

Importance of India Sweden Relations

20 Years of Sweden India Business Council

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Remarks by Ambassador

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Hon'ble Minister
Ambassador Jan Thesleff
Mr. Marcus Wallenberg
Distinguished industry leaders
Friends

The Sweden India Business Council has really **anchored** the promotion of our business linkages over the last two decades. This period has seen a **significant expansion** of our investment & trade volumes. This is a **remarkable** achievement and I **congratulate** the SIBC.

And now, with the pace of change in India now becoming exponential, our business linkages are ready for a lift off!

Ambassador Thesleff and I have been asked to speak on the importance of India Sweden relations today.

My job has become easier since our Foreign Minister Dr. Jaishankar himself recorded a comprehensive **podcast** on this partnership just before leaving Stockholm for Brussels less than 48 hours ago.

In Stockholm, Dr. Jaishankar had excellent interactions over three days with Swedish leaders including Hon. Prime Minister, Foreign Minister, Defence Minister, National Security Adviser, Hon. Speaker of Riksdag and Swedish business leaders.

The range and substance of these interactions reflected the **deep political commitment** on both sides in pushing our ties and **strong business interest** in the India Story.

This alone tells you the importance, which the leadership on both sides attaches to this relationship. In addition to the purely bilateral areas of interest, there is also a **wider global context** to this relationship in today's globalised connected world.

These interactions came at an important time when India and Sweden hold parallel Presidencies of the **G20 and the EU** against a wider backdrop of **serious global challenges** on the one hand and the **huge excitement about India** on the other.

This visit and the nearly 10-12 other ministerial interactions in the last six months alone, speak of the importance of our partnership. These have ranged from Foreign Affairs to Foreign Trade, Infrastructure, Aviation, Climate, IT, Housing to Finance. There have also been **visits by a series of very high-profile business delegations** from both sides during this period, including ministerial delegations from states of UP and Tamil Nadu, all also facilitated by SIBC.

By any standard this is remarkable and speaks of the breadth of our active partnership.

In his special podcast, Minister Jaishankar described the significance of this partnership at multiple levels.

Not only the bilateral ties including technology, innovation, investment linkages, but the wider context of the :

India-Nordic format (*where Sweden had taken the lead by hosting the first Summit in 2018 and the second summit was held last year in Copenhagen*)

the **strategic India-EU partnership** (*where Sweden is currently leading at a time of far reaching TTC discussions and FTA negotiations*)

EU-Indo Pacific dialogue (*where Sweden has shown remarkable leadership to invest in intensifying these ties in view of global interconnectedness of economy & security despite other pressing concerns*) and

our **joint multilateral initiatives on crucial global challenges, including on industrial transition such as LeadIT.**

He also spoke of the contribution of **Indian Diaspora** and talent in Sweden. Something which the Swedish leaders have also spoken about.

Iconic Swedish brands have always had India as an important part of their global business, a long time before India even became an independent nation. **Ericsson** has been there for 120 years. A couple of months ago I had the opportunity of joining Ambassador Jan Thesleff at the celebrations to mark 100 years of **SKF** in Pune.

Other Swedish majors have come into India over the past several decades. Their India businesses continue to flourish and become stronger. **Their optimism is reflected in Business surveys. Indian companies are also expanding their presence in Sweden.**

Today India's growth story is defying the global trend. In a decade, the size of Indian economy has become the **5th largest** from being 11th largest. Despite global headwinds, India is receiving record levels of **FDI**, registering record levels of **exports** and **trade deficit** is beginning to come down.

Investments are flowing into startups and the list of **unicorns** coming out of India has long crossed **100**. Within a short time, India has become world's **3rd largest Startup ecosystem**.

Ease of Doing Business and **Innovation indices** have vastly improved.

All this transformation is being achieved through a series of **sustained economic reforms**, a **Digital revolution that is leveraging Technology** for transforming governance & businesses across sectors, and **infrastructure improvement at a scale that is unprecedented**.

Although many of you may be aware of the **scale and pace of the change underway** in India, I could share some numbers to illustrate this :

- In the last few years alone, the number of **airports** in India has doubled to around **150** and this is growing.
- More than **11,000 km of highways** are being built or expanded every year. **4,500 km of new railway tracks** have been built in last one year (nearly the total of Austria). **6,000 route km of railways have been electrified** in last two years.
- Airports such as Cochin and Delhi or Delhi Metro are all running on **solar power**.
- Number of electric vehicle **charging stations** is projected to double in one year to 22,000 next year. It is estimated that **by 2030 around 13 million electric vehicles** will be sold annually in India.
- A massive Hydrogen push is underway and India plans to produce at least **5 million tonnes of green Hydrogen** annually by 2030.
- Largest number of **digital payment transactions** by far are taking place in India – around 6-8 billion transactions every month and the number is increasing.
- A remarkable scale of **Covid19 vaccine paper-less roll out** – around 2.5 billion doses in less than two years.
- **Startups** are making advanced **drones**, working on **AI & robotics**, **3D printing rocket engines**, developing **greener propulsion systems**, and even **launching rockets & satellites**.

Hopefully these instances convey a sense of how fast India is changing.

Sweden has always been an **externally oriented economy** and is now pioneering **clean technologies and innovation** across sectors.

India too now represents not only an **expanding market** size and **technology deployment** of a **scale that is difficult to match** but is also **source of innovation and talent** of an **equally large scale**.

The **Data and Demographic Dividend** available to India is unmatched and will remain so for at least the next 2-3 decades.

There is a huge **Digital and Green transition** underway in India. These are also areas of **Swedish expertise and business interest**.

The rapid upgradation of India from a primarily offline, cash-based, informal & low productivity economy to an online, cash-less, formal and high productivity economy is creating the **right conditions for a real upgradation of business opportunities at scale**.

Significantly, all this is also happening at a time of geostrategic shifts when there is now an urgency of focus on tackling strategic dependencies through **de-risking & diversification** for **reliable & resilient supply chains** and on the issue of **Trust and Transparency** in critical areas.

In fact, **Foreign Minister Billström spoke on Critical Supply Chains** at the Raisina Dialogue during his recent visit to India.

These issues also featured prominently in the deliberations during the **EU-Indo Pacific ministerial** on Saturday and the **India Trilateral Forum**, which brought together stakeholders from India Europe and US over last two days here in Stockholm.

Even more concretely, if we look at the **India-EU Joint Statement** released only last evening in Brussels after the **first ministerial meeting of the Trade & Technology Council**, it talks about :

- A **challenging and volatile global political, economic and security landscape** for both partners
- Need for **rules-based approaches to trade, technology, and innovation** that are founded on solid democratic principles
- Promotion of **skilled professionals** and exchange of talent

This sets the broader context.

And if we look at the specific areas of collaboration that have been included :

- **Trustworthy Artificial Intelligence**
- **Strategic Semiconductor sector** to conclude an MoU in 3 months
- **IT and Telecom Standardization** for interoperability
- **Interoperability of Digital Public Infrastructures** to jointly promote secure, privacy preserving solutions
- **Low Carbon Hydrogen, Batteries for Electrical Vehicles**
- **Quantum and High-Performance Computing research**, bio-informatics, bio-molecular research, and drug development
- **Platforms & Data Governance**

This is indeed far reaching and EU has this TTC format only with US and India.

If we look at India US, similar issues were the subject of the inaugural meeting in January this year, of the **India-US Initiative on Critical and Emerging Technologies iCET** meeting in Washington DC that was led by the two National Security Advisers. iCET was launched last year by Prime Minister Modi and President Biden.

These questions of **Trusted partners** have become increasingly significant in the changed global geo-strategic and economic security context.

India and Sweden are such Trusted partners. This trust is based on shared values and democratic governance systems.

Both have vibrant innovation ecosystems and competencies in many of these emerging areas of technology.

As India grows rapidly, upgrades its economy and infrastructure, the scale of opportunities and capabilities in Digital and Green Transition sectors becomes enormous. So is the Talent pool.

India Sweden ties, therefore, are important not only when viewed in a narrow **bilateral** sense but have a **growing significance when we look at the wider global economic and strategic landscape**, and its implications not only for businesses but also for the wellbeing and prosperity of our societies.

We are working with various partners to see how a **more rounded knowledge about India** can be made available more widely.

In that context, **I congratulate SIBC for also including a session on the role of Think Tanks in today's programme.** I look forward to listening in to that discussion.

Friends,

The Sweden India Business Council remains a **very valuable partner for the Indian Embassy.** There is great coordination and synergy in our outreach and facilitation efforts.

As the India Story keeps on getting ever Bigger and more attractive, we look forward to working closely with the SIBC in further scaling up our joint initiatives.

Thank you.
