

EU-India: A broad economic and trade relationship



EU-INDIA: A BROAD ECONOMIC AND TRADE RELATIONSHIP

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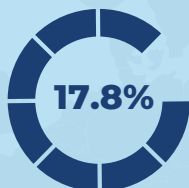
EU-India: A broad economic and trade relationship

Key facts and figures

EU-India: Key facts and figures

EU

GDP EUR 12.5 TRILLION



SHARE OF THE WORLD GDP

POPULATION



447.7 million

5.8% OF WORLD POPULATION

SHARE OF WORLD TRADE

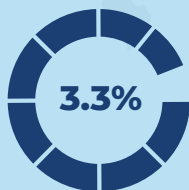


FDI ATTRACTIVENESS

Number 1.
amongst top host
economies by
FDI inflows

INDIA

GDP EUR 2.32 TRILLION



SHARE OF THE WORLD GDP

POPULATION



1.37 billion

17.8% OF WORLD POPULATION

SHARE OF WORLD TRADE



FDI ATTRACTIVENESS

Number 9.
amongst top host
economies by
FDI inflows

All data is for 2019

*FDI-Foreign Direct Investment

Sources:

World Bank; Ministry of Finance (GOI); DG Trade Statistical Guide (2020); The European Council; World Investment Report 2020, UNCTAD

The EU's growing economic footprint in India



EU investment inflows
into India (2000-2020) — **EUR 70 billion**



European Investment Bank (EIB) has invested
EUR 3.81 billion
in infrastructure, energy, climate change

4,500 
EU companies
in India

1.5 million

Direct Jobs in India

5 million

Indirect Jobs in India



2 million
People

travelled between
EU and India in 2018



EU-India total
trade of goods



EUR 72 billion



EU-India total
trade in services

EUR 28 billion

Notes:

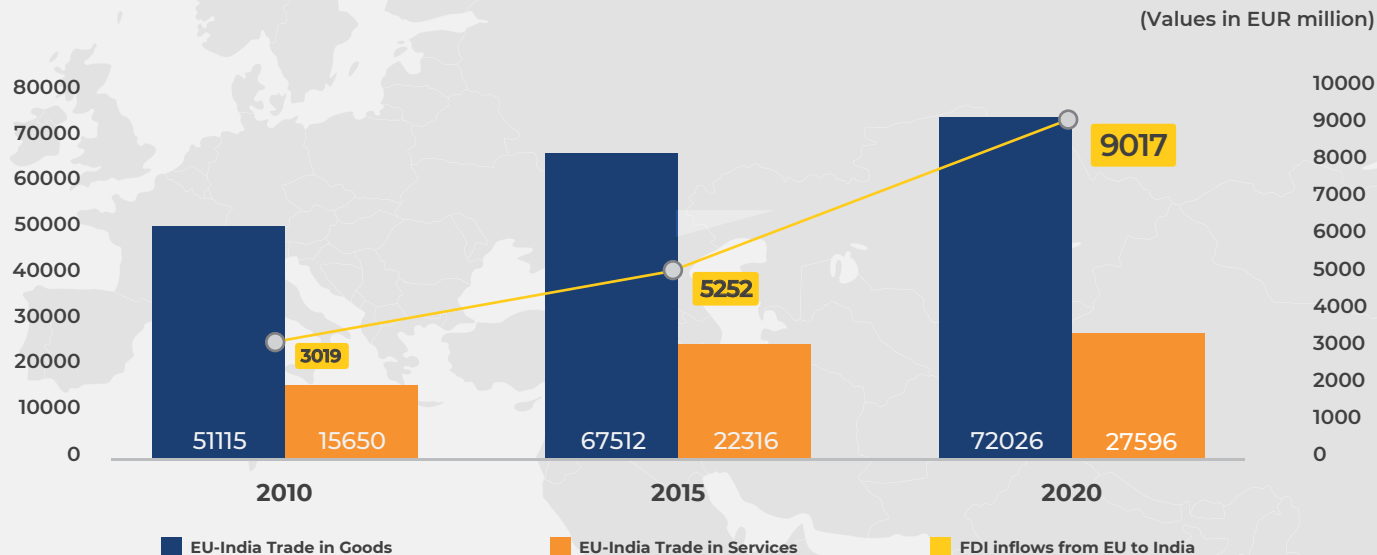
1. EIB investments since 1993 until 15 June 2021
2. Total trade in services is for Calendar Year (CY) 2020
3. Total trade in goods is for Financial Year (FY) 2020 (FY ending 31 March 2020)
4. investment inflows is for Calendar Year (CY) 2000-2020)

Sources:

European Investment Bank; EUROSTAT; Department for Promotion of Industry and Internal Trade (DPIIT); Ministry of Commerce and Industry, Ministry of Tourism, GOI

EU-India: a growing trade and investment partnership

In the last decade, EU-India trade in goods increased by 41% and trade in services increased by 76%; investment flows to India increased 3-fold



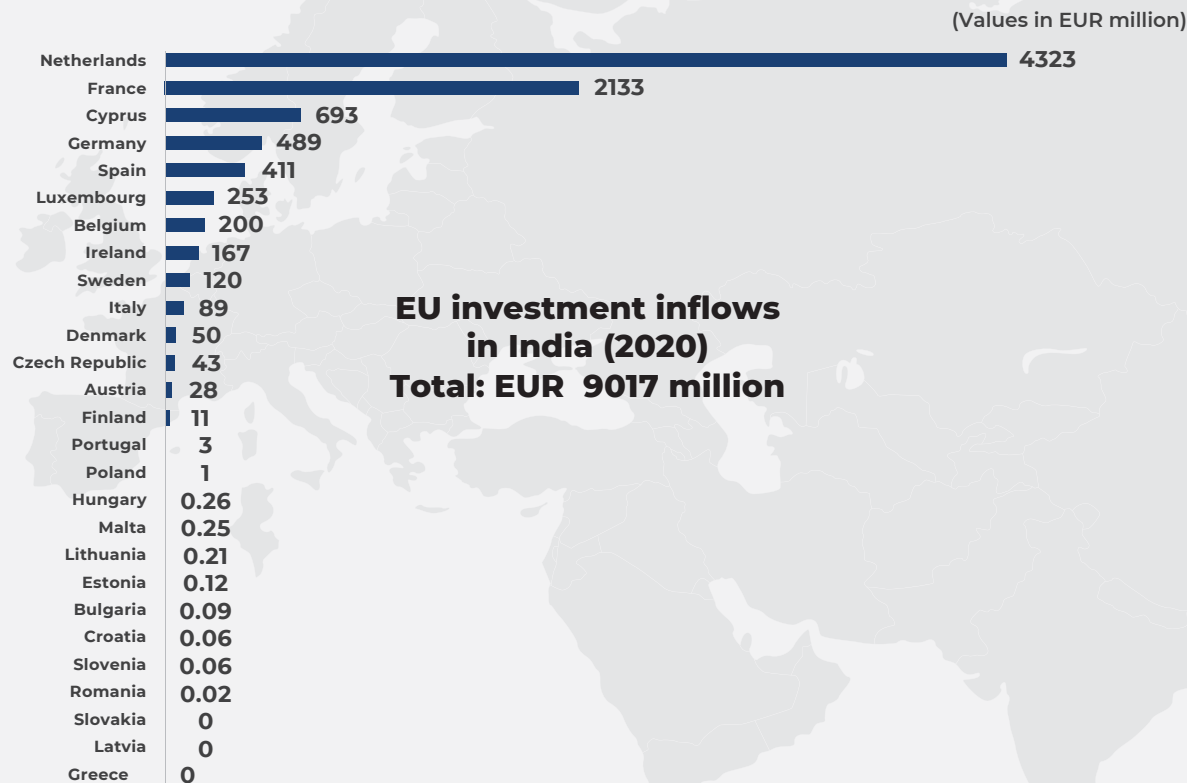
Notes:

1. Trade comprise imports and exports between EU and India during the relevant periods
2. Trade in services: Calendar year (CY) 2010, 2015, 2020
3. Trade in goods : FY 2010, 2015, 2020
4. FDI inflows from EU: CY 2010, 2015, 2020

Sources:

1. Trade in services: EUROSTAT
2. Trade in Goods: Ministry of Commerce and industry, GOI
3. FDI inflows from EU: DPIIT, GOI

EU Member States: investment inflows into India



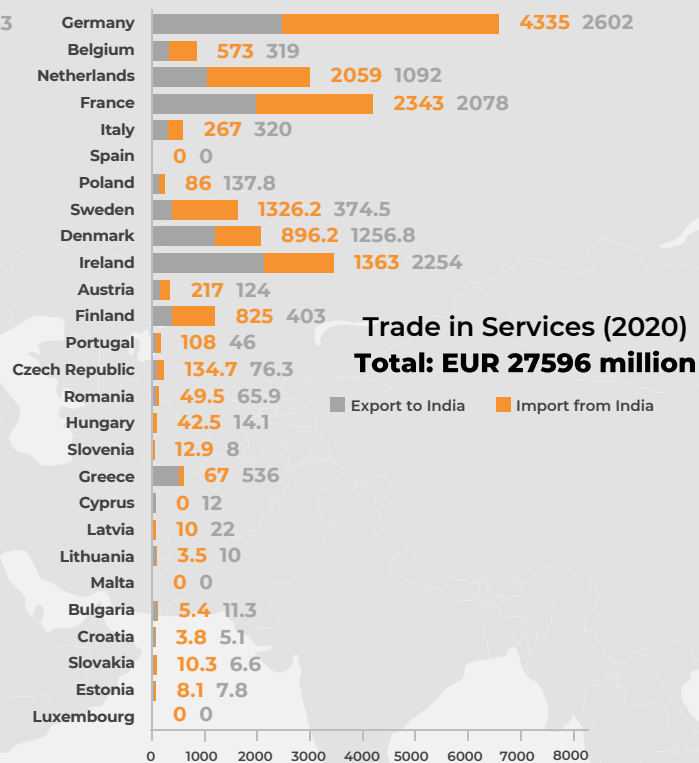
Notes:

1. investment data is for CY 2020

2. investment inflows: Department for Promotion of Industry and International Trade, GOI

EU Member States: Trade in goods and services with India

(Values in EUR million)



Notes:

1. Trade in services is for CY 2020 ; Source EUROSTAT
2. Services data for Luxembourg, Malta and Spain is not available in EUROSTAT
3. Trade in goods is for FY2020; Source: Ministry of Commerce and Industry, GOI

A stylized map of Europe and India is shown in a light yellow color against a darker yellow background. The map is centered, with Europe on the left and India on the right.

EU investment inflows into India

The EU is one of the largest investors in India

EU investment inflows in India - demonstrates a sustained commitment towards India

Investment Facts

- EU is one of the top investments investors in India.
- EU has invested EUR 70 billion between 2000 and 2020, representing 16% of total investments in India;
- EU companies present in India, have contributed to India's economic growth by creating over 6.5 million direct and indirect jobs.

Investment Trends and Patterns

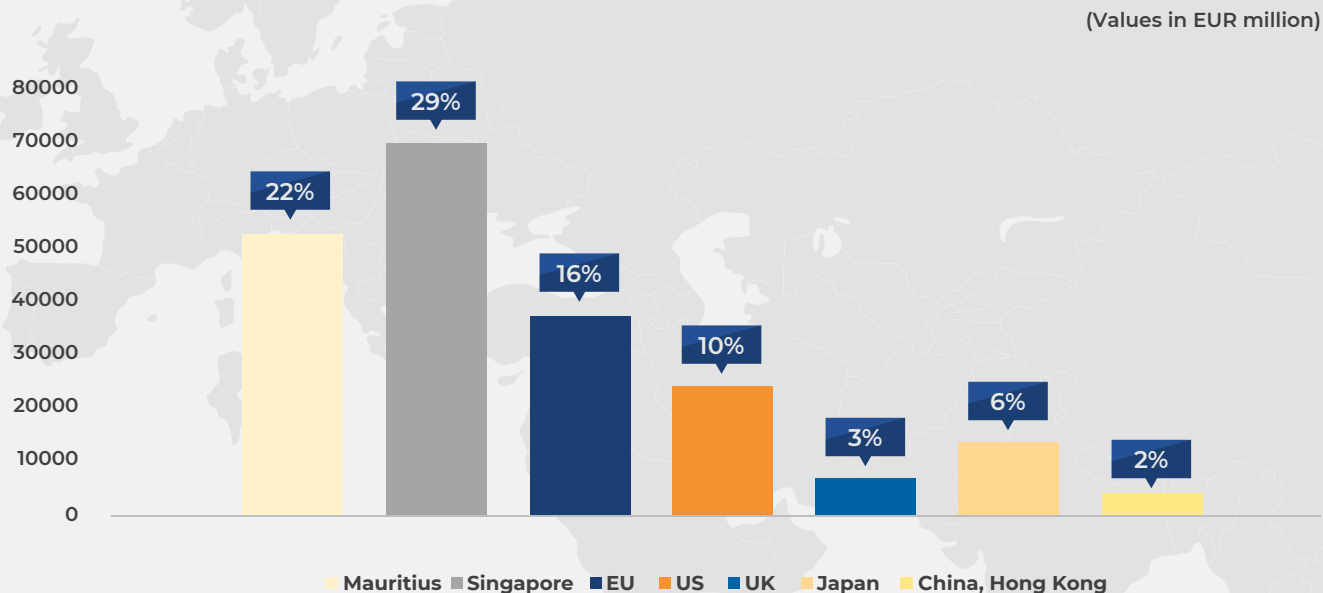
- Shift in investment to the services sector accentuated between 2017-2019. During this period, 40% of total investments received from the EU were in services sector;
- In the last three years, investments have moved to sectors such as high precision manufacturing, pharmaceuticals and e-commerce;
- EU investments in India since 2015 have more than doubled compared to the prior 15 years.

Source:

Investments inflows: DPIIT, GOI (data reported in CY format)

EU investment inflows in India (2015-2020)

The EU is one of the largest investors in India accounting for 16% of total Investments received between 2015 and 2020

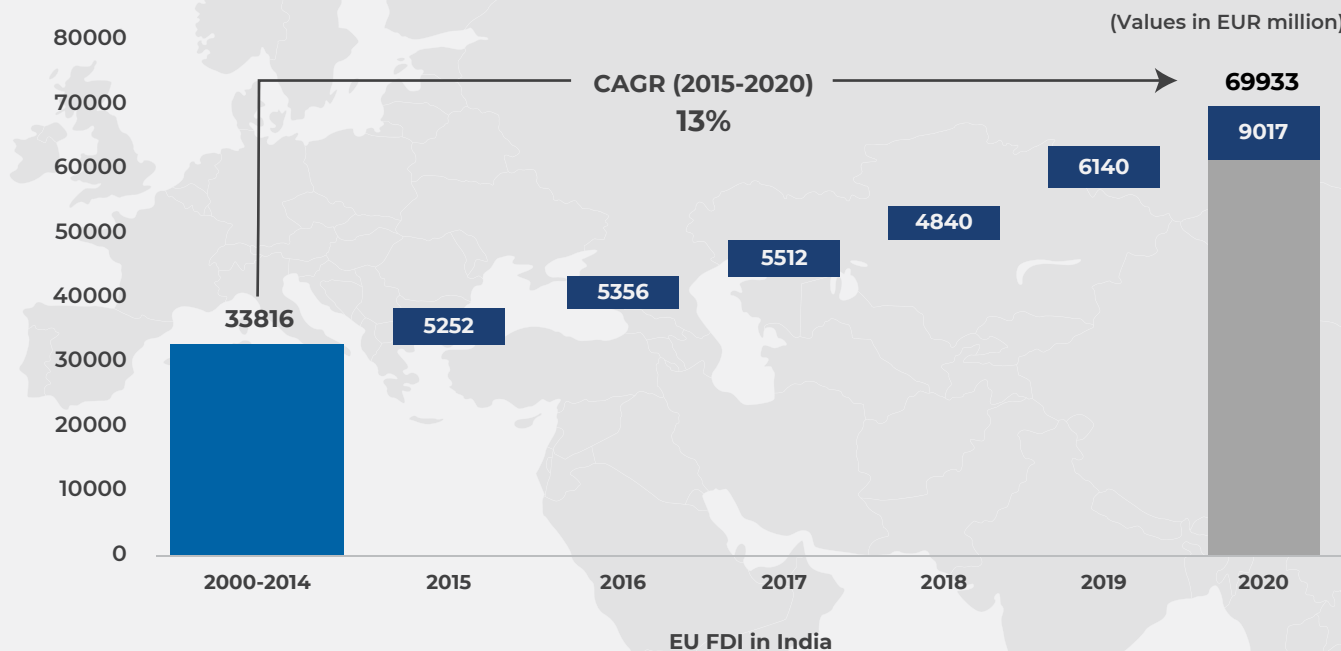


Investments inflows from respective partners to total investments received by India is given percentage

Source:

Investments inflows: DPIIT, GOI (data reported in CY format)

EU investments in India have more than doubled in the last five years



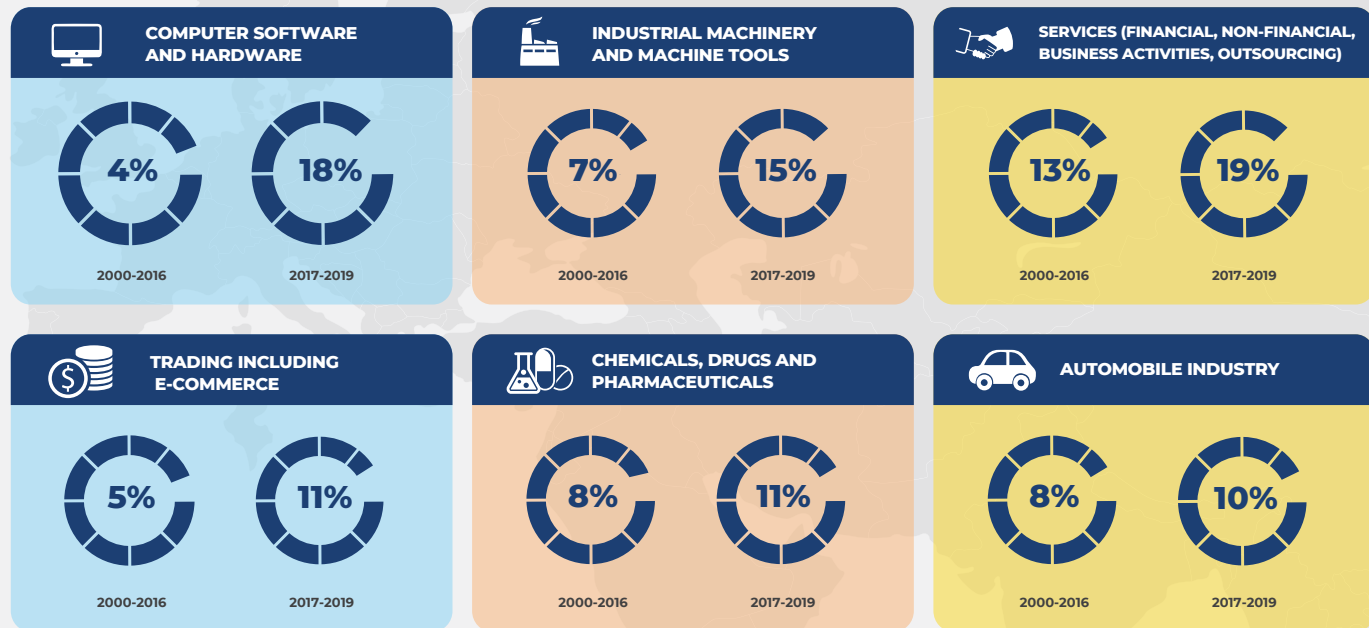
*Compound annual growth rate

Notes:

1. FDI data is for CY for the respective periods
2. FDI inflows from EU: DPIIT, GOI

EU Investments have seen a steady increase in high-value industries

Contributing to growth multipliers of India



Percentages indicate the sectoral share of FDI inflows from EU to India shown by the size of relative change over the period

Source:

Analysis based on FDI inflows; data periodically released by DPIIT, GOI; and authors' analysis

Exports by EU Member States to India (goods and services) and Investment inflows

(Values in EUR million)

EU Member States	EU's exports of goods to India		EU's exports of services to India		FDI inflows to India	
	2015	2020	2015	2020	2015	2020
Austria	653	504	142	124	10	29
Belgium	8645	7104	304	319	55	200
Bulgaria	83	115	10	11	0.70	0.09
Croatia	23	46	9	5	0	0.06
Cyprus	18	60	10	12	414	693
Czech Republic	414	240	59	76	2.17	43
Denmark	366	506	962	1257	22	50
Estonia	94	43	7	8	0.38	0.12
Finland	734	501	494	403	51	11
France	3533	4935	1818	2078	343	2133
Germany	10230	10953	2174	2602	916	489
Greece	102	99	405	536	0.10	0
Hungary	192	150	270	14	0.34	0.26
Ireland	427	483	2406	2254	14	167
Italy	3385	3593	496	320	188	89
Latvia	29	212	7	22	0	0
Lithuania	90	210	-	10	0.27	0.21
Luxembourg	33	43	156	-	625	253
Malta	23	98	-	-	0.03	0.25
Netherlands	2242	2713	817	1092	2403	4323
Poland	508	680	80	138	3	1
Portugal	116	113	38	46	4	3
Romania	237	209	41	66	0.96	0.02
Slovakia	110	44	2	7	4	0
Slovenia	84	199	6	8	0.18	0.06
Spain	1604	1291	318	-	112	412
Sweden	1399	892	537	375	84	120
Total	35374	36033	11569	11782	5252	9017

Notes:

1. Data on exports of goods to India: FY 2015 and FY 2020; Source: Ministry of Commerce and Industry, GOI
2. Data on EU exports of services to India CY 2015 and CY 2020; Source: EUROSTAT
3. Services exports: Blank (-) reflect data not available on EUROSTAT for the period
4. Data on investment to India: CY2015 and 2020; Source: DPIIT, Ministry of Commerce and Industry, GOI

A stylized world map in shades of yellow and orange, with the continents outlined in a darker yellow. The map is centered on the Atlantic Ocean, showing North and South America on the left and Europe and Africa on the right.

EU-India Trade in Goods

Bilateral trade in goods shows steady and balanced growth

EU-India trade in goods is complementary and balanced

EU exports of goods to India between FY 2000 and 2020 grew by over 5 times from EUR 6.7 billion to EUR 36 billion

Trade facts

- EU exports of goods to India between FY 2000 and 2020 grew by over 5 times from EUR 6.7 billion to EUR 36 billion;
- In 2019-20, India exports of goods to EU represents 14% of EU imports.

Trade trends and patterns

- 85% of EU export to India in 2020 is of manufactured goods and machinery;
- Between 2015 and 2020, over 45% of India's import of aircrafts and electrical machinery and parts came from the EU;
- In the five years ending 2020, EU exports to India moved from pearls, precious stones and metals to machinery, transportation and medical devices, emphasizing a higher value and technology shift.

Note:

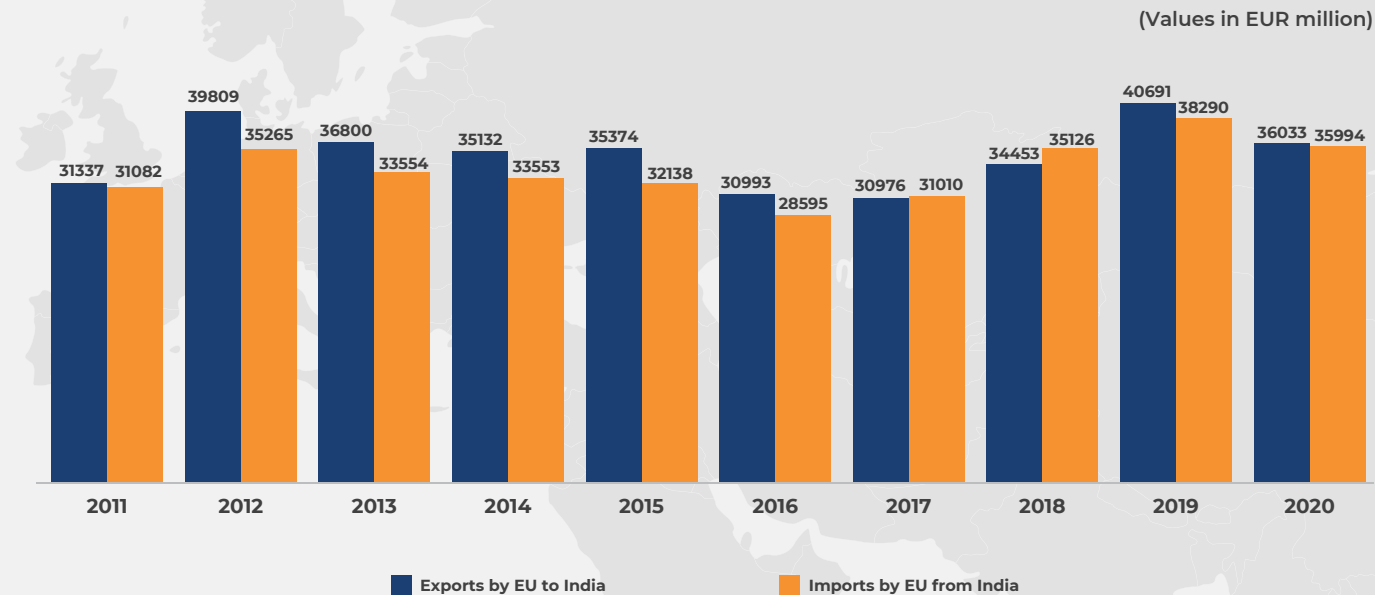
Trade in goods data: in FY format

Source:

Export Import Data Bank, Department of Commerce, Ministry of Commerce and Industry, GOI

EU-India trade in goods

Built on mutual strengths with remarkably balanced trade



Note:

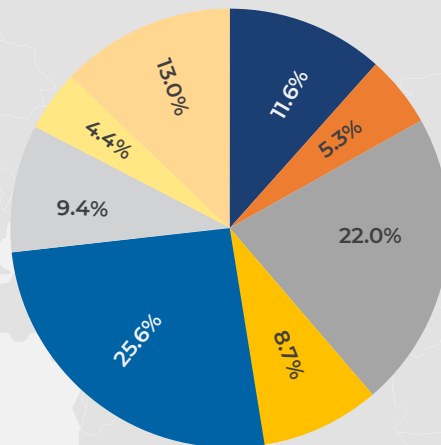
The graph above shows a 10 year period from FY 2011 to FY 2020

Source:

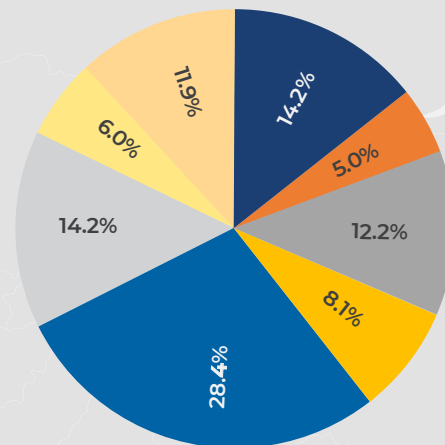
Export Import Data Bank, Department of Commerce, Ministry of Commerce and Industry, GOI

EU goods exports to India

Between 2015 and 2020: Shift to value-added manufactured goods



Exports of goods from EU (FY2014-15)



Exports of goods from EU (FY2019-20)

Note:

Data on exports from EU to India for FY 2014-15 and FY2019-20

Source:

Export Import Data Bank (Annual), Ministry of Commerce and Industry, GOI



EU-India Trade in Services

Bilateral trade in services shows consistent growth

EU-India trade in services

Contributing to India's transition into an innovation-based economy

Services facts

- EU is one of India's largest partners in total trade in services, valued at EUR 28 billion in 2020;
- Between 2010 and 2020, trade in services between EU and India increased by 76%;
- EU's exports to India grew 4% while India's exports to EU increased by 45% between 2015 and 2020.

Services trends and patterns

- EU's services exports to India is significant - comprising 15% of total imports of services by India in the last 5 years;
- EU exports of computer and business services is 20% of India's imports in 2019, signifying high collaborative relationship in creating India's knowledge economy;
- Increase in trade in services is matched with the shift in EU FDI to the services sector during this period.

Note:

Trade in services data: CY for referenced periods

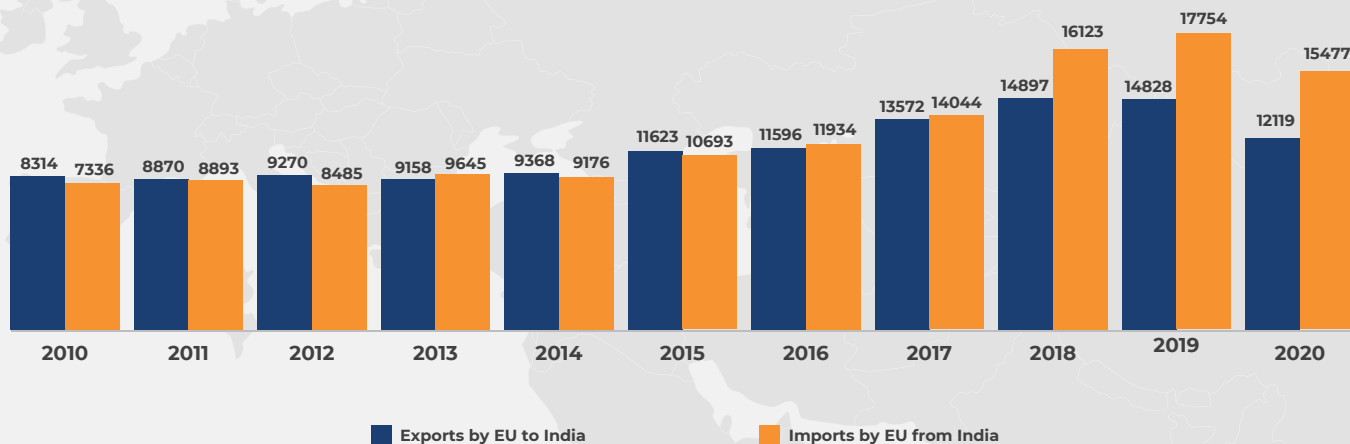
Source:

EUROSTAT

EU-India trade in services

Total trade in services increased by 76% in the last decade

(Values in EUR million)



Note:

Services data is on CY basis

Source:

EUROSTAT

EU services exports to India

Telecommunications, computer and business services account for over 60% of EU services exports to India

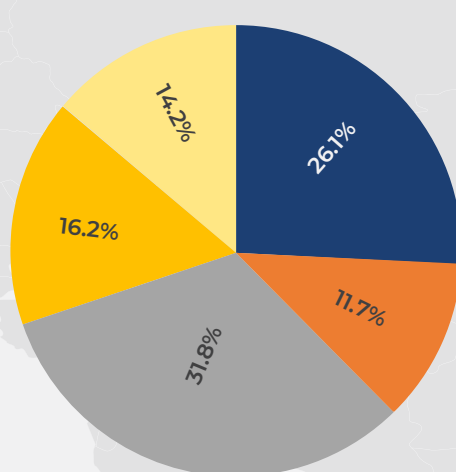
Transport

Travel

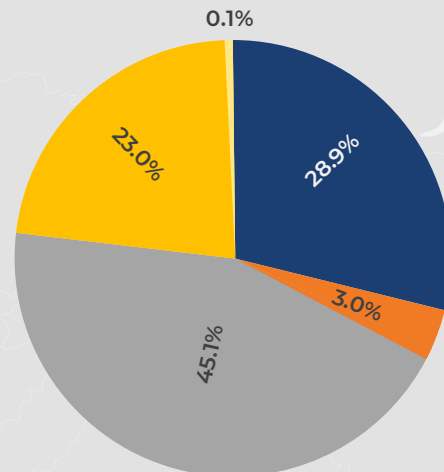
Telecommunications, computer and information services

Business services

Other Services



Exports of Services from EU (CY 2015)



Exports of Services from EU (CY 2020)

Note:

Data on exports from EU: for CY 2015 and 2020

Source:

EUROSTAT

A stylized map of Europe and India is shown in a light yellow color against a darker yellow background. The map is centered, with Europe on the left and India on the right.

EU in India: Voice of Businesses

Testimonials from EU Businesses in India

NOKIA India: 'Making in India for India and the World'

EUR 375 million worth production with 50% for exports



Economic impact

- Investment of EUR 275 million in India;
- Annual earnings from exports ~ EUR 188 million;
- Direct employment: 15,000 and indirect employment: 15,000;
- Supporting 12+ MSME component suppliers through localisation programme.



Catalyst for innovation & R&D in India

- Largest active telecom product manufacturing across technologies;
- First to manufacture 5G gear;
- 10+ 5G networks globally supported by Global Delivery centres in India;
- Nokia's largest global R&D base of 6000+ engineers and research in various advanced global telecommunication technologies such as cloud, 'big data' analytics, 5G and more;
- 200+ patents filed.



Socio-economic contribution

- ~ EUR 12.5 million for socio-economic development: digitally integrated village ecosystem for a more inclusive society with education, financial inclusion, access to healthcare, and other social benefits through broadband connectivity;
- 1/3 of overall mobile subscribers in India are served by Nokia Radio.

"Nokia is proud to be an integral part of the country's digital transformation journey, building the backbone to enable a \$5 trillion economy in future."

– Sanjay Malik,

Senior Vice President and Head of Nokia India.

Schneider Electric India: We Make in India for India and the globe with exports to more than 30 countries



All India Footprint

- City presence 160+, 32 factories & 2 smart factories, 30 export destinations;
- 90,000 points of sales, 2600+ channel partners and 25 distribution centres;
- Working with the country's top 10 oil refineries and provide 41 GW of India's power generation capacity.



Economic impact

- 50+ years history in India with a strong footprint in manufacturing, digital innovation and customer connect;
- Employment: 31,000 (1,800 focusing on R&D);
- We enable 320 electrician training centres and 110,000+ unemployed youth to support 20 million homes.



Segment coverage

- We enable a wide array of segments to get the most of their energy and automation infrastructure using digital technologies;
- Key segments: hospitals, hotels, commercial buildings, critical and manufacturing infrastructure, and many more.



“Schneider Electric is committed to make India self-reliant by touching lives and industries everyday through our Digital Technologies for Energy Management and Automation for a sustainable future”

– Anil Chaudhry,

Managing Director and Country President of Schneider Electric India.

Neurotechnology: Driving innovation in partnership with India's largest multinational business group



Innovation made in Vilnius deployed across India

- Developer of high-precision biometric algorithms and software based on deep neural networks and other AI-related technologies;
- Key idea: neural networks for various applications, such as biometric person identification, computer vision, robotics and artificial intelligence;

- 30+ years of experience, 200 products and version upgrades;

More than 3,000 system integrators, security companies and hardware providers in more than 140 countries integrate Neurotechnology's algorithms into their products;

- Top results achieved in independent technology evaluations, including NIST MINEX, PFT, FRVT, IREX and FVC-onGoing.



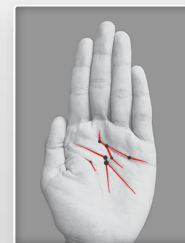
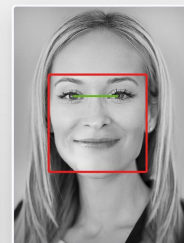
Successful collaboration with Tata Consultancy Services (TCS) for the Indian Aadhaar system

- 2020: Neurotechnology & TCS consortium was selected by the Unique Identification Authority of India (UIDAI) as one of the three Biometric Service Providers (BSP) for the world's largest biometric ID system, Aadhaar;
- The consortium is providing UIDAI with services for biometric duplicate checking and biometric authentication used for the issuance and verification of India's Unique Identification Match numbers (UID) issued to all citizens of India.



Serving 2 billion people over the next 7 years

- TCS and Neurotechnology are deploying and maintaining the new de-duplication system, which is powered by Neurotechnology's multi-modal Automatic Biometric Identification Subsystem (ABIS) and the company's biometric SDK technologies for fingerprint, face and iris recognition;
- Indian subsidiary set up in 2020 to strengthen and evolve innovation and economic footprint on-site.



AADHAAR

Rotarex India: Technical Excellence – Quality – Responsive Services



Uniqueness - innovation from almost 100 years

- Active in India since 2011 building a vast consumer base;
- Rotarex is a world leader in valves and equipment for pressurized gas applications. Our commitment to technical excellence through continue innovation and quality make gas engineers more confident in the safety, control and performance of their gas systems;
- We combine our expertise of almost 100 years serving the gas industry with a world-class R&D infrastructure, and global supply network to deliver technical excellence, premium-quality and global service.



Growth market India

- We are positive towards growth & expansion;
- Growing team to expand footprint in India (currently 16 employees);
- Rotarex has a long heritage of excellence in the field of pressurized gas and applies that accumulated expertise to continually better products and services. The company has grown into a world leader, but the core founding values still guide the company today.



**GAS CONTROL CONFIDENCE
DOWN THE ENTIRE LINE**

“At Rotarex, we focus on innovation and technical excellence of our products. The whole team is committed to create and deliver the best customer experience possible.”

– Proddot Sahoo,

General Manager, India & Middle East.



ONE IKEA, many units, all committed to India beyond business

Economic footprint and enabling impact on the organised home furnishing retail industry

- Sourcing from India for close to 40 years: brought best practices and processes that improved the way we work with our suppliers and helped to continuously grow our sourcing operations;
- Ingka Retail: Investments for retail store expansion since 2013: EUR 1.5 billion;
- Extended supply chain: 50+ suppliers, 45,000 direct employees and 400,000 people producing in India for the global supply chain.

Driving innovation and sustainable growth across the supply chain

- Driving innovation to use waste (agriculture waste, ocean plastic) as resource through many product developments, driving more sustainable packaging solutions and investigating many new possibilities;
- Zero-emission commitment: targeting to make 100% deliveries using EVs by 2025, so all stores, warehouses and shopping centres in India run entirely by renewable energy;
- Positive impact on the manufacturing sector by expanding the supplier base and increase manufacturing competence and efficiencies;
- IKEA India is leading with the equality agenda and has achieved 50/50 gender balance in all levels and positions throughout its operations.

IKEA Foundation: Driving equitable growth amongst communities

- Invested close to EUR 300 million in India projects;
- Launched many unique programmes in India like Disha (programme along with UNDP): aiming to skill 1,000,000 women and connect with income opportunities;
- Working with over 80,000 farmers from across India to boost better cotton production;
- Providing healthier homes and better healthcare and educational opportunities to + 160,000 adults and 400,000 children;
- +12 million children: received access to better schools;
- On-going pandemic: IKEA Foundation supported Médecins Sans Frontiers' (MSF) with 3 million Euros for Covid-19 Emergency.



"India is a vibrant, multi-cultural country and an emerging global economic powerhouse. IKEA has been a part of India's journey for the last four decades and we continue to be committed to onward India growth story for the coming 100 plus years."

– Peter Betzel,

Chief Executive Officer & Chief Sustainability Officer, IKEA India



B. Braun: Sharing expertise to protect and improve health

India – a hub for global production

- Offices at strategic locations and several business units;
- Diverse portfolio of medical devices, equipments, surgical instruments and implants;
- Creating employment opportunities to 2000+ people and value creation for 450+ channel partners;
- System partnership in multiple therapy areas and indications;
- 3 manufacturing facilities in India with a capacity of 500 million + units - commitment to 'zero defects';
- Annual Production Capacity: 36 million surgical sutures;
- 250 million non-toxic, non-pyrogenic, hypodermic needles. 25 million IV sets;
- 250 million large and small volume parenterals Exports to 23+ countries from India.

Driving innovation through continued R&D investments

- Modern technologies, innovative products and value-based services help improve process efficiency;
- Certified solution concepts to meet the highest quality;
- Unique 'Bottle to Patient Concept of Safe Infusion';
- Closed system approach for reduced infection (Ecoflac Plus);
- Latex free syringes with latest TFB technology;
- The AESCULAP Academy established by B. Braun offers global quality knowledge, transfer through innovative methods and technologies.

Championing sustainability and employee satisfaction

- Implementing multiple CSR projects in 5 key pillars in line with Government of India initiative: hygiene, health, sanitation, environment and education in 4 states of India;
- Operating a mobile medical unit to cater to Bhiwadi town and adjoining villages in Rajasthan;
- Installed multiple sanitary napkin dispensing units in Jaipur at urban primary health care centres and government schools in Tamil Nadu;
- Equipped some government schools around the periphery of the factory in Hyderabad with essential infrastructure;
- Certified as one of the best places to work in the healthcare sector in 2021 and among the 100 best companies for women in 2020.

"B. Braun India has a responsibility towards healthcare professionals and patients, as our products are required by hospitals and doctors, to treat and manage the health and improve outcome of their patients. Being a responsible company, we had kept our factories operational all through the pandemic situation to ensure that supplies are not affected in the healthcare industry. As a partner to top hospitals and medical institutions of the country, B. Braun India is providing all the support to front-line working staff at the hospitals for the treatment and containment of the pandemic.

Agility is part of our DNA. We are looking at opportunities of how we can continue to leverage technology to protect and improve the lives of people around the world, with customers as our focus, and use digitalization to improve efficiency and effectiveness."

- Indranil Mukherjee,
Managing Director, B. Braun Medical (India) Pvt. Ltd.

Maire Tecnimont: an Italian Group with an Indian heart

Headquartered in India for a strong economic footprint in Asia and the Middle East

- Tecnimont Private Limited (TCMPL) embodies Tecnimont's presence in India and is the Engineering Excellence Center for the Maire Tecnimont Group present with 50 companies in 45 countries;
- Group's Global supply chain (FY2020):
 - EUR 2.18 billion goods and services ordered during the year;
 - More than 4,700 active suppliers;
 - 53% locally purchased goods and services;
 - EUR 2.6 billion distributed value.
- Headquartered in Mumbai with support offices in New Delhi, the Middle East and South East Asia;
- Successful execution of over 350 projects;
- People employed in India: 2,200 engineers (direct) and 3,000 electrical and instrumentation technicians (indirect).

Green innovation towards a circular economy

- Industrial engineering player and global leader in the transformation of natural resources with a strong commitment to industrialising green chemistry and circular economy;
- Set up a biogas plant (500 kg biogas digester) at the National Institute of Technology Karnataka (NITK) in March 2020;
- The plant can produce up to 35,400 units of electricity equivalent in one year by converting food and vegetable waste from the canteens and student residences of the NITK;
- The project will significantly reduce costs for the institute and its CO2 emissions, increasing the share of energy produced from renewable sources.

Supporting the energy transition and tomorrow's experts

- 'Maire Tecnimont Center for Research on Waste Recycling and Circular Economy' created at the NITK to provide scholarships to 16 students (by income, merit and gender balance) in the financial year 2021-22 in various streams;
- The research center is interdisciplinary, supports the energy transition, and leverages on the distinctive skills and expertise of the Group while also accompanying the most deserving Indian students in their development and training path towards the professions of tomorrow.

"Maire Tecnimont's presence in India dates back to the 1970s. Since then, numerous successful projects and partnerships have been launched in the area, the results of which are still a source of pride for the entire Group today. Currently, the energy transition is the great protagonist of our initiatives on Indian soil, which aim not only to decarbonize the country but also to find energy and technological solutions to free the territory from dependence on hydrocarbons and open new paths for social mobility."

- Pierroberto Folgiero,
Maire Tecnimont Group CEO and Managing Director



Disclaimer and Notes



Delegation of the European Union to India

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https://eeas.europa.eu/delegations/india_en

Disclaimer

This brochure is commissioned by the Delegation of the European Union to India under the EU-funded Business Support to the EU-India Policy Dialogues Project.

The information and views set out in this brochure are those of the author(s) and do not necessarily reflect the official opinion of the Delegation of the European Union to India. The Delegation of the European Union to India does not guarantee the accuracy of the data included in this brochure and may not be held responsible for the use which may be made of the information contained therein.

This report has been prepared by the authors to the best of their ability and knowledge. The authors do not assume liability for any damage, material or immaterial, that may arise from the use of the report or the information contained therein.

Notes

Government of India issues data on national accounting year ending on April every year and occasionally on calendar year basis while European Union, EUROSTAT, World Bank, etc. issue data on the basis of a calendar year. Hence, some data may have overlaps and may thereby not be strictly comparable. However, the authors have taken reasonable steps for comparability of data.

The authors have used a convenience translation of 1.00 USD to be equivalent 0.80 EUR for the purposes of this brochure.