



India-Poland Relations

Why in News

Recently, **Poland** has invited India's Prime Minister while he will be visiting **Portugal** for the [European Union-India summit \(May 2021\)](#), and **Cornwall, United Kingdom** to attend the [G7 grouping where India is a special invitee \(June 2021\)](#).

- Poland is also negotiating with India for a [travel bubble arrangement](#) to resume direct flights suspended due to [Covid-19 pandemic](#).
 - Creating a travel bubble **involves reconnecting countries or states which have shown a good level of success in containing the Covid-19 pandemic** domestically.
 - Such a bubble would **allow the members of the group to restart trade ties** with each other and open travel and tourism.



Key Points

- **Background:**
 - India and Poland **diplomatic relations** were **established in 1954**, leading to the opening

of the **Indian Embassy in Warsaw in 1957.**

- The two countries shared common ideological perceptions, based on their opposition to colonialism, imperialism and racism.
- During the **Communist era of Poland (1944 to 1989), bilateral relations were close and cordial**, with regular high level visits, coupled with planned trade and economic interactions by state trading organizations, underpinned by the rupee clearing arrangements.
- The **relationship continued to remain close after Poland chose the democratic path in 1989.**
- A cordial political relationship has emerged in the current century, particularly after Poland joined the **European Union** in 2004, and became one of India's key economic partners in Central Europe.

▪ **Economic & Commercial Relations:**

◦ **Export:**

- Poland is **India's largest trade partner and export destination in the Central European region**, with bilateral trade growing almost seven-fold over the last ten years.
- As per Indian statistics, the overall value of **bilateral trade in 2019 was USD 2.36 billion.**
 - India's export to Poland contributed to 0.48% of overall India's export. Only 0.15% of India's import was covered by Poland in 2019.
 - As per the statistics, the increase of bilateral trade by 2.5% was visible in 2019 in comparison with previous years.

◦ **Investment:**

- Indian investments in Poland are valued at over **USD 3 billion.**
- Total Polish investment in India is estimated at **USD 672 million.**

◦ **Foreign Direct Investment (FDI):**

- From April 2000 to March 2019, India recorded over **USD 672 million of FDI from Poland**, 0.16% of its total FDI inflows in that period.

◦ **Sectoral Collaboration:**

• **Agro and Food processing sectors:**

- Poland possesses world class food processing including preservation/storage technologies while India is one of the largest producers for many fruits, dairy and agro products.
- An MoU on agriculture for technical and institutional cooperation was signed between both countries in April 2017.

• **Information Technology (IT) Sector:**

- Around **thirteen Indian IT companies, employing more than 10,000 professionals, are currently active in Poland** and are also operating their Europe operation from here.

• **Textile Sector:**

- India has presently a share of only **3.73% overall in the Polish Textile and Apparel Imports (valued at USD 400 million).**
- There is of course, much potential for increase in its exports, provided conducive circumstances are created for Indian Exporters.
- Presently, about 30-40% of goods exported by India to Poland are re-exported to other EU Countries.

• **Mining/Energy Sector:**

- Poland possesses reputed **clean coal technologies** and Polish public

sector companies have played a substantial role in development of mining and power sectors in India.

- India and Poland signed a **Memorandum of Understanding (MoU)** in 2019 to enhance **bilateral cooperation in the coal and mining sector.**

- **Pharmaceutical and Chemicals Sector:**

- Given Poland's strategic location, shortages in healthcare personnel and 25% growth in the pharma market in the last 5 years, there are **good opportunities for Indian exporters and investors.**

- **Cultural and Educational Relations:**

- There is a strong tradition of Indology studies in **Poland, with Polish scholars having translated Sanskrit into Polish as early as in the 19th Century.**
- Polish Mission organised the **150th anniversary of Mahatma Gandhi** in 2019.

- Polish Post (Poczta Polska) **issued a Commemorative Stamp on the 150th Birth Anniversary of Mahatma Gandhi** which was released on the occasion.

- On the occasion of 550th Prakash Purab of **Guru Nanak Dev ji**, Mission and Gurudwara Sahib of Poland **jointly organised functions at Gurudwara Sahib, Poland.**
- The first **International Day of Yoga** was organized in 21 cities in Poland on June 21, 2015. An estimated 11000 people participated in public events.

- **Indian Community:**

- Estimated at approximately **10,000, the Indian community in Poland consists of traders (textiles, garments and electronics)** who came after the collapse of communism, and professionals with multinational or Indian companies and software/IT experts, including a rising number of Indian students.

Source:TH

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