

Brief on India-U.S. Relations

Overview:

India-U.S. bilateral relations have developed into a "global strategic partnership", based on shared democratic values and increasing convergence of interests on bilateral, regional and global issues. The emphasis placed by the Government in India on development and good governance has created opportunity to reinvigorate bilateral ties and enhance cooperation under the motto --- "ChaleinSaathSaath: Forward Together We Go", and "SanjhaPrayas, Sab ka Vikas" (Shared Effort, Progress for All) adopted during the first two summits of Prime Minister Modi and President Obama in September 2014 and January 2015 respectively. The summit level joint statement issued in June 2016 called the India-U.S. relationship an "Enduring Global Partners in the 21st Century".

Regular exchange of high-level political visits has provided sustained momentum to bilateral cooperation, while the wide-ranging and ever-expanding dialogue architecture has established a long-term framework for India-U.S. engagement. Today, the India-U.S. bilateral cooperation is broad-based and multi-sectoral, covering trade and investment, defence and security, education, science and technology, cyber security, high-technology, civil nuclear energy, space technology and applications, clean energy, environment, agriculture and health. Vibrant people-to-people interaction and support across the political spectrum in both countries nurture our bilateral relationship.

Political Relations:

The frequency of high-level visits and exchanges between India and the U.S. has gone up significantly of late. Prime Minister Modi visited the U.S. on 26-30 September 2014; he held meetings with President Obama, members of the U.S. Congress and political leaders, including from various States and cities in the U.S., and interacted with members of President Obama's Cabinet. He also reached out to the captains of the U.S. commerce and industry, the American civil society and think tanks, and the Indian-American community. A Vision Statement and a Joint Statement were issued during the visit.

The visit was followed by President Obama's visit to India on 25-27 January 2015 as the Chief Guest at India's Republic Day. During the visit, the two sides issued a Delhi Declaration of Friendship and adopted a Joint Strategic Vision for Asia-Pacific and the Indian Ocean Region. Both sides elevated the Strategic Dialogue between their Foreign Ministers to Strategic and Commercial Dialogue of Foreign and Commerce Ministers.

Prime Minister Modi again visited the U.S. on 23-28 September 2015, during which he held a bilateral meeting with President Obama, interacted with leaders of business, media, academia, the provincial leaders and the Indian community, including during his travel to the Silicon Valley. In 2016, Prime Minister visited the U.S. for the multilateral Nuclear Security Summit hosted by President Obama in Washington D.C. on 31 March-1 April. This was soon followed

by an official working visit by Prime Minister on 6-8 June, during which he held bilateral discussions with President Obama, and also addressed a Joint Session of the U.S. Congress. Prime Minister Modi was the sixth Indian Prime Minister to address the U.S. Congress.

There is frequent interaction between the leadership of the two countries, including telephone calls and meetings on the sidelines of international summits. President Trump and Prime Minister Modi have spoken thrice over phone since the former's election in November 2016. A hotline has been established between the Prime Minister's Office and the U.S. White House.

India-U.S. Dialogue Architecture:

There are more than 50 bilateral dialogue mechanisms between the two governments. The first two meetings of the Strategic and Commercial Dialogue at the level of EAM and MoS (Commerce & Industry) were held in Washington DC in September 2015 and New Delhi in August 2016. This apex-level dialogue has added a commercial component to the five traditional pillars of bilateral relations on which the erstwhile Strategic Dialogue of Foreign Ministers had focussed, namely: Strategic Cooperation; Energy and Climate Change, Education and Development; Economy, Trade and Agriculture; Science and Technology; and Health and Innovation. The second meeting of the Strategic and Commercial Dialogue took place on 30 August 2016 in New Delhi. In addition, there are Ministerial-level dialogues involving home (Homeland Security Dialogue), finance (Financial and Economic Partnership), commerce (Trade Policy Forum), HRD (Higher Education Dialogue), Science & Technology (Joint Commission Meeting on S&T) and energy (Energy Dialogue).

Major Exchanges in 2015, 2016 and 2017:

There were a number of high-level delegations in both directions in 2015. In January, Secretary of State John Kerry led the U.S. delegation to the Vibrant Gujarat Summit in Ahmedabad. In February, U.S. Secretary of Treasury Jacob Lew visited India for the fifth meeting of the Economic and Financial Partnership Initiative with our Finance Minister. U.S. Secretary of Transportation Anthony Foxx visited India in April for meeting with his counterpart Ministers in India. Secretary of Defense Ashton Carter paid a bilateral visit to India in June. From the Indian side, Finance Minister and MOS (IC) for Environment, Forests & Climate Change visited Washington DC in April, the former for the Spring meeting of the IMF/World Bank and the latter for the Major Economies' Forum meeting. Finance Minister again visited the U.S. in June to promote Investment into India. External Affairs Minister and MOS (IC) for Commerce & Industry co-chaired the first meeting of the Strategic and Commercial Dialogue with their U.S. counterparts in Washington DC in September. MOS (IC) for Power held the Energy Dialogue with his U.S. counterpart in September in Washington DC. MOS (IC) for Power, Coal and New & Renewable Energy also attended the Climate and Clean Energy Investment Forum 2015 hosted by Secretary of State Kerry in Washington DC in October. MOS (IC) for Commerce & Industry held the 9th meeting of the Trade Policy Forum with the U.S. Trade Representative in Washington DC in October. Raksha Mantri visited the U.S. at the invitation of his U.S. counterpart in December 2015. Chief Minister of Haryana led a delegation of the State government in August. There have been numerous visits of parliamentarians and senior officials in both directions.

Major Ministerial visits in 2016 included Railway Minister Shri Suresh Prabhu in January, Finance Minister Shri Arun Jaitley in April, Minister for Urban Development Shri Venkaiah Naidu, Minister of Road Transport, Highways and Shipping Shri Nitin Gadkari, and Minister of State (IC) for Petroleum and Natural Gas Shri Dharmendra Pradhan in July, Raksha Mantri Shri Manohar Parrikar in August, Minister for S&T and Earth Sciences Dr. Harsh Vardhan in September and Finance Minister Shri Arun Jaitley in October (from India to the U.S.) and U.S. Secretary of Defence Ashton Carter twice ---in April and December, Secretary of State John Kerry and Secretary of Commerce Penny Pritzker in August and U.S. Trade Representative Mike Froman in October (from the U.S. to India). In addition, Shri Shivraj Singh Chouhan, Chief Minister of Madhya Pradesh (August), Shri. Raghubar Das, Chief Minister of Jharkhand (September), Shri Chandra Sekhar Rao, Chief Minister of Telangana (September) and Shri Raman Singh, Honorable Chief Minister of Chhattisgarh (November/December) visited the U.S. to promote investment in their states.

In 2017, the high-level exchanges have continued. Minister of State (I/C) Petroleum & Natural Gas Shri Dharmendra Pradhan visited Houston and Washington DC in March and met US Energy Secretary Mr. Rick Perry. Finance Minister Shri Arun Jaitley visited the U.S. in April for the IMF-WB meeting and met with his U.S. counterpart. National Security Adviser and Foreign Secretary have visited the U.S. in March and interacted with a wide cross-section of top U.S. policymakers. From the U.S. side, NSA H.R. McMaster visited India in April.

Strategic Consultations:

There have been regular contacts at political and official levels on bilateral, regional and global issues. Foreign Office Consultations, at the level of Foreign Secretary of India and U.S. Undersecretary for Political Affairs, are an important part of the dialogue structure. The last round of Foreign Office Consultations was held in New Delhi in April 2015. A new High-level Consultation between Foreign Secretary of India and the U.S. Deputy Secretary of State was launched in September 2015, and has met twice since then, in December 2015 in New Delhi and July 2016 in Washington D.C.. A Policy Planning Dialogue has also been started between the two sides in September 2015.

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Civil Nuclear Cooperation:

The bilateral civil nuclear cooperation agreement was finalized in July 2007 and signed in October 2008. During Prime Minister Modi's visit to the U.S. in September 2014, the two sides set up a Contact Group for advancing the full and timely implementation of the India-U.S. Civil

Nuclear Cooperation Agreement, and to resolve pending issues. Culminating a decade of partnership on civil nuclear issues, the two sides have started the preparatory work on site in India for six AP 1000 reactors to be built by Westinghouse. Once completed, the project would be among the largest of its kind. The Nuclear Power Corporation of India Ltd, and Westinghouse are in talks toward finalizing the contractual arrangements, and addressing related issues.

Defence Cooperation:

Defence relationship has emerged as a major pillar of India-U.S. strategic partnership with the signing of 'New Framework for India-U.S. Defense Relations' in 2005 and the resulting intensification in defence trade, joint exercises, personnel exchanges, collaboration and cooperation in maritime security and counter-piracy, and exchanges between each of the three services. The Defence Framework Agreement was updated and renewed for another 10 years in June 2015.

The two countries now conduct more bilateral exercises with each other than they do with any other country. India participated in Rim of the Pacific (RIMPAC) exercise in July-August 2016 for the second time with an Indian Naval Frigate. Bilateral dialogue mechanisms in the field of defence include Defence Policy Group (DPG), Defence Joint Working Group (DJWG), Defence Procurement and Production Group (DPPG), Senior Technology Security Group (STSG), Joint Technical Group (JTG), Military Cooperation Group (MCG), and Service-to-Service Executive Steering Groups (ESGs). The agreements signed during the past one year include, Logistics Exchange Memorandum of Association (LEMOA) signed in August 2016, Fuel Exchange Agreements signed in November 2015, Technical Agreement (TA) on information sharing on White (merchant) Shipping signed in May 2016 and the Information Exchange Annexe (IEA) on Aircraft Carrier Technologies signed in June 2016.

Aggregate worth of defence acquisition from U.S. Defence has crossed over US\$ 13 billion. India and the United States have launched a Defence Technology and Trade Initiative (DTTI) aimed at simplifying technology transfer policies and exploring possibilities of co-development and co-production to invest the defence relationship with strategic value. The DTTI Working Group and its Task Force will expeditiously evaluate and decide on unique projects and technologies which would have a transformative impact on bilateral defence relations and enhance India's defence industry and military capabilities. During President Obama's visit in January 2015, the two sides agreed to start cooperation on 4 DTTI pathfinder projects and 2 pathfinder initiatives, which are currently at various stages of execution. During RM's visit in December 2015, the two sides also identified opportunities for bilateral cooperation in production and design of jet engine components. During Secretary Carter's visit in April 2014, two more G-2-G DTTI projects were added to the list. The DTTI meeting in Delhi in July 2016 decided to broaden its agenda by setting up five new Joint Working Groups on: Naval Systems; Air Systems, Intelligence, Surveillance and Reconnaissance; Chemical and Biological Protection; and Other Systems.

During the visit of Prime Minister to the U.S. in June 2016, the U.S. recognised India as a "Major Defence Partner", which commits the U.S. to facilitate technology sharing with India to a

level commensurate with that of its closest allies and partners, and industry collaboration for defence co-production and co-development.

Counter-terrorism and internal security:

Cooperation in counter-terrorism has seen considerable progress with intelligence sharing, information exchange, operational cooperation, counter-terrorism technology and equipment. India-U.S. Counter-Terrorism Cooperation Initiative was signed in 2010 to expand collaboration on counter-terrorism, information sharing and capacity building. A Homeland Security Dialogue was announced during President Obama's visit to India in November 2010 to further deepen operational cooperation, counter-terrorism technology transfers and capacity building. Two rounds of this Dialogue have been held, in May 2011 and May 2013, with six Sub-Groups steering cooperation in specific areas. In December 2013, India-U.S Police Chief Conference on homeland security was organized in New Delhi. Police Commissioners from India's top four metropolis paid a study visit to the U.S. to learn the practices of megacities policing in the U.S. in November 2015. The two sides have agreed on a joint work plan to counter the threat of Improvised Explosives Device (IED). In order to further enhance the counter terrorism cooperation between India and the U.S., an arrangement was concluded in June 2016 to facilitate exchange of terrorist screening information through the designated contact points. India-U.S. Joint Working Group on Counter-Terrorism held its 14th meeting in July 2016 in Washington DC.

Trade and Economic:

India-US bilateral trade in goods and services increased from \$104 billion in 2014 to \$114 billion in 2016. Two-way merchandise trade stood at \$66.7 billion. Of this, India's exports of goods to the US were valued at \$46 billion and India's imports of goods from US were valued at \$21.7 billion. India-US trade in services stood at \$47.2 billion. Of this, India's exports of services to the US were valued at \$26.8 billion and India's imports of services from US were valued at \$20.3 billion. Both countries have made a commitment to facilitate actions necessary for increasing the bilateral trade to \$500 billion. The bilateral merchandise trade is showing an encouraging growth trajectory in 2017. During the first three months, bilateral merchandise trade stood at \$17.2 billion as compared to \$16.2 billion during the corresponding period in 2016. Of this, India's exports to the US were \$11.4 billion and India's imports from the US were \$5.8 billion. The trade deficit during Jan-Mar 2017 also declined from \$6.4 billion in 2016 to \$5.6 billion in Jan-Mar 2017.

During Prime Minister's visit to the U.S. in September 2014, the two sides set a target to increase bilateral trade in goods & services to \$500 billion. In June 2016, PM Modi and President Obama pledged to explore new opportunities to break down barriers to the movement of goods and services, and support deeper integration into global supply chains, thereby creating jobs and generating prosperity in both economies.

According to the U.S. Bureau of Economic Analysis, US direct investments in India stood at \$ 28.33 billion in 2015. As per Indian official statistics, the cumulative FDI inflows from the US from April 2000 to December 2015 amounted to about \$ 17.94 billion constituting nearly 6% of the total FDI into India, making the U.S. the fifth largest source of foreign direct investments into India. In recent years, growing Indian investments into the US, has been a novel feature of bilateral ties. According to CII and Grant Thornton survey released in August 2015, 100 Indian companies have made \$ 15 billion worth of tangible investments across 35 states, creating more than 91,000 American jobs. Among large Indian corporations having investments in the U.S. include Reliance Industries Limited, Tata Consultancy Services, Wipro, Essar America, Piramal, Mahindra, Lupin, SunPharma, etc.

There are several dialogue mechanisms to strengthen bilateral engagement on economic and trade issues, including a Ministerial level Economic and Financial Partnership (last met in Washington D.C. in April 2016) and a Ministerial Trade Policy Forum (last met in New Delhi in October 2016). For greater involvement of private sector in discussion on issues involving trade and investment, there is a bilateral India-U.S. CEO's Forum, which held its last meeting in August 2016 in New Delhi coinciding with the Strategic & Commercial Dialogue.

India and the US have set up a bilateral Investment Initiative in 2014, with a special focus on facilitating FDI, portfolio investment, capital market development and financing of infrastructure. U.S.-India Infrastructure Collaboration Platform has also been set up to deploy cutting edge U.S technologies to meet India's infrastructure needs. Both these dialogues have held meetings in 2015. U.S. firms will be lead partners in developing Allahabad, Ajmer and Vishakhapatnam as Smart Cities. The two leaders during Prime Minister Modi's visit to the United States in June 2016 welcomed the engagement of U.S. private sector companies in India's smart city programme. USAID will serve as knowledge partner for the Urban India Water, Sanitation and Hygiene (WASH) alliance to help leverage business and civil society (Gates Foundation) to facilitate access to clean water, hygiene and sanitation in 500 Indian cities.

Energy and Climate Change:

The U.S.-India Energy Dialogue was launched in May 2005 to promote trade and investment in the energy sector, and held its last meeting in September 2015 in Washington DC. There are six working groups in oil & gas, coal, power and energy efficiency, new technologies& renewable energy, civil nuclear co-operation and sustainable development under the Energy Dialogue.

Investment by Indian companies like Reliance, Essar and GAIL in the U.S. natural gas market is ushering in a new era of India-U.S. energy partnership. The U.S. Department of Energy has so far given its approval for export of LNG from seven liquefaction terminals in the U.S., to countries with which the U.S. does not have a free trade agreement (FTA) - with two of these five terminals, the Indian public sector entity, Gas Authority of India Limited (GAIL) has off-take agreements, totaling nearly 6 million metric tonnes per annum (MTPA). These terminals are expected to be complete and in a position to export cargoes by late 2016/early 2017.

As a priority initiative under the PACE (Partnership to Advance Clean Energy), the U.S. Department of Energy (DOE) and the Government of India have established the Joint Clean

Energy Research and Development Center (JCERDC) designed to promote clean energy innovations by teams of scientists from India and the United States, with a total joint committed funding from both Governments of US\$ 50 million.

India and the U.S. are advancing cooperation and dialogue on climate change through a high-level Climate Change Working Group and a Joint Working Group on Hydrofluorocarbon. In November 2014, an MoU between U.S. EXIM Bank and Indian Renewable Energy Development Agency (IREDA) was concluded to provide US\$ 1 billion in financing for India's transition to a low-carbon economy. A new U.S.-India Partnership for Climate Resilience has been agreed to, in order to advance capacity for climate adaptation planning, as also a new U.S.-India Climate Fellowship Program to build long-term capacity to address climate change-related issues.

To further collaboration in the area of clean energy and climate change, in June 2016, the two sides announced finalization of a package to provide concessional finance to support clean energy projects on track, to coordinate U.S. Government efforts on clean energy investment in India jointly with leading Indian financial institutions, and to provide liquidity to small scale renewable energy investors.

Education:

Cooperation in education sector has been made an integral part of the strategic partnership between the two countries. The Fulbright program was renewed in 2008, with enhanced mandate and joint funding, to provide more student and scholar exchange grants. About 130,000 Indian students are pursuing advanced degrees in the U.S. The Higher Education Dialogue, which has had four meetings since 2011 (last in November 2014 in New Delhi), laid out the road map for promoting strategic institutional partnerships, deepening collaboration in research and development, fostering partnerships in vocational education and focusing on junior faculty development.

India is learning from the U.S. experience in community colleges in order to meet our demands for skill-development. It has been agreed to collaborate with U.S. institutions in the area of Technology Enabled Learning and Massive Open On-line Courses (MOOCs) to extend the reach of education in India. Under the Global Initiative of Academic Networks (GIAN) launched by India, upto 1000 American academics will be invited and hosted each year to teach in Indian universities at their convenience. The two sides are also collaborating to establish a new Indian Institute of Technology in Ahmedabad.

Space:

A bilateral Joint Working Group on Civil Space Cooperation provides a forum for discussion on joint activities in space, including (i) exchange of scientists; (ii) OCM2, INSAT3D collaboration; (iii) Cooperation on Mars mission; (iv) nano-satellites; (v) carbon /ecosystem monitoring and modeling; (vi) feasibility of collaboration in radio occultation: (vii) Earth Science Cooperation: (viii) international space station; (ix) global navigation satellite systems; (x) L&S band SAR; (xi) space exploration cooperation; (xii) space debris mediation. The last meeting of the JWG was

held in September 2015 in Bengaluru. NASA and ISRO are collaborating for India's Mars Orbiter Mission and for a dual-band Synthetic Aperture Radar (NISAR). In June 2016, ISRO successfully launched record 20 satellites onboard PSLV rocket, which included 13 satellites from the United States.

Science & Technology (S&T):

The India-U.S. S&T cooperation has been steadily growing under the framework of U.S.-India Science and Technology Cooperation Agreement signed in October 2005. There is an Indo-U.S. Science & Technology Joint Commission, co-chaired by the Science Advisor to U.S. President and Indian Minister of S&T. The U.S. attended as the partner country at the Technology Summit 2014 at New Delhi.

In 2000, both the governments endowed the India-U.S. Science & Technology Forum (IUSSTF) to facilitate mutually beneficial bilateral cooperation in science, engineering, and health. Over the past decade, the IUSSTF has facilitated more than 12,000 interactions between Indian and U.S. scientists, supported over 250 bilateral workshops and established over 30 joint research centers. The U.S.-India Science & Technology Endowment Fund, established in 2009, under the Science and Technology Endowment Board promote commercialization of jointly developed innovative technologies with the potential for positive societal impact.

Collaboration between the Ministry of Earth Sciences and U.S. National Oceanographic and Atmospheric Administration has been strengthened under the 2008 MOU on Earth Observations and Earth Sciences. A "monsoon desk" has been established at the U.S. National Centers for Environmental Prediction. India's contribution of \$250 million towards Thirty-Meter Telescope Project in Hawaii and Indian Initiative in Gravitational Observations (IndiGO) with U.S. LIGO Laboratory are examples of joint collaboration to create world-class research facilities.

Health Sector:

Under the 2010 U.S.-India Health Initiative, four working groups have been organized in the areas of Non-Communicable Diseases, Infectious Diseases, Strengthening Health Systems and Services, and Maternal and Child Health. In order to build up the disease surveillance and epidemiological capacity in India, Global Disease Detection-India Centre was established in 2010 and an Epidemic Intelligence Service program launched in Oct 2012. U.S. National Institutes of Health, the Indian Council of Medical Research, and India's Department of Biotechnology have developed a robust relationship in the biomedical and behavioral health sciences, research related to HIV/AIDS, infectious diseases, diabetes, cardiovascular diseases, eye disease, hearing disorders, mental health, and low-cost medical technologies. In the first meeting of the Health Dialogue in September 2015 in Washington DC, both sides agreed to collaborate institutionally in the new areas of mental health and regulatory and capacity-building aspects of traditional medicine.

People to people ties:

The 3.5-million-plus strong Indian American community is an important ethnic group in the U.S., accounting for about 1% of the total population in the country. Indian American community includes a large number of professionals, business entrepreneurs and educationalists with increasing influence in the society. With two Indian Americans occupying high level posts of Governor and several representatives of the people, the Indian Diaspora has assimilated into their adopted country and is acting as a catalyst to forge closer and stronger ties between India and the U.S. The two countries have been working together to facilitate travel of their respective citizens, and to this end an MOU has been signed in June 2016 to facilitate India's joining of the Global Entry Programme for expedited immigration for eligible Indian citizens at U.S. airports.

Cultural cooperation:

Cultural cooperation between India and the U.S. is rich and manifest in diverse ways. Apart from the India-focused educational programs at the Universities and educational institutions, many private institutions teach Indian cultural arts. In addition to the website [‘www.indianembassy.org’](http://www.indianembassy.org) and social media channels, the Embassy provides updated information on various aspects of India that are relevant to the United States, through its various publications, including “India: Partner in Growth”, a weekly newsletter focusing on business and strategic matters, and “India Live”, a monthly newsletter providing information on initiatives of the Embassy and the Consulates, major developments in India, and culture and tourism.

Cultural activities by the Embassy are grouped in to Reading India Series (featuring events related to Indian authors and writings), Performing Indian Series (featuring music, dance and theatre), Beholding India Series (film screening, art and photo exhibitions), Understanding India Series (featuring lectures on comprehensive and cross-sectional views of India), and Young India Series (cultural events catering specifically to younger audience).

During the visit of Prime Minister to the U.S. in June 2016, the two countries also announced their decision to celebrate 2017 as Travel and Tourism Partner Countries.

Media:

Indian media is present in strength in the U.S., including PTI, IANS, Times of India, The Hindu, The Hindustan Times, Outlook, Pioneer and other Indian media organizations, which have correspondents based in Washington D.C. and other major cities. The TV channels represented in the U.S. include NDTV, Times Now, CNN-IBN and Asia TV. Reflecting the growing relevance of Internet based information dissemination, correspondents from websites like Rediff.com, Firstpost.com based here also cover the India-U.S. relations.
