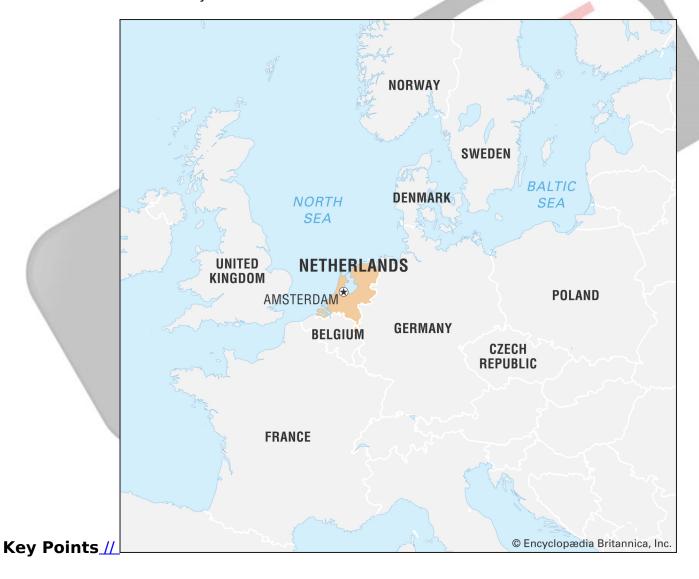


# **India-Netherlands**

## Why in News

Recently, India's Prime Minister (PM) and the PM of the Netherlands held a Virtual Summit.

- It was the **first high level Summit attended by the PM of Netherlands** after the general elections held in March 2021.
- Earlier in **2019** the <u>King and Queen of the Netherlands</u> visited India to give an impetus to the bilateral ties shared by the two nations.



- Review of Bilateral Engagements:
  - Exchanged views on further expanding and diversifying the relationship in trade and

- economy, water management, agriculture sector, **smart cities**, science & technology, healthcare and space.
- Agreed that the ambitious and innovative flagship programs like Clean India, <u>Digital India</u>, <u>Make in India</u>, <u>Sagarmala</u>, <u>Ayushman Bharat</u> and <u>Startup India</u> have provided immense opportunities for Indo-Dutch (India-Netherlands) collaboration in multiple sectors.
- Exchanged views on regional and global challenges such as <u>climate change</u>, counterterrorism and <u>Covid-19 pandemic</u> and agreed to leverage the emerging convergences in new areas like <u>Indo-Pacific</u>, Resilient Supply Chains and Global Digital Governance.

### Strategic Partnership on Water:

- Agreed on instituting a 'Strategic Partnership on Water' to further deepen the Indo-Dutch cooperation in the water related sector, and upgrading the Joint Working Group on Water to Ministerial-level.
  - In 2019, India and Netherlands had launched the second phase of the Local Treatment of Urban Sewage streams for Healthy Reuse (LOTUS-HR) plant as a part of joint collaboration in New Delhi.

#### Commitment to International Peace:

 Reiterated their commitment to a rules-based multilateral order for ensuring international peace, stability and prosperity and looked forward to a successful India-EU (<u>European Union</u>) Leaders' Meeting in Porto, Portugal in May 2021.

#### India's Stand:

- India and Netherlands have similar approach in dealing with global challenges like climate change, terrorism and pandemics.
- It thanked the Netherlands for their support to <u>International Solar Alliance (ISA)</u> and <u>Coalition for Disaster Resilient Infrastructure (CDRI)</u>.
  - ISA and CDRI are Indian Initiatives.
- It also welcomed the Netherlands' Indo-Pacific Policy and its desire to collaborate during India's G20 Presidency in 2023.
- Setting up a fast track mechanism for investment promotion will give new momentum to the strong economic cooperation between the two countries.

### **India-Netherlands Relation**

#### Economic and Trade:

- Economic Partnership between India & Netherlands is a **key pillar of the bilateral ties**.
- The Netherlands was the third largest investor in India, after Mauritius and Singapore for <u>Financial Year (FY)</u> 2018-19 with <u>Foreign Direct Investments (FDI)</u> inflows of USD 3.87 billion across a variety of sectors.
- The Netherlands was the second largest destination of foreign investment by Indian companies as of end-March 2018.
- In 2017-18, the bilateral trade between India and the Netherlands was around USD 8.77 billion. In 2018-19, it was around USD 12.87 billion.
  - By 2025, it shall touch around USD 18-23 billion.
- The **Netherlands is India's 5<sup>th</sup> largest trading partner** in the European Union. And is also one of the leading investor nations in India.
- There are 200 (Dutch) companies that are present in India. Around 160 Indian companies are active in the Netherlands. During the Covid-19 pandemic, there has been a sizable uptick in the Indian IT companies investing in the Netherlands.

#### Historical Relations:

- Indo-Dutch relations can be traced back to more than 400 years when the first Dutch EIC (East India Company) got established in India (in around 17<sup>th</sup> century AD).
- The official relations between the two nations were established in the year 1947

- which, since then, have been cordial and friendly.
- The two countries also share common ideals of democracy, pluralism and the rule of law.

#### Cultural Relations:

- The Netherlands currently is home to the largest Indian community on the European mainland. The growing Indian student and professional community in the Netherlands is making the cultural knot stronger and the technological partnership deeper.
- An <u>Indian Council for Cultural Relations (ICCR)</u> Cultural Centre "The Gandhi Centre" was established in The Hague in October 2011.
- The fifth <u>International Day of Yoga</u> was celebrated on 16th June, 2019 at prestigious Dam Square in Amsterdam.

### **Way Forward**

- The Netherlands and India have hardly achieved their true potential. There is huge potential for collaborations given the geopolitical and economic necessities of both nations.
- Engagement of leaders at the highest level along with greater economic and defence cooperation is the need of the hour to take ties to new levels.
- In the next five years, as India will move ahead, Dutch companies will come to India and will be a key collaborator in helping India achieve its USD <u>5 trillion economy</u> vision.

