



INDIA-SWEDEN STRATEGIC COMPASS

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SPECIAL FEATURE

India-Sweden Relations 2024: Traversing the Path to “Futuristic Cooperation”

Since the establishment of diplomatic relations in 1948, India and Sweden have fostered positive ties grounded in common values such as democracy, pluralism, and a commitment to human rights, and a rules-based international order. The year 2023 provided momentum for the future ties. In 2023, which marked the 75th anniversary of their diplomatic relationship, both nations had numerous reasons for celebration, ranging from the continuing success of growing bilateral trade to heightened interactions at the leadership level.



Notably, as both nations were playing a central role on the global stage, with Sweden holding the Presidency of the Council of the European Union (EU) from January 1 to June 30 and India as the G20 President, collaboration has prospered between the two nations on various levels.



The boost to the ties has been facilitated at the leaders’ level. The comprehensive bilateral meeting between the Prime Ministers Narendra Modi and Ulf Kristersson on December 1 at the sidelines of the 28th Conference of the Parties to the United Nations (UN) Framework Convention on Climate Change (COP28) in Dubai, including diverse areas such as defense, trade and investment, climate action, as well as regional and multilateral issues involving the EU, Nordic Council and Nordic Baltic 8 Group, highlights the forward-looking nature of ties.



Through the year, ministerial-level interactions and other high-level official visits between the two countries, including by External Affairs Minister S. Jaishankar and State Secretary to the Minister for International Development Cooperation and Foreign Trade Håkan Jevrell, have strengthened ties in various domains such as urban sustainability, development, economy, and technology. Positive discussions have also taken place on defense, with the Indian War College delegation visiting Sweden.



In particular, the momentum set by Jaishankar’s visit provided the impetus to develop the strategic aspect of their ties, which has thus far been lacking. This foreshadows significant future cooperation in area such as economic and energy security, renewable energy projects, tech and industry improvements, as well as deepened security relations including in rare earth minerals.

Sweden’s enhanced interest was marked by several of its ministers and high officials from the Minister for Foreign Affairs Tobias Billstrom to the Minister for Financial Markets Niklas Wykman engaging in strategic dialogues with Indian businesses, political leaders, ministers, and policy experts. Meetings and other activities involving representatives from politics, business, and academia from both nations such as via the “Time for India” event at Stockholm Chamber of Commerce in early

September, boosted the prospects of cooperation. They also highlighted the transformations underway to upscale business opportunities between the two countries in 2024 and beyond. From an economical partnership perspective, Sweden has clearly seen India as a strong potential economic partner, as exports to India increased by 50 per cent in 2022 compared to the previous year, whilst Sweden also currently has 260 well-established companies in India.

As noted, the focus on sustainability-centered ties was a highlight during the year. A notable event saw an Indian delegation from the pulp and paper, cement, iron, and steel industries visiting Sweden to engage in discussions on reducing fossil fuel emissions for environmental sustainability, facilitated by Smart City Sweden and various organizations.

Additionally, the Sweden-India Business Council signed a significant Memorandum of Understanding (MoU) with the Indian state of Maharashtra to collaborate on transportation, sustainable infrastructure, waste management, energy, defense manufacturing, and investment.

Notably, Tata Steel, a leading Indian steel manufacturing company, joined the global initiative LeadIT to strive for net-zero emissions in heavy industry. In fact, LeadIT has played an important part in terms of making the Swedish and Indian industry sector more sustainable, increasing its members to 20 members with SaltX becoming a new member in November.



Earlier in October, the 10th India-Sweden Innovation Day focused on “Accelerating Green Growth,” bringing together influential decision-makers and experts to address global challenges through sustainable innovation. In December, on the sidelines of COP28 in Dubai, Prime Ministers Kristersson and Modi also announced LeadIT 2.0, an initiative that will focus on an inclusive and equitable industrial transformation, joint development and transfer of low-carbon tech, and support emerging technologies.

On the strategic security front, defense cooperation between Sweden and India has also strengthened in 2023. Following up on the General Security Agreement signed in 2019 and the MoU signed between Society of Indian Defense Manufacturers (SIDM) and Swedish Security and Defense Industry (SOFF) in 2021, the ninth session of the India-Sweden Joint Working Group meeting on defense cooperation occurred in New Delhi on August 24 to promote bilateral defense industrial relations.



Additionally, India announced in early November that the first 100 percent Foreign Direct Investment (FDI) in the Indian defense sector was granted to the Swedish manufacturer Saab, which will in turn establish a manufacturing facility for the shoulder-launched Carl Gustaf weapon system in India. Production is set to begin in 2024.

In sum, as the year 2023 concluded, it is clear that the ties between India and Sweden have seen substantial progress in the economic, sustainable development, and defense sectors, with a particular emphasis on urban sustainability,

economic partnerships, and environmental initiatives. Looking forward to 2024, the ties will only witness an upward trajectory, including hopefully in strategic affairs.

Sources: IVL Swedish Environmental Research Institute, March 3; Observer Research Foundation, March 2023; First Post, May 15; Business Sweden, May 8; The Local, August 30; Economic Times, March 12; Week, July 12; ET, October 9; Industry Transition, November 13, December 12; Economic Times, November 5; Council on Foreign Relations, September 5; Swedish Institute of International Affairs, November; Defense Post, November 16; pmindia.gov.in, December 1.

Framing 2023, Projecting 2024: Onward and Upward for India

The year 2023 was pivotal for India. India strengthened its global profile via its foreign policy that focused on multi-alignment, with equal stress on the Western and non-Western states and groupings like the Quadrilateral Security Dialogue (Quad comprising Australia, India, Japan, and the U.S.) and BRICS (Brazil-Russia-India-China-South Africa). It also gave a wide platform to people-centric policymaking in multilateral forums through its widely lauded Group of 20 (G20) presidency, an encouraging sign for effective multilateralism that Europe espouses.

As regards the economy, India is currently the fastest-growing economy in the world, and Morgan Stanley, the global banking firm, labeled India as the most preferred market among emerging markets in 2023. India’s industrial manufacturing sector is strong; the technology giant Apple scaled up its domestic plans in India, including more than 20 percent of manufacturing in the coming years. There has been around 40 percent growth from 2022 to 2023 of “Made in India” units shipped by Apple.

The year also saw a landmark deal between India’s IndiGo airline and European plane maker Airbus, the biggest single purchase agreement in the history of commercial aviation, showing India’s growing demand for air travel and economic growth. Thus, India’s aviation market is set to become one of the most competitive and ambitious in the world. This development aligns with PM Modi’s mission to develop India toward a global aviation hub, the predictions now stating India is overtaking China as a leading marker for aviation growth.

The space missions were a tremendous success and expanded India's profile in the space sector globally. India's third successful Chandrayaan mission marked India as the fourth country to be able to land on the moon and the first country to land on the southern pole of the moon. After the great success of the Chandrayaan-3 mission, India also successfully launched its first Solar Mission, Aditya-L1, promoting scientific pursuits and India's emerging space superpower status.



India's ambitious goal of becoming a developed nation by 2047 contributed to significant developments in the infrastructure sector in 2023. The year saw investments and a greater push in infrastructure and greener cities such as for the construction of roads, highways, rail tracks, and making cities more climate resilient, waste-free, and ensuring water supply. PM Modi highlighted the importance of this development, and this push shows that India's emphasis on critical sectors will help its growth sustainably.

Notably, India's G20 presidency showcased its global leadership and was active in the year-long promotion of its G20 presidency agenda (over 100 events). Some significant developments at the G20 summit included the announcement of the India-Middle East-Europe Economic Corridor (IMEC), India's ability to reach a consensus concerning the war in Ukraine, and the inclusion of the African Union (AU) as a G20 permanent member.

In addition to the inclusion of AU in G20, India strengthened its position as the leader of the Global South by hosting two virtual Voice of the Global South Summits, providing a platform for Global South countries' goals and opinions. Two other summits in 2023 that included India

also embraced more Global South countries, namely the Shanghai Cooperation Organisation (SCO) and BRICS – setting the stage for a China-India battle for leadership of the developing and emerging world.

On another significant note, progress has also been seen in India's climate ambitions; India is now among the top four countries on the Climate Change Performance Index. India has started greater investments into green hydrogen with the setting up of the National Green Hydrogen Mission, which aims to reduce nearly 50 MMT of annual greenhouse gas emissions in tandem with creating investments and jobs.

India is on a path towards the world's largest national hydrogen production and finding more reliable energy forms to address climate change challenges. PM Modi participated in the COP28 Climate Action Summit in Dubai to discuss the measures to tackle climate change, highlighting climate change's impact on Global South countries. India also launched a "Green Credit Initiative" and proposed to host UN climate conference (COP 33) in 2028.

India's global tech leadership was showcased by the 8th Global Tech Summit, which took place in December in New Delhi and centered on digital public infrastructure (DPI) and artificial intelligence (AI). One of the key highlights from the summit was the commitment to enhance India-US bilateral cooperation on technology. The launch of Critical and Emerging Technologies (iCET) in January 2023 was one of the key developments of the year, which will elevate the U.S.-India bilateral via not just strategic technology partnership but also defense industrial cooperation.

The cherry on the top was PM Modi's official state visit to the U.S., which has deepened the countries' relations, and paved the way for multiple deals to be signed in the defense and energy sectors. India also joined the U.S.-led Minerals Security Partnership (MSP), which seeks to address the challenges in critical mineral supply chains. As an aside, the EU and Sweden are both MSP partners. Earlier in the year, PM Modi had interacted with President Joe Biden on multiple other occasions, including the G7 and Quad Leaders' Summit, May 20 in Hiroshima, Japan, and the virtual summit for democracy on March 29.



In addition, around half a dozen of India's leading renewable energy companies have announced plans to build energy facilities in the U.S. or to invest, mainly because of U.S. policies such as the Inflation Reduction Act, Infrastructure Investment (2021), and Jobs Act. India-U.S. trade relations are flourishing, and the U.S. is now India's largest trading partner. The India-U.S. bilateral cooperation in energy is growing like never before. In 2023, India's successful G20 presidency closely aligned with India hosting the Clean Energy Ministerial 2023, which propelled the G20's multilateral potential while giving momentum to a greener future at a larger scale.

India-EU ties have also been growing in the technology sector in 2023 with a key development of the Trade and Technology Council, which has boosted the India-EU strategic partnership in trade and technology. The EU-India free trade agreement (FTA) negotiations also saw progress, the India-EU clean-tech partnership enhanced, and an MoU was signed on semiconductors.

Looking into 2024, India will likely retain the spot for the world's fastest-growing economy as industrialization and urbanization continue to grow rapidly. India's attractiveness as an investment destination will continue to grow, due to India's economy moving on a stable growth path.

Based on UN estimates, India also overtook China as the most populous country in the world, and is certain to continue to grow for several decades, compared to a declining trend for China. This will not just provide

economic opportunities with a large and young population for overcoming talent shortage, for example, but also challenges for attaining sustainability goals.

Notably, India is set to host the 2024 Quad summit in New Delhi, which would be another moment for India to showcase its growing international importance after the successful G20 presidency.

Last but not the least, as India goes into general elections in 2024, with a slew of state election victories under its belt, the ruling Bharatiya Janata Party under PM Modi is looking to come back to power, with Modi as prime minister for the third consecutive term.

Sources: Al Arabiya, December 13; Mint, December 2; British Council, July 17; Forbes, December 11; European Commission; Outlook, October 13; Business Today, September 24; Economic Times, October 20; Indian Express, January 5; CNN, June 19; Atlantic Council, May 2; Economic Times, September 4; Hindustan Times, August 24; Carnegie, December 7; UNDESA, April 24; NYT, December 3.

Indian Economy 2024: Driving High(est) Global Growth Rate?

India's economic growth trajectory has vital importance worldwide. Factors such as the growing population, especially its youth demographic and surfeit of talent; its long-standing democratic system; and the political will to tap into the existing potential especially in manufacturing are expected to be massive contributors to global economic growth.

As such with the Lok Sabha (lower house, Indian Parliament) elections scheduled in April-May, India is reportedly likely to retain its position as the world's fastest-growing major economy due to growing demand, moderate inflation, stable interest rate regime, and robust foreign exchange reserves. As per a report, the outlook is one of "cautious optimism."

Investment bank and financial services major Goldman Sachs has also forecast the growth to remain stable and resilient despite some shocks.

Sources: Goldman Sachs, December 21; Economic Times, December 31.

Sweden's 2023 Road Away from Neutrality: Toward Greater Strategic Goals

In 2023, the ruling government's recent intent to transform Swedish policymaking in diplomatic, security and defense sectors highlighted Sweden entry into a new era. As the war in Ukraine has progressed, the process of joining NATO continues, and with Sweden as the president of the EU Council for six months in 2023, the Swedish government has projected its aim to primarily pursue a foreign policy where Swedish interests and democratic values are at the core of the agenda.

Whilst Sweden has been primarily focusing on achieving its foreign policy ambitions, geopolitical factors have accelerated Sweden descent into a recession, with high inflation putting a strain not only on households but also on businesses, hindering the Swedish economic growth, which should start to show a slow upward growth in 2024. Besides, the labor market is expected to weaken with the unemployment rate set to increase in 2024.



Sweden's approach to its presidential term for the EU Council clearly focused on security, unity, competitiveness, green energy transitions, and upholding democratic values, and presented a perfect platform for Sweden to promote its strategic interests. In a difficult year, efforts were directed toward spearheading continued economic and military support for Ukraine, emphasizing its path to EU integration, reconstruction, and reform. The presidency worked to strengthen the EU's security and defense policy, address Russia's aggression, and combat cross-border organized crime to ensure safe and secure communities.

In terms of competitiveness, there was an emphasis on fostering economic growth, promoting a single market, and seizing global trade opportunities. The presidency prioritized creating favorable conditions for a sound and open economy, free competition, private investment, and successful digitalization to contribute to Europe's wealth, welfare, and international standing. Regarding green and energy transitions, Sweden's primary focus during its presidency was on addressing high and volatile energy prices, initiating long-term energy market reform, and leading ambitious climate goals to accelerate the shift away from fossil fuels. The presidency highlighted the importance of European companies leading this transition and emphasized the need for a regulatory framework to attract investments in innovative, resource-efficient, and fossil-free industries.

Additionally, there was a commitment to upholding democratic values, the rule of law, and fundamental rights, aligning with EU principles and contributing to increased economic output and global influence during Sweden's Presidency.

Despite facing numerous challenges, the Swedish presidency was largely successful in achieving its goals. A key priority was providing support to Ukraine, involving the finalization of new sanctions package against the Russian regime and ongoing efforts to supply Ukraine with ammunition, along with measures to liberalize freight operations for enhanced transportation and trade between the EU and Ukraine. The presidency also addressed issues related to organized crime, engaging in discussions and negotiations on topics such as the proceeds of crime, protection of victims of human trafficking, and combating violence against women.

Notably, a groundbreaking achievement was the successful negotiation and agreement on the world's most ambitious climate package, "Fit for 55," reshaping the landscape of climate policy and requiring active contributions from every member-state as the EU takes a leading role in addressing climate issues. This comprehensive package spans multiple sectors, including climate, environment, energy, and transport, with a focus on electrification, fossil-free production, and the promotion of a more green and robust industry and energy policy.



In terms of Sweden’s NATO application, substantial progress has been made whilst hindrances still persist. After Russia’s invasion of Ukraine in February 2022, Sweden and Finland abandoned their long-standing non-alignment stance to seek protection under the NATO security umbrella. Even as Finland joined the alliance in April as its 31st member-state, Sweden’s bid has faced obstructions by Hungary and Turkiye.

Hungary has been delaying Sweden’s entry into NATO majorly because of Sweden’s criticism of Prime Minister Viktor Orban’s policies. Furthermore, Sweden has often criticized Turkey for violations of human rights and been critical of Turkiye’s democratic standards, whilst Turkiye has accused Sweden of harboring members of “militant” groups. The recent burnings of the Quran in Sweden have deteriorated the situation further. Nonetheless on a positive note, in December, the foreign affairs committee of Turkiye’s Parliament approved Sweden’s bid to join NATO, taking it one step closer to the ultimate membership. However, this needs to be ratified by the full Parliament, which might take still longer. Secretary General Jens Stoltenberg is confident that Sweden will join NATO by July 2024.

Sources: Government Offices of Sweden, April 5; Reuters, April 5; Al Jazeera, July 20; Reuters, March 29; Government Offices of Sweden, August 24; OECD, 2023; Ministry of Foreign Affairs, February 15; Swedish Presidency Results, 2023; NYT, December 26; AP, December 26; AP, September 25; Politico, January 2.

Swedish Economy: Will It Find Its Groove in 2024?

In late 2023, a European Commission update estimated that the Swedish economy will broadly stabilize in 2024 and show moderate growth in 2025. Inflation is also expected to show considerable fall in 2024. However, private consumption is likely to be affected by uncertainty in the labor and housing markets.

Similarly, a report by Nordea forecast that the Swedish monetary policy will witness a tightening with implications for the domestic economy and Sweden’s important trading partners. On the slightly bright side, it predicts a slow recovery from inflation, but only in 2025.

In December, Sweden’s Finance Ministry highlighted gloomy prospects, with the economic situation weakening and the downturn lasting until 2025. But, fortunately, even as the household consumption is expected to be low in early 2024, lowering inflation and rising incomes are set to help improve consumption, albeit not immediately. However, exports are expected to sustain growth in 2024. Overall, the Ministry of Finance expects Swedish GDP to fall by 0.5 percent this year and rise by 0.6 percent in 2024. As economic activity recovers in 2025, labor market developments too are expected to turn around and employment to start to recover.

Sources: European Commission, November; Nordea, September; Government Offices of Sweden, December 21; Business Times, December 21.

INDIA-GLOBAL

India’s COP28 Takeaways: Batting for Climate Resilience the Global South Way

During November 30-December 12, COP28 was held in Dubai, the United Arab Emirates, where world leaders and global stakeholders attended to discuss and adopt new climate agreements and resolutions. Notwithstanding the controversies, primarily over Sultan al-Jaber, an oil tycoon as president, the COP28 saw a few major declarations.

It approved the “Loss and Damage fund,” proposed at COP 27 to help vulnerable communities including developing nations such as India cope with the impact of climate

disasters such as drought, floods, and rising seawater.

Moreover, COP28 also pushed forward a landmark deal, referred to as the “Global Stocktake,” in which nearly 200 countries pledged to move away from fossil fuels. Even as the deal does not specifically call for the “phase out” of coal, oil and gas, as some states had hoped, it is an incremental improvement toward ending the use of fossil fuels.

Naturally, India was an important player at the COP28, due to its rising economic power and as a pivotal advocate for the Global South. As a developing country, India’s

environment minister, Bhupender Yadav, demanded "equity and justice" in UN climate negotiations, whilst implying that rich countries should be leading global climate action. Despite India being the third biggest emitting country after U.S. and China, India is still among the top four countries on the Climate Change Performance Index

PM Modi also launched the Green Credit Initiative at COP28 on December 1 to create a participatory global platform in the journey toward a greener future. The launch of the India-led Global River Cities Alliance (GRCA) – a first-of-its-kind alliance covering 275+ global river-cities in 11 countries, international funding agencies, and knowledge management partners – pushed the needle in the right direction toward river conservation and sustainable water management. During his address at COP28, PM Modi officially also proposed to host the annual climate summit, COP33, in 2028 (India last hosted the summit in 2002).

Notably, India's action-oriented approach on climate is emphasized by PM Modi's call for Mission LiFE – Lifestyle for Environment. The adoption of the Green Development Pact and launch of Global Biofuel Alliance during the G20 summit hosted by Delhi highlights India's commitment.

In concrete terms, India has a high ranking in the GHG Emissions and Energy Use categories. While India is the world's most populous country, it has relatively low per capita emissions, with data showing that in the per capita GHG category, the country is on track to meet a benchmark well below 2°C. Furthermore, India has set a goal for 50 percent of its electricity to come from renewable sources by 2030.

Sources: AlJazeera, December 13; Al Jazeera, November 30; Reuters, December 9; IndianExpress, December 15; CCPI, December 8; @Germanwatch, December 8; Money Control, December 14.

Voice of the Global South Summit: Part II

India hosted the second virtual Voice of the Global South Summit on November 17 with a theme: "Global South: Together for Everyone's Growth, Everyone's Trust," a pivotal event concluding India's G20 presidency. One of the summit's focus points was sharing the outcomes from G20 meetings. Global challenges and strategies for a more inclusive and progressive world order were also addressed.

PM Modi inaugurated DAKSHIN, a global center for excellence, proposed in the first summit in January for the benefit of Global South countries.

The summit showed India's commitment to collaborating with the Global South countries in Asia, Africa, Oceania, and Latin America. At the summit, leaders shared perspectives and priorities addressing the challenges and crises facing the Global South countries, especially climate change's impact, rising inflation, and food and energy insecurity resulting from geopolitical tensions as a challenge for eradicating poverty. Leaders agreed that the current challenges reflect the struggles of the past and highlight the shared future vision where no one is left behind, promoting a more inclusive, resilient, peaceful, and sustainable world.

As PM Modi rightly notes, "This message is that the Global South wants its autonomy. The message is that the Global South wants its voice in global governance. The message is that the Global South is ready to take greater responsibility in global affairs."

Sources: Indian Express, November 17; Diplomat, November 17; Deccan Herald, November 17.

8th Global Tech Summit in New Delhi

India's geo-technology flagship event, the eighth Global Tech Summit, was held on December 4-6 in New Delhi, hosted by Carnegie India and India's Ministry of External Affairs. The theme was the "Geopolitics of Technology." Experts and policymakers, among other stakeholders from all around the world, gathered to discuss the impact of critical and merging technologies impact on geopolitics, as well as issues such as data protection and export control. New and emerging technologies, digital public infrastructure (DPI), and cross-cutting issues concerning national security and innovation were deliberated.

India's External Affairs Minister S. Jaishankar in his inaugural address emphasized the role of "responsible AI, global collaboration, and nuanced partnerships" in shaping India's "catch-up" efforts with a focus on competitiveness and responsibility. He also highlighted that India's success with the DPI helped in democratizing technology.

Sources: India News Network, December 5; CNBC 18, December 4; Carnegie India;

INDIA-SWEDEN

Sweden and India Launch LeadIT 2.0



On December 1, Prime Minister Narendra Modi and his Swedish counterpart Ulf Kristersson, launched the second phase of the Leadership Group for Industry Transition (LeadIT 2.0) for the period 2024-26, centered on inclusive and just industry transition during the COP28 World Climate Action Summit held in Dubai. The first phase was launched in 2019 at UN Climate Action Summit in New York.

LeadIT 2.0, signifies a major step toward fostering a sustainable and environment friendly industrial revolution. The second phase of the LeadIT also includes the launch of the Industry Transition Platform, which will connect the governments, industries, technology providers, researchers and think tanks of the two countries.

By tackling the hurdles associated with industry transition, India-Sweden joint collaborations such as

LeadIT are laying the foundation for a global future that is more sustainable and resilient, showcasing the efficacy of collaborative endeavors on a worldwide level.

Sources: @KlimatNaringdep, December 10; SEI, December 12; IndustryTransition, December 12; LiveMint, December 10

SaltX Joins LeadIT: Enhancing Global Climate Action Coalition

Highlighting its committed dedication to spearhead the industry shift toward sustainability, LeadIT welcomed a new member SaltX on November 16. SaltX as a pioneer in electrification and carbon separation technology and facilitating groundbreaking technology in the zero-emission production of quicklime and cement, is a big player in the global industrial de-carbonization efforts. Furthermore, SaltX's current collaboration with the leading Indian Cement manufacturer Dalmia Cement Bharat aligns with LeadIT's mission to support an inclusive, just, and equitable industry transition by fostering partnerships.



The announcement was made during the inauguration of SaltX's Electric Calciner Research Center (ECRC) in Hofors, Sweden, where it was welcomed as a LeadIT latest member by key figures including Daniel Westlén, State Secretary for Climate, Minister Romina Pourmokhtari, and India's Ambassador to Sweden, Mr. Tanmaya Lal. Per Andersson, Head of the LeadIT Secretariat, emphasized the SaltX's entrepreneurial spirit and innovative drive as valuable assets in achieving net-zero targets for the cement industry.

As LeadIT continues to grow as a global climate action coalition for low-carbon pathways, SaltX’s membership enhances the group’s collective strength, bringing the total to 18 countries and 20 company members dedicated to achieving net-zero carbon emissions from heavy industry by 2050.

Sources: *IndustryTransition*, November 13; @SEIclimate, November 16; *Cision*, November 16; *Indian Express*, December 7

Diwali Celebrations by the Indian Community in Stockholm

On November 12, Diwali – the Indian festival of lights that celebrates the triumph of light over darkness, knowledge over ignorance, and good over evil – was celebrated at India House in Stockholm and by the Indian community at large. Amb. Tanmaya Lal hosted the celebrations, and invitees included MP Ms Margareta Cederfelt, Chair of the India Friendship Group at the Riksdag, and Jan Thesleff, Swedish Ambassador to India, among others.



At the international School of Kungsholmen in Stockholm, students and teachers celebrated Diwali with colorful decorations, attire and dances. There were scores of festival celebrations and yoga events across Swedish cities by members of the Indian community.

Sources: @IndiainSweden, November 10; @Tanmaya_Lal, November 12; @SweMFA, November 12; @SwedensAmbIndia, November 12; BBC, November 11

Elmia Trade Exhibition in Jönköping: Empowering MSMEs in Sweden

The Elmia Subcontractor, established in 1975, is a leading annual international trade fair with about 1200 exhibitors



from 30 countries, which creates valuable business contacts for both exhibitors and visitors. It is the largest industry event in Sweden. The 2023 trade exhibition was held in Jönköping from November 14 to 16.

From India, 18 exhibitors and engineering Small and Medium-sized Enterprises (MSMEs) attended the event, highlighting the significant role of engineering goods in growing bilateral trade. EEPC India, a premier trade and investment promotion organization, organized the Indian pavilion, which was visited by Amb. Lal and the 2nd Secy (Comm), Mr. Ram Chander, among others.

Sources: @IndiainSweden, November 14; Elmia; 2023; @eepcindia November 14

Tech Synergy and Green Bonds: Wykman’s Fintech Diplomacy

The prospects for strengthened economic ties between Sweden and India continued as the Minister for Financial Markets Niklas Wykman visited India in late November, with a business delegation focusing on Financial technology or “Fintech.” The main event on the agenda was the second edition of the India-Nordic Baltic Business Conclave, co-organized by the Confederation of Indian Industries (CII) and the Ministry of External Affairs (MEA), in New Delhi. Wykman addressed the inaugural session of the business event, stating that it is possible to tackle the climate crisis by creating favorable conditions for investments in efficient and sustainable solutions, goods, and services.

In addition, Wykman met with Indian Finance Minister



Nirmala Sitharaman to discuss possible collaboration between India and Sweden in the fintech sector. Wykman was also invited to visit IFSCA, India’s unified regulator for international financial services with a mandate to develop and promote India as a global financial hub, presenting another area with rich potential for collaboration between the two countries. Wykman also interacted with Minister of Commerce and Industry Piyush Goyal; both agreed to strengthen the India-Sweden ties through tech partnerships and green collaborations as the way forward for sustainable growth and prosperity.

Sources: @SwedeninIndia, November 22; @SwedeninIndia, November 22; @PiyushGoyalOffe, November 22; @FinMinIndia, November 22; Mycii, November 22; CNBC 18, November 24

Ayurveda Day Symposium: Bridging Tradition and Modern Medicine for Global Well-Being

On November 10, the Ayurveda Day celebrations, organized by the Indian embassy in Sweden, served as a platform for insightful dialogue between Ayurvedic practitioners and researchers from the Karolinska Institute, one of the world’s foremost medical universities, propelling the discourse on integrative medicine. Margareta Cederfelt, Member of Parliament, and Joanna Hofman, Poland’s Ambassador to Sweden, and joined Amb. Lal, among others, discussed the efficacy of holistic traditional medicine, emphasizing Ayurveda’s and Yoga’s role in addressing Non-Communicable Diseases (NCDs) and mental health.

The event underscored the need for ongoing research and development in integrative medicine, echoing a global shift toward merging ancient wisdom with modern practices.

As the WHO Global Centre on Traditional Medicine takes shape, this celebration marks a pivotal moment in recognizing and bridging the gap between conventional and traditional healthcare, fostering openness, respect, and trust. Ayurveda Day stands as a beacon, promoting the integration of 5000-year-old medical practices, paving the way for a more inclusive and comprehensive approach to global healthcare.



Sources: @IndiainSweden, November 10; Ayurveda Sweden, November 10; ETV_Bharat, November 9

India-Sweden First Space and Geospatial Partnership Unveiled

As India began to emerge as a frontrunner in the space sector, the India-Sweden space cooperation grew stronger in 2023. During December 13-15, the inaugural India-Sweden Space and Geospatial Business Summit, organized by the Geospatial World Chamber of Commerce (GWCC) and the Sweden-India Business Council (SIBC), was held in Stockholm. This summit marked a significant milestone, representing substantial advancements in the partnership between India and Sweden within the dynamic fields of Geospatial and Space Technology. Several important



guests attended the event and explored various prospects for collaboration. State Secretary Håkan Jevrell and Swedish Astronaut Christer Fuglesang were some of the main speakers at the event,

India–Sweden space cooperation began in 1986 through a pivotal MoU signed between the Indian Space Research Organization (ISRO) and the Swedish National Space Agency (SNSA). This partnership has since flourished, leading to a series of high-level meetings and MoUs spanning multiple sectors. In turn, India and Sweden have enjoyed a long-standing and close relationship built on shared values, robust business and investment connections, and strong research and development ties. Both nations also share similar approaches in addressing global challenges related to peace, security, and development.

Sources: Financial Express, December 14; @IndiainSweden, December 15; @SIBCTweets, December 13

INDIA-NORDIC

Creating Future-oriented Opportunities: 2nd CII India-Nordic-Baltic Business Conclave

The second CII India-Nordic-Baltic Business Conclave was held on November 22-23 in New Delhi. The Conclave brought together diverse stakeholders, in a bid to build new business partnerships, facilitate dialogue on key sectors, prepare the groundwork for potential policy changes, and create opportunities for boosting partnerships. In particular, the Conclave aims to deepen the relations between the Nordic-Baltic Eight (NB8) – the regional cooperation format comprising five Nordic countries and three Baltic countries (Finland, Sweden, Norway, Iceland, Denmark, Estonia, Latvia, and Lithuania) – and India. In addition to the NB8 countries, Faroe Islands – the autonomous territory of Denmark – are also included in the Conclave.

At the conference, Piyush Goyal, the Indian Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, highlighted that the importance of the Nordic-Baltic region as a new potential market for Indian products with exports growing over 39 percent from 2018-19 to 2022-23. He identified opportunities in several sectors such as pharmaceuticals,

high tech, green tech, AI, Internet of Things (IoT), electric vehicles, and marine sectors.

He also emphasized that India would benefit enormously from the Nordic-Baltic expertise in new technologies. On the other hand, India's huge market opportunities can help improve the Nordic-Baltic region's competitiveness in the global market.

Representatives from the NB8 also elaborated on the importance of the growing ties, especially with the India-EU negotiations progressing, and highlighted the specific sectors of cooperation, as follows:

- Mr Wykman, Minister for Financial Markets, Sweden, highlighted the significance of climate action cooperation for both sides.
- Mr. Andreas Motzfeldt Kravik, Deputy Foreign Minister, Norway, talked about enhancing democratic solidarity and working on climate issues.
- Mr. Egidijus Meilunas, Vice Minister of Foreign Affairs, Lithuania, identified Biotech and IoT as some sectors of interest.
- Mr. Jurgis Miezinis, Parliamentary Secretary at the Latvian Ministry of Economics, Latvia, focused on digitalization, modernization, and innovation.
- Ms. Mariin Ratnik, Deputy Minister for Economic and Development Affairs, Estonia, while praising India's technology and services sectors, skilled workforce, and well-developed ICT infrastructure, expressed hope for finalizing the EU-India FTA at the earliest.
- Mr Benedict Hoskuldsson, Special Envoy for Climate, Ministry of Foreign Affairs, Iceland, talked about public-private partnerships for solving climate challenges.
- Mr Freddy Svane, Danish Ambassador to India, emphasized on stability and economic progress by focusing on the 5S's, namely Scale, Skills, Scope, Speed, and Sustainability.

The collaboration with Nordic-Baltic countries thus offers mutual growth and prosperity.

Sources: CII; November 22; ANI, November 22; Mint, November 22;

India-Finland Looking to Ring in 2024 in Style

India-Finland will celebrate 75 years of diplomatic relations in 2024. The celebrations are expected to showcase the growing bonhomie between the two sides, as was concluded at the 12th India-Finland Foreign Office Consultations (FoC), held in New Delhi on November 1. The FOC provided a platform for exchanging views related to regional and international issues in areas of mutual interest, such as the developments in their respective neighborhoods, including the war in Ukraine.

The FOC was led by Jukka Salovaara, Permanent State Secretary of the Ministry for Foreign Affairs of Finland, and Sanjay Verma, Secretary (West), Ministry of External Affairs, India.

India-Finland bilateral relations were reviewed, including the need to further enhance ties especially in sustainable and digital partnerships and educational dialogue. The discussions also focused on multilateral cooperation, such as the UN Security Council (UNSC) reforms and Arctic. The next round of FOC will be held in Helsinki; the date is yet to be confirmed.

Sources: Financial Express, November 1; Business Standard, November 1; The Print, November 1

Towards Sustainable Partnership: Finland's Environment Committee in India

Finland's Environment Committee visited New Delhi and Mumbai on November 19-26. The Committee aimed to learn more about India's climate and environment goals so as to help in expanding India-Finland bilateral commercial opportunities in clean technology. For this purpose, members visited the Huhtamäki and Wärtsilä plants in Khopoli, as well as the Council on Energy, Environment and Water (CEEW) and discussed CEEW's research related to climate resilience and net zero pathways, among other interactions.

The meetings also included discussions with Ms. Meenakshi Lekhi, Indian Minister of State for External Affairs & Culture; Mr. Atul Bagai, Head of UN Environment Program Country Office; and Mr. Sunjoy Joshi, Chairman of the Indian think tank Observer Research Foundation (ORF). Further collaboration in

green energy, climate change, waste management, nuclear energy, and sustainable agriculture was highlighted.

Sources: Finnish Parliament, November 14; @FinlandinIndia, November 21; @orfonline, November 21

Strengthening the India-Denmark Dairy Partnership

The Danish Embassy in India hosted an event that included the global bioscience giant, Chr. Hansen, among others from the dairy industry, in New Delhi, for promoting the India-Denmark green strategic partnership and strengthening Denmark's partnership with the Indian dairy industry.

Denmark is establishing a Center of Excellence in Himachal Pradesh to explore further opportunities in dairy production and strengthen the dairy partnership with India. While recognizing the progress in India's dairy farming industry, the partnership will aim to bring Danish skills and competencies to India.

Sources: Dairy News, November 5; @ayu_agarwal94, November 5; @svane_freddy, November 4

Going Fishing: Faroe Islands Explores More Collaboration Opportunities

Prime Minister of Faroe Islands (the autonomous territory of Denmark), Aksel Vilhelmson Johannesen, expressed an interest in further cooperation with India, particularly in fisheries, aquaculture, deep-sea fishing, tourism, and IT especially cutting-edge technologies. The Faroe Islands specialize in fishing, aquaculture, and building vessels, and hence provide an opportunity for cooperation with India's fishing industry.

In connection with the Second CII India-Nordic-Baltic Business Conclave, the Prime Minister met, among others Dr. S Jaishankar, and Dr. L. Murugan, Minister of State for Fisheries, Animal Husbandry, and Dairying, highlighting the diplomatic push for strengthening cooperation between India and Faroe Islands, especially in the aforementioned areas.

Even though the countries have limited historical cooperation, PM Johannesen is optimistic about the future.

Sources: Fishery News; WION, November 23; @FisheriesGoI, November 23

INDIA-EU

EU Sends Military Attaché to India: Pivoting Beyond Trade?

For the first time, the EU posted a military attaché to its mission in India in early November. The EU has currently attachés in fewer than 15 countries. India as a new posting indicates the intensification of the EU's strategic focus on the Indo-Pacific in recent years, as well as the upward trajectory of India-EU strategic ties.

This recent development is the latest in a series in 2023, two years after the EU presented its strategy for the Indo-Pacific, a region crucial for global maritime trade and freedom of navigation concerns. The others include the joint naval exercise between India and EU on October 24 in the Gulf of Guinea and the third meeting of the EU-India Maritime Security Dialogue on Oct 5 in Brussels.

Such actions are important beyond the shared goal of maintaining stability in the Indo-Pacific, as escalating geopolitical competition is continuing to strain trade and supply chains. The EU Ambassador Hervé Delphin stated in an interview that the military attaché appointment was an investment that went beyond diplomatic connections, aiming to enhance “military-to-military contacts,” whilst also reiterating the EU's evolution into a global security and defense actor.

Sources: Hindustan Times, November 6; Economic Times, November 6; The Hindu, November 11

EU Commissioner for Agriculture Visits India

The EU's Commissioner for Agriculture, Janusz Wojciechowski, along with the EU's agri-food sector's business delegation of senior representatives, visited India on December 7-9. Wojciechowski inaugurated the EU Pavilion at major exhibitions, SIAL and VINEXPO, and led a business delegation for over 50 agri-food sector company representatives with Hervé Delphin, the EU Ambassador to India. The aim was to explore business opportunities to strengthen the partnership with Indian companies and to expand European agricultural food and beverage exports to India's market.

A conference titled, “The EU and India: a partnership in food excellence,” was also organized to focus on the India-EU partnership and the prospects in the food sector. Relevant stakeholders such as the Federation of Indian

Food Importers (FIFI), the Indian Ministry of Commerce, the Food Safety and Standards Authority of India (FSSAI), and the Agricultural & Processed Food Products Export Development Authority (APEDA) participated.

Amb. Delphin stated during the event that India and the EU shared many similarities in the agro-industry, including the promotion of sustainability and preserving traditional agro-farming, highlighting that there is a lot of untapped trade potential.

Sources: European Commission; @EUAmbIndia, December 7; @EUAmbIndia, December 7; Delegation of the EU to India, December 7

India and EU Sign MoU on Semiconductors

On November 24, India and the EU signed an MoU on “working arrangements on semiconductors ecosystem, its supply chain, and innovation” under the framework of EU-India Trade and Technology Council (TTC). The agreement was signed by Ashwini Vaishnaw, Indian Minister for Railways, Communications, Electronics and Information Technology, and Thierry Breton, Commissioner for Internal market.

The focus of the MoU is to exchange experiences, best practices, and information related to the respective semiconductor ecosystems. Additionally, the parties intend to pinpoint areas for joint efforts in research, development, and innovation involving universities, research organizations, and businesses.

Another key objective is the promotion of skills, talent, and workforce development within the semiconductor industry, which will be facilitated through workshops, partnerships, and the encouragement of direct investments. The agreement covers research and innovation, partnership and exchange of market information, as well as talent development.

In its essence, the MoU symbolizes the strong commitment of India-EU cooperation for building robust semiconductor supply chains working together on innovation. More importantly, it highlights the strategic importance of the semiconductor industry as states, including India and the EU, are striving to diversify away from the China-dominant supply chains during the post-COVID pandemic era.

Sources: European Commission, November 24; The Hindu, November 25; Economic Times, November 25; @EU_in_India, November 24



EDITOR'S NOTE

With multiple wars and conflicts raging in Europe and the Indo-Pacific – the protracted Ukraine war, the Hamas-Israel war, Azerbaijan’s swift military offensive in Nagorno-Karabakh, and the military strife in Myanmar to name a few – there was little to cheer about this past year. Even as democratic governments around the world have been struggling to find ways to pursue cooperation and coalesce outreach, the interactions between India and Europe (as also the India-U.S. one) have been productive more often than not.

In recent years, and particularly in 2023, due to India’s and Sweden’s efforts to strengthen economic ties, enhance sustainable practices, and deepen defense cooperation with an eye for the future, the prospects for continued collaboration in (and beyond) 2024 look promising. The commitment demonstrated by both nations in addressing global challenges through innovation and sustainability bodes well for the continued growth and diversification of the India-Sweden partnership in the coming year. It should provide momentum for democratic solidarity, as well as maintaining peace and stability in the Indo-Pacific.

It is also important to take note of areas where momentum in ties is lacking, such as supply chains and connectivity. Particularly, India, Sweden, and the EU

should look to collaborate via the U.S.-led MSP, a forum of 13 countries across the world plus the EU, to mitigate the challenges to the critical mineral supply chains by authoritarian states like China and Russia, especially China that dominates this market.

As regards, connectivity, the India-EU convergence via Global Gateway’s plans in the northeastern region of India and its immediate neighborhood is a good start. In addition, the development of the IMEC, which binds together India, the EU, and U.S., will accelerate investments in high-quality infrastructure projects in multiple regions, giving a boost to both India’s and the West’s ties to the Global South. Even as the war in the Middle East has put brakes on the project at least for now, the ambitious project will regain steam hopefully in the near future, as there is greater political will to counter China’s humungous efforts via the Belt and Road Initiative.

As a result, if effective diplomacy and sustained communication continue, India, Sweden and the other NB8 states, and the EU can together contribute to jointly addressing regional, global challenges and fostering international cooperation – not only helping rejuvenate the rules-based global liberal order but also strengthening cooperation with the Global South.

CONTACT DETAILS:

For inquiries about the newsletter or ISDP’s Stockholm Center for South Asian and Indo-Pacific Affairs (SCSA-IPA) activities, please contact Dr Jagannath Panda at: jpanda@isdp.eu

Disclaimer: The views expressed here are as published in the original sources and not of the ISDP or the SCSA-IPA.

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The Institute for Security and Development Policy is a Stockholm-based independent and non-profit research and policy institute. The Institute is dedicated to expanding understanding of international affairs, particularly the interrelationship between the issue areas of conflict, security and development. The Institute’s primary areas of geographic focus are Asia and Europe’s neighborhood.

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