systems.

### India - North Korea Relations

- Korean War 1950-53
- Kim Jong-un(2011- Now)
- Regime is using brute force to sustain itself and silence dissent.
- Worst drought" in a century, divert attention from crucial internal problems.
- Landmine blast in the DMZ
- Seoul should rather regain its rational restraint, and use diplomatic means to tone down tensions. It could reach out to China.
- If Beijing is serious about taking a more proactive regional leadership role.
- In a quiet but extremely significant diplomatic move, India signalled upgraded ties with North Korea, by sending Minister of State for Home Kiren Rijiju to participate in an event marking the North Korean national Independence Day in New Delhi

- April, North Korean leader Kim Jong-Un made a tentative beginning by sending his Foreign Minister Ri Su Yong to Delhi.
- Sitaram Yechury, who in July 2013, led a threemember parliamentary delegation to Pyongyang.
- Mr. Rijiju clarified that his presence at the event was not a hasty decision but was part of a well thought out diplomatic move.
- North Korea is estimated to have one of the largest global deposits of minerals and rare earth metals necessary for India's IT industry and electronic majors.
- Diplomats are not ruling out the possibility that a dramatic change in bilateral ties like what the U.S. achieved with Iran and Cuba could possibly also occur in case of North Korea, "There is a rush for strategic resources in the countries like North Korea that were blockaded and sanctioned away from global economy. India should be an early bird in North Korea just in case North Korean economic ties with the world undergo change in near future"
- "the parliamentary delegation of 2011 was sent to Pyongyang after considering the South Korean sentiments."
- Kim II Sung Kim Jong II Kim Jong Ul



### **India - South Korea Relations**

In 1973, relations were upgraded to Ambassadorlevel (also with Pyongyang). In course of time, RoK's open market policies found resonance with India's economic liberalization and 'Look East Policy'. Consistent Indian support for peaceful reunification | elevated to a qualitative higher level, with the state of the two Koreas has been well received in this country. Korean Buddhist Monk Hyecho or Hong Jiao visited India from 723 to 729 AD. His travelogue "Pilgrimage to the five kingdoms of India" gives a vivid account of Indian culture, politics & society, including food habits, languages & climate.

### Nobel

Laureate Rabindranath Tagore composed a short but evocative poem - 'Lamp of the East' - in 1929 about Korea's glorious past and its promising bright future. India played an important and positive role in Korean affairs after Korea's independence in 1945. Mr K P S Menon of India was the Chairman of the 9-member UN Commission set up in 1947 to hold elections in Korea. The successful general elections held for the first time in the South in 1948, led to the establishment of the Republic of Korea on 15th August 1948. During the Korean War (1950-53), both the warring sides accepted a resolution sponsored by India, and the ceasefire was declared on 27 July 1953.

A delegation of Indian Parliamentarians visited ROK on 26-27 July 2013 to participate in the events to commemorate the 60th anniversary of the Armistice Agreement. The State Visit to RoK by President Dr. APJ Abdul Kalam, in February 2006 heralded a new vibrant phase in India-RoK relations. It inter alia led to the launch of a Joint Task Force to conclude a bilateral Comprehensive Economic Partnership Agreement (CEPA), which was signed by Minister for Commerce and Industry Shri Anand Sharma at Seoul on August 7, 2009.

President Lee paid a landmark visit to India, as Chief Guest at India's Republic Day celebrations on 26 January 2010, when bilateral ties were raised to the level of Strategic Partnership. India ROK CEPA was operational zed on 1st January 2010. A slew of important agreements were concluded during the visit. It was followed by President Smt. Pratibha Devisingh Patil's State Visit to RoK from 24-27 July 2011 when the Civil Nuclear Energy Cooperation Agreement was signed.

Prime Minister Dr. Manmohan Singh paid an official visit to Seoul from 24-27 March 2012 for both Bilateral consular relations were established in 1962. | bilateral and Nuclear Security Summits, which led to the deepening of the bilateral Strategic Partnership. PM had earlier visited Seoul from November 10-12, 2010 for the G20 Summit.

> Traditionally close bilateral relations have been visit to India of President Park Geun-hye from 15 to 18 January 2014. In the 'Joint Statement for Expansion of Strategic Partnership' she and the Prime Minister of India, have unveiled a blue print for further expanding the political security, defence, economic, scientific & technological, IT, cultural and people-to-people relations. Bilateral relations are anchored on a strong economic foundation. CEPA in particular facilitated rapid expansion of trade volume. Bilateral trade in 2011 crossed \$20.5 billion registering a 70% growth over a two year period. A revised trade target of \$40 billion by 2015 was established by PM. Singh and President Lee on 25 March 2012. The trade has since declined a bit to \$17.57 billion (in 2013) and \$18.84 billion (in 2012).

> Major Korean conglomerates (Chaebols) such as Samsung, Hyundai Motors and LG have made significant investments into India, estimated at over \$3 billion. Indian investments in ROK have already exceeded \$2 billion. There are officially 603 large and small Korean firms, which have offices in India. Novelis, a Hindalco subsidiary, acquired a Korean aluminium company by investing about \$600 million (Their total investment in ROK is nearing the \$2 billion now). Mahindra & Mahindra acquired a majority stake in SsangYong Motors, the country's 4th largest auto manufacturer, in March 2011, with an investment of about \$360 million. Tata Motors acquired Daewoo Commercial Vehicle Company for \$102 million in March 2004.

> India-RoK Joint Commission for bilateral cooperation was established in February 1996, which is chaired by the External Affairs Minister (EAM) and the Minister of Foreign Affairs from the Korean side. So far, seven meetings of the Joint Commission have been held, the last being on 9th November 2013 in New Delhi. The third India-ROK Foreign Policy and Security Dialogue (FPSD) at Secretary (Vice-Ministerial) level was held in Seoul on 2nd September 2013.

> To further enhance cultural exchanges between Indian and Korea, an Indian Cultural Centre (ICC)



was established in RoK in April 2011. An inaugural | Festival of India in Korea was held from June 2011 | to March 2012 with a visit by Dr. Karan Singh, | President of ICCR, for the inauguration.

In 2013, a total of 70,713 visas were issued by the Mission as compared to 79,028 in 2012. This is mostly attributable to the issuance of large number of long-term multiple entry visas. The actual number of travellers between the two countries appears to have gone up as a result.

Indian Community in RoK is estimated at 10,500, which includes businessmen, IT professionals, scientists, research fellows, students and workers.

Jawaharlal Nehru University (JNU) and Delhi | University (DU) offer programmes in Korea Studies | and Korean Language Courses respectively. Madras | University has also opened a Department of Korean | Studies encouraged by the sizeable presence of | Koreans including Hyundai Motors in Tamil Nadu.

Lal Bahadur Shastri National Academy of Administration, Mussoorie has established an institutional partnership with Korea Development Institute (KDI) School of Public Policy & Management. Since 2010, eight batches of IAS officers have come to Korea for a two week study tour as part of their mid-career or advanced training. The last group of IAS officers visited RoK in May 2013.

Government of India offers scholarships and fellowships to meritorious Korean nationals every year to study in India in recognized Indian universities/educational institutions. These ICCR scholarships are available for various programmes and disciplines covering research work and nonformal courses (Religion, Classical Music, Dance and Crafts).

Ayush Scholarship Scheme facilitates courses in Ayurveda, Unani, Siddha, Yoga and Homeopathy, while many Korean students are also learning Hindi language at the Kendriya Hindi Sansthan, Agra.

A tourism 'Road Show' was held in Seoul in February 2013 during the visit of a Ministry of Tourism delegation led by Secretary Mr. Parvez Dewan. Close to 90 travel agents and media representatives participated in the event. Over 110,000 Korean tourists travelled to India in 2012 making them one of the top 15 nationalities visiting India.

India was 'guest of honour' country for the first time at the Seoul International Book Fair (SIBF) from 19-23 June 2013, which facilitated tie-ups between the Indian and Korean publishers.

### **WEST ASIA**

### India - Israel Relations

### I. Background

India announced its recognition of Israel on September 17, 1950. Soon thereafter, the Jewish Agency established an immigration office in Bombay. Embassies were opened in 1992 when full diplomatic relations were established.

Since the upgradation of relations in 1992, defence and agriculture formed the two main pillars of our bilateral engagement. The future vision of the cooperation is of a strong hi-tech partnership as befits two knowledge economies.

### **II. Visits**

PM of Israel in India in 2003, Then External Affairs Minister Shri S M Krishna visited Israel in 2012, which marked the 20th anniversary of establishment of full diplomatic relations between India and Israel.

### **III. Economic and Commercial Relations**

From US\$ 200 million in 1992 (comprising primarily trade in diamonds), bilateral merchandise trade has diversified and reached US\$ 5.19 billion in 2011. However, the past few years have seen a decline in total trade due to the global economic recession. In 2013, the bilateral trade stood at US\$ 6.01 billion with the balance of trade in Israel's favour. Trade in diamonds constitutes over half of bilateral trade. In 2013, India was Israel's tenth largest trade partner overall, and Israel's third largest trade partner in Asia after China and Hong Kong. Potash is a major item of Israel's exports to India, with India buying a significant percentage of its requirement from Israel.

### **Free Trade Agreement**

Since 2010 the two sides are negotiating an FTA covering trade in goods and services and the eighth round was held in Israel in November 2013.

### Investment

Israel is 43rd largest investor in India. While official data about India's investment in Israel is not available, significant investments from India in Israel include 100% acquisition of Israeli drip-irrigation company Naandan by Jain Irrigation, Sun Pharma's 66% stake in Taro Pharmaceuticals and Triveni Engineering Industries' investment in Israeli waste-



water treatment company Aqwise. TCS started | scientific and technological collaborations. The Fund operations in Israel in 2005, and the State Bank of | is envisaged to have a total corpus of US\$ 40 million India opened a branch in Tel Aviv in 2007. | over a period of five years, with each side

### IV. Agriculture

India and Israel have a bilateral agreement for cooperation in agriculture. Under the bilateral Action Plan for 2012-2015, agricultural cooperation has been expanded to seven states including Haryana, Maharashtra, Karnataka, Rajasthan, Gujarat, Tamil Nadu and Punjab. Around ten India-Israel Centres of Excellence for cooperation in agriculture have been set-up so far, of the thirty centres that are expected to be established by 2015.

India has benefited from Israeli expertise and technologies in horticulture mechanization, protected cultivation, orchard and canopy management, nursery management, micro-irrigation and post-harvest management particularly in Haryana and Maharashtra. Israeli drip irrigation technologies and products are now widely used in India. Some Israeli companies and experts are providing expertise to manage and improve dairy farming in India through their expertise in high milk yield.

### V. Defence & Security

There are regular exchanges between the armed forces. Four Indian naval ships from the Western Fleet made a port call in Haifa in Aug 2012.

There is cooperation on security issues and there is a Joint Working Group on Counter-Terrorism that meets periodically. In February 2014, India and Israel signed three important agreements on Mutual Legal Assistance in Criminal Matters, Cooperation in Homeland and Public Security, and Protection of Classified Material.

### VI. Cooperation in S&T

Under an MOU on Industrial Research and Development Initiative signed in 2005, a joint industrial R&D fund i4RD was set up to promote bilateral industrial R&D and specific projects. Under i4RD, joint projects by the industry are funded, involving at least one Indian and one Israeli company. Since the launch of this programme in 2006, seven projects have been approved.

In January 2014, India and Israel held extensive | discussions to establish an India-Israel Cooperation | Fund aimed at promoting innovations through joint |

scientific and technological collaborations. The Fund is envisaged to have a total corpus of US\$ 40 million over a period of five years, with each side contributing US\$ 20 million. On the Indian side, the Department of Science and Tehnology is the nodal Deaprtment.

### VII. Culture and Education

India is a destination of choice for over 40,000 Israelis who visit India every year for tourism and business. This is the largest number of tourists from an Asian country. India has signed an MoU with Tel Aviv University for a Chair for Indian studies in the Department of East and South East Asian Studies under which Indian Professors have been coming for a semester.

In May 2013, India and Israel launched a new funding programme of joint academic research, the first round of which will focus on both exact sciences and humanities. Each government is contributing US\$5 million annually for five years. The programme will provide support for nearly 50 collaborations providing up to US\$300,000 for an experimental project or US\$180,000 for a theoretical project for up to three years. The couterpart organisations are University Grants Commission and the Israel Science Foundation.

Since 2012, Israel offers post-doctoral scholarships to students from India and China in all fields over a period of three years. India offers seven ICCR scholarships and Know India Scholarships to Israelis every year.

### **VIII. Indian Community**

There are approximately 80,000 Jews of Indianorigin in Israel, most of whom are now Israeli passport holders. The main waves of immigration into Israel from India took place in the fifties and sixties.

The majority is from Maharashtra (Bene Israelis) and relatively smaller numbers from Kerala (Cochini Jews) and Kolkata (Baghdadi Jews). In recent years some Indian Jews from North Eastern states of India (Bnei Menache) have been immigrating to Israel.

There are about 10,000 Indian citizens in Israel, of whom around 8,000 are care-givers. Others are diamond traders, some IT professionals, students and unskilled workers.



### **India-Palestine Relations**

### I. Background

India's solidarity with the Palestinian people and its attitude to the Palestinian question was given voice during our freedom struggle by Mahatma Gandhi. India's empathy with the Palestinian cause and its friendship with the people of Palestine have become an integral part of our time-tested foreign policy. In 1947, India voted against the partition of Palestine at the United Nations General Assembly. India was the first Non-Arab State to recognize PLO as sole and legitimate representative of the Palestinian people in 1974. India was one of the first countries to recognize the State of Palestine in 1988. In 1996, India opened its Representative Office to the Palestine Authority in Gaza, which later was shifted to Ramallah in 2003.

### II. Bilateral Visit

Late President Yasser Arafat visited India several times. President Mahmoud Abbas visited India in the years 2005, 2008, 2010 and 2012. L.K. Advani, Union Home Minister in 2000, ShriJaswant Singh, External Affairs Minister in 2000, and Shri E. Ahamed, Minister of State for External Affairs in 2004, 2007, 2011 and 2013, Shri S.M. Krishna, External Affairs Minister in January 2012.

### III. Projects implemented

With the Government of India's aid, two projects were completed in the field of higher education i.e. Jawaharlal Nehru Library at the Al Azhar University in Gaza city and the Mahatma Gandhi Library-cum-Student Activity Centre at the Palestine Technical College at Deir Al Balah in the Gaza Strip. Under India-Brazil-South Africa (IBSA) Forum's assistance, three projects have been approved and are in the process of implementation. An Indoor Multi-purpose Sports Complex has been constructed in Ramallah, Al Quds hospital in Gaza is in the process of being reconstructed, a rehabilitation centre in Nablus has been launched. Presently, two schools are being constructed in West Bank, Palestine through aid provided by India.

### IV. Monetary Assistance

During the visit of President Abbas to India in the year 2008, Prime Minister announced a grant of US\$ 10 million as budgetary support and this was

transferred to the Government authorities here in March 2009. During the visit of President Abbas to India in February 2010, Prime Minister announced a budgetary support of US\$ 10 million and this was transferred in the month of March 2010. Prime Minister also announced a grant of US\$ 10 million as budgetary support to Palestine during the visit of President Abbas in 2012. So far, we have transferred US\$ 1 million and the rest is yet to be transferred.

### **Project Assistance:**

India has announced project assistance to a tune of US\$ 30 million.In the Paris Donors

Conference in December 2007, India announced a fresh commitment of US\$ 5 million. So far one project, Embassy of Palestine in New Delhi, has been completed.

# V. Scholarships and ITEC training for Palestinian Nationals:

India offers eight scholarships for Palestinian under ICCR. India has been offering 100 slots for training courses under the ITEC programme. Indian Visas for Palestinian Nationals: On September 25, 2013 the Representative Office of India, Ramallah started issuance of Visa from its Office. Presently, Palestinian nationals obtain Visas within a span of 3 working days.

### VI. Trade:

All imports are channelized through Israel, the exact volume of trade could not be ascertained.

### VII. People To People

It is estimated that around 12,000 Palestinians graduated from India. Palestinians graduated from India feel grateful for the opportunity and support they received from India. Palestinian leadership and the people consider India as a true friend.

### **India-Saudi Arabia Relations**

### I. Background

India and Saudi Arabia enjoy cordial and friendly relations reflecting the centuries old economic and socio-cultural ties. The establishment of diplomatic relations in 1947 was followed by high-level visits from both sides. King Saud visited India in 1955 and the Prime Minister Jawaharlal Nehru visited the Kingdom in 1956. The visit of the Prime Minister



Indira Gandhi to Saudi Arabia in 1982 further boosted | the bilateral relations. In the recent times, the historic | visit of King Abdullah to India in 2006 resulted in | signing of 'Delhi Declaration' imparting a fresh | momentum to the bilateral relationship. The visit | provided the framework for cooperation in all fields | of mutual interest. The reciprocal visit by Prime | Minister Dr. Manmohan Singh to Saudi Arabia in | 2010 raised the level of bilateral engagement to | 'Strategic Partnership' and the 'Riyadh Declaration' | signed during the visit captured the spirit of | enhanced cooperation in political, economic, security | and defence realms. In February 2014, crown prince | visited India.

### II. Bilateral Agreements

# The bilateral Agreements and MoUs signed are as follows:

- Signing of 'Delhi Declaration' in 2006 during the visit of King Abdullah; it laid the roadmap for bilateral cooperation;
- Signing of 'Riyadh Declaration' in 2010 during Prime Minister Dr. Manmohan Singh's visit to Riyadh. It raised the level of interaction to 'Strategic Partnership'.
- Bilateral Promotion and Protection of Investments (BIPA);
- Agreement on Avoidance of Double Taxation(DTAA);
- Extradition Treaty;
- 6. Agreement on Transfer of Sentenced Persons;
- 7. MoU for Cooperation in Peaceful Use of Outer Space;
- MoU between Centre for Development of Advance Computing (C-DAC) and King Abdulaziz City for Science & Technology (KACST) on cooperation in Information Technology and Services;
- Agreement on News Cooperation between Saudi Press Agency (SPA) and Press Trust of India (PTI);
- Agreement on Labour Cooperation for Domestic Service Workers Recruitment.

### **III. Economic and Commercial Relations**

Saudi Arabia is the 4th largest trade partner of India | and the bilateral trade was USD 48.75 billion in 2013- | 14. The import of crude oil by India forms a major | component of bilateral trade with Saudi Arabia being | India's largest supplier of crude oil, accounting for | almost one-fifth of its needs. During the current year, | Saudi Arabia is the 6th largest market in the world |

for Indian exports and is destination of more than 3.91% of India's global exports.

### IV.Cultural ties

A 54-member cultural delegation visited the Kingdom to participate in the 'Indian Cultural Week', organized in Riyadh in collaboration with the Saudi Ministry of Culture from November 3-7, 2012.

### V. Indian Community in Saudi Arabia

The 2.5 million plus strong Indian community in Saudi Arabia is the largest expatriate community in the Kingdom and is the 'most preferred community' due to their expertise, sense of discipline, law abiding and peace loving nature. The contribution made by Indian community to the development of Saudi Arabia is well acknowledged. In April 2013, His Majesty King Abdullah announced a grace period allowing overstaying expatriates to correct the status, get new jobs or leave the country without facing penal action till the end of the grace period i.e. November 3, 2013. More than 1.4 million (14 lakhs) Indians have availed the concessions during the grace period. The Haj pilgrimage is another important component of bilateral relations. During Haj 2013, 135,938 Indians visited the Kingdom to perform Haj.

### India-Iran Relation

### 1. Background:

The two countries shared a border till 1947. Independent India and Iran established diplomatic links on 15 March 1950. In addition to the Embassy in Tehran, India currently has two Consulates in Iran - Bandar Abbas and Zahedan. The Shah visited India in February/March 1956 and Prime Minister Pandit Jawaharlal Nehru visited Iran in September 1959. Prime Minister Smt. Indira Gandhi visited Iran in April 1974 and Prime Minister Shri Morarji Desai visited in June 1977. The Shah, in turn, visited India in February 1978.

The Iranian Revolution in 1979 introduced a new phase of engagement. The trend was consolidated and enhanced at the turn of the millennium with visits by Prime Minister Shri Atal Behari Vajpayee in 2001 and a return visit by President Mohammad Khatami in 2003, when he was also the Chief Guest at the Republic Day function. The Iranian President Dr. Mahmoud Ahmadinejad visited India on 29 April 2008.



2013) Prime Minister Dr. Manmohan Singh visited | Islamic Republic of Iran. (iii) MOU between the Iran to attend the 16th Nonaligned Movement (NAM) | Government of Republic of India and the summit held in Tehran on 28-31 August 2012. (2015 | Government of Islamic Republic of Iran on NAM Summit in Venezuela).

Hon'ble External Affairs Minister Shri. Salman | management. Khurshid (EAM) visited Tehran for the 17th India-Iran Joint Commission Meeting on 03-05 May 2013. | Festival was also organized in Tehran to sensitize

Hon'ble Vice President of India Shri M. Hamid Ansari graced the Swearing-in ceremony of the newly elected Iranian President Dr. Hassan Rowhani on 04 August 2013. In November 2011 Hon'ble Speaker of Lok Sabha Smt. Meira Kumar paid an official visit to Iran leading a multi-party Parliamentary delegation on the invitation of Mailis Speaker Dr. Ali Larijani. She inaugurated a tableau of Gurudev Rabindranath's poem on Iran in the Majlis museum. Dr. Larijani made a return bilateral visit to India on 24-28 February 2013.

During the visit of Nirupama Rai in 2011, both sides exchanged the Instrument of Ratification for the Agreement on Transfer of Sentenced Prisoners signed in July 2010 thereby operationalizing the Agreement.

### 2. Trade & Commerce

The India-Iran bilateral trade during the fiscal 2012-13 was USD 14.95 billion. India imported US\$ 11.6 billion worth of goods manly crude oil and exported commodities worth US\$ 3.35 billion. India's export to Iran during the period April-November 2013 stood at USD 3.21 billion. The unilateral economic sanctionsimposed on Iran have had an adverse effect on the bilateral trade as theinternational banking channels have gradually become nonexistent. (Note: See the table).

India and Iran hold regular bilateral discussions on economic and trade issues within the framework of India-Iran Joint Commission Meeting (JCM). The 17th India- Iran Joint Commission was held in Tehran on May 4, 2013. The Session was cochaired by Shri. Salman Khurshid, External Affairs Minister of India and H.E. Dr. Ali Akbar Salehi, Foreign Minister of Islamic Republic of Iran. During the visit, the two sides signed the following Memorandum of Understanding (MoUs): (i) MOU between Institute of Standards and Industrial Research of Islamic Republic of Iran (ISIRI) and Bureau of Indian Standards (BIS). (ii) MOU between the Foreign Service Institute, Ministry of External Affairs, Republic of India and School of |

Current President: Hassan Rouhani (Since Aug | International Relations, Ministry of Foreign Affairs, cooperation in the field of water resources

> In December 2012, a weeklong India Tea the Iranian public about the specialties of Indian tea.

### 4. Cultural Relations:

On 03 May 2013 Shri. Salman Khurshid, Hon'ble External Affairs Minister of India, officially inaugurated the India Cultural Center in Tehran, when he visited Iran for the 17th India-Iran Joint Commission Meeting (JCM). A week long India-Iran cultural festival from 7-12 June, 2012 was organized in collaboration with 'Iranian Artists Forum' in Tehran. Embassy has also been bringing out a bi-monthly magazine named "Ain-e-Hind' (Mirror of India) taking India to the drawing rooms of the general Iranian public.

### 5. Indian community:

The Indian community in Iran, which was sizeable earlier, has dwindled and now it is a small one consisting of about 100 families in Tehran and about 20 in Zahedan. There are a number of Indian students in Iran, approximately 800, a large number of whom pursue theological studies in Qom. There is an Indian school run by the Kendriya Vidyalaya Sangathan in Tehran and another in Zahedan.

There are about 8,000 Iranian students studying in India. India provides 67 scholarships every year to Iranian students under ITEC, ICCR, Colombo Plan and IOR-ARC schemes.

India over the years has emerged as one of the favourite tourist destinations for Iranian tourists and every year around 40,000 Iranians visit India for various purposes. In February 2011, India successfully outsourced the tourist visa collection in Tehran to facilitate the visa services for Iranian tourists visiting India. Regular meetings of the Joint Consular Committee is held to discuss consular and other related issues aimed at facilitating people to people exchanges between the two countries and addressing the concerns of Indians resident in Iran and Iranians resident in India. The latest round of Consular Committee meeting was held in Tehran in May 2014.

### **The Joint Comprehensive Plan of Action:**

It is an international agreement on the nuclear program of Iran signed in Vienna on 14 July 2015 between Iran, the P5+1 (the five permanent members of the United Nations Security Council—China, France, Russia, United Kingdom, United States—plus Germany), and the European Union.

Formal negotiations toward the Joint Comprehensive Plan of Action on Iran's nuclear program began with the adoption of the Joint Plan of Action—an interim agreement on the Iranian nuclear program signed between Iran and the P5+1 countries—in November 2013. For the next twenty months, Iran and the P5+1 countries engaged in negotiations, and in April 2015 agreed on a framework agreement for the final agreement. In July 2015, Iran and the P5+1 agreed on the Joint Comprehensive Plan of Action.

Under the agreement, Iran agreed to eliminate its stockpile of medium-enriched uranium, cut its stockpile of low-enriched uranium by 98%, and reduce by about two-thirds the number of its centrifuges for at least fifteen years. For the next fifteen years, Iran will only enrich uranium up to 3.67%. Iran also agreed not to build any new uranium-enriching or heavy-water facilities over the

same period. Uranium-enrichment activities will be limited to a single facility using first-generation centrifuges for ten years. Other facilities will be converted to avoid proliferation risks. To monitor and verify Iran's compliance with the agreement, the International Atomic Energy Agency (IAEA) will have regular access to all Iranian nuclear facilities. The agreement provides that in return for verifiably abiding by its commitments, Iran will receive relief from U.S., European Union, and United Nations Security Council nuclear-related sanctions.

### 2. N-S Corridor:

The International North—South Transport Corridor is the ship, rail, and road route for moving freight between India, Russia, Iran, Europe and Central Asia. The route primarily involves moving freight from India, Iran, Azerbaijan and Russia via ship, rail and road. The objective of the corridor is to increase trade connectivity between major cities such as Mumbai, Moscow, Tehran, Baku, Bandar Abbas, Astrakhan, Bandar Anzali and etc. Dry runs of two routes were conducted in 2014, the first was Mumbai to Baku via Bandar Abbas and the second was Mumbai to Astrakhan via Bandar Abbas, Tehran and Bandar Anzali.