

**India and Europe
Strengthening Economic Relations
Opportunities and Way Forward**

PHDCCI

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**Remarks
Ambassador Tanmaya Lal**

Greetings from Stockholm

May I thank the PHD Chamber of Commerce & Industry for organising this seminar

I would like to share some thoughts about our business engagement with Sweden and Latvia

First, may I speak a little about these two countries and economies to provide some context for those who may not have engaged with these countries

Let me begin with Sweden

Sweden is the largest among the five **Nordic** countries in terms of **size, population and economy**

Sweden is a member of the **European Union**

India Sweden relations are deepening rapidly in the **last seven years**.

During this period our Heads of State and Government have interacted on **eight occasions**. This year alone, our **Prime Ministers** have engaged with each other **thrice despite pandemic**. There have also been four **ministerial** interactions this year.

This gives an idea of the strong **political commitment** behind this partnership.

As many of you may know, Sweden is known for being a **global leader** in certain key aspects including **Innovation, Competitiveness and Sustainability**

Due to its relatively small domestic market, Swedish business has **always looked externally** for trade and investment

Sweden is long known for its **manufacturing** industry, which grew around its strong **mining** sector.

Some of you may know that several important innovations such as a **safety match, seat belt, zipper, ultrasound, pacemaker, tetra pack, telephone handset, and skype** have Swedish roots.

Sweden is among the very few countries who produce **aircraft to ships to submarines**

Sweden has several leading global companies in the fields of :
manufacturing, mining, automotive, earthmoving, electrical & electronics, telecommunications, life sciences, pharmaceuticals, industrial machines, home appliances etc.

Today, Swedish companies are among the leaders in **innovation, clean technology and sustainability**.

Their major areas of expertise include : **Renewables, Smart Grids, Smart City solutions, Circular Economy, Energy Efficient technologies, Water treatment, Waste recycling, Solid Waste management, Transportation, Healthcare & Life Sciences, AI & Digitalisation.**

Sweden aims to become **fossil free by 2045.**

India and Sweden also jointly launched the **Leadership Group on Industry Transition two years ago.**

Two major ongoing developments in this context relate to advances being made in production of **Green Steel and green batteries by Swedish companies.**

There is a **strong consumer sentiment for environment protection and sustainability.**

There is increasing **demand and cost premium on sustainable products.**

Leading Swedish companies such as **IKEA, H&M, Hemptex source products that are meet the sustainability criteria in their production and use cycle.**

There is a growing number of **Startups** focused on these aspects from **food to fashion to music.**

More than **225 Swedish companies** are based in India – for instance, **Atlas Copco, Alfa Laval, ABB, SKF, Volvo, SAAB, Sandvik, Tetra Pak, H&M, IKEA, TrueCaller, Spotify.**

Indian businesses have also shown growing interest in Sweden. More than **75 Indian companies** are active in Sweden.

They range from **IT and Digital solutions to Engineering manufacturing, Yarn & Fabric, Steel, Automotive components, Electrical equipment, Power transmission to hospitality** among others.

These companies include **HCL, TCS, Wipro, Mahindra, L&T, Bharat Forge, Aditya Birla, Tatas, Kalpataru, C&G** among others.

Investment both ways is growing.

Trade has shown an increasing trend. The annual Goods & Services trade is around **USD 4 billion.** There are around **50,000 Indians** in Sweden, most of them **professionals.**

A recent **Business Climate Survey** conducted with Swedish firms in India shows a **very positive sentiment despite the Covid challenges.**

Indian businesses, including SMEs, interested in sectors that I mentioned earlier - **Renewables, Smart Grids, Smart City solutions, Circular Economy, Energy Efficient technologies, Water treatment, Waste recycling, Solid Waste management, Transportation, Healthcare & Life Sciences, AI & Digitalisation** – can explore partnerships in Sweden.

I may add that **quality and trust** in addition to **sustainability of products, fair manufacturing practices** remain highly important in the Swedish context.

Now we could look at **Latvia**

Latvia is **one of the three Baltic** nations. It is also a member of the **EU** and the **Euro currency zone**. Latvia has a population of 2 million but its area is larger than some other EU members (*for instance Belgium, Denmark and Netherlands*).

With Latvia also our business engagement is **growing**, although the **volumes are low** currently. Bilateral trade is around That reflects the high potential going forward.

Political engagement is growing.

The major economic sectors in Latvia include **chemicals** (pharmaceuticals, recycling, eco-friendly chemicals & bio-cosmetics), **transport & logistics**, **woodworking** besides **agriculture (Food processing & beverage)**, machinery manufacture, **metal working**, green technologies, **life sciences**, and **textiles**.

High-tech electronics, IT and design, machinery and equipment for medical, precision and optic instruments, telecommunications and space sector are other important areas.

Latvia's **location** affords access to ice-free deep-water ports and good rail and road links act as a gateway for trade between east and west. Latvia **hosts the regional headquarters of several major multinationals** including Maersk, Unilever, Michelin, Siemens and Nokia.

Therefore, there is a **significant potential for trade and investment linkages** between India and Latvia also.

Both Sweden and Latvia are members of the EU.

With the **India-EU Trade talks** commencing again, there is a clear signal and even greater possibilities for businesses.

We have just held a **series of Business Seminars** and Road Shows in Stockholm, Gothenburg, Malmö and Luleå, in addition to the **India Sweden Innovation Day** and an **India Sweden AI & Digitalisation Summit**. We would continue our efforts further.

We would like to **welcome** Indian businesses to have a closer look at the opportunities offered by **Sweden and Latvia** for not only the **Nordic and Baltic** regions but beyond.

Thank you.