



## India-Armenia Relations: Vistas for Increasing Engagement

*Anirban Chatterjee\**

### Abstract

India-Armenia relationship has been quite old and travelled a long path in history. Indian settlements in Armenia and Armenian settlements in India existed in the past. The cooperation between India and Armenia is manifold both at the bilateral and at the regional level. While bilateral relation is on the track to bolster engagement, regional prospects are in the offing. India's prospect of enhancing cooperation with Armenia through EEU should be borne in mind at a time when India is working out the feasibility of signing a Free Trade Agreement with EEU where Armenia is also a member country. Two sides have identified potential areas of cooperation, especially in agriculture, science and technology, healthcare, pharmaceuticals and tourism. Culture continues to cement the ties between the two countries.

Key Words- EEU, FTA, Intergovernmental

### Introduction

India-Armenia relations have been age old and time tested. There are plenty of historical and literary sources available to suggest the presence of Indian settlements in Armenia as early as 149 BC.<sup>1</sup> Even before the Dutch and British put their foot on Indian shores, many Armenian traders are believed to have been involved in business in Agra during the reign of Mughals. It is also noteworthy to mention that the famous Mughal court had an extremely talented Urdu and Hindi scholar of Armenian descent, Mira Zulqarnain.<sup>2</sup> Indo-Armenian economic, cultural and scientific relations is a testimony of their long shared history. Armenia which is located on the threshold of several caravan routes between East and West, had developed economic, trade and cultural

connections with India. During Soviet time, India's relations with Armenia were dependent on its relation with Moscow. India accorded recognition to Armenian independence following the dissolution of the former USSR on December 26, 1991 and established diplomatic relations on August 31, 1992.

### Bilateral Relations

There have been two Presidential level visits from the Armenian side (in 1995 and 2003) and three visits to India at the level of Foreign Ministers (2000, 2006 and 2010). From the Indian side, the Vice President led a parliamentary delegation to Armenia in 2005. India and Armenia's bilateral relation is being etched out by Foreign Office Consultations (FOC) and the Inter-Governmental Commission on Trade, Economic, Scientific and Technological, Cultural and Educational Cooperation (IGC). In the 6<sup>th</sup> IGC and FOC meetings, which took place in New Delhi in 2013, the two countries extensively dwelt on the entire spectre of bilateral relations and deliberated upon various international and regional issues and shared views on the global scenario. The Seventh Session of India-Armenia IGC and Eighth India Armenia FOC were held in Armenian capital Yerevan on 1<sup>st</sup> April, 2016.<sup>3</sup> The meeting also underscored the importance of augmenting cooperation in trade and investment, information technology, science and communication, culture, agriculture, healthcare, capacity building etc. Stress was also given to cooperate on space and innovative technology as potential avenues of further engagement.

In the trade and economic sectors between the two countries, the potential has not been fully utilized probably because of the lack of direct surface connectivity between the two countries. The principal items, which India exports to Armenia consist of bovine meat, plastics, cut and polished diamonds, electrical equipment, chemical goods, cars etc. Indian imports from Armenia constitute of non ferrous metals, books and textiles, raw rubber.<sup>4</sup> The launching of an air-corridor would help more in exporting costly items, such as, diamonds and jewellery to Armenia which will increase the trade volume between the two countries.

Table-2: India-Armenia Bilateral Trade( in US \$ million)

S.No.	Year	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
1.	EXPORT	38.29	40.48	72.47	91.47	22.78
2.	IMPORT	6.16	1.48	1.70	0.82	14.04
3.	TOTAL TRADE	44.45	41.96	74.17	92.29	36.82

(Source:- Ministry of Commerce and Industry, Government of India)

### Increasing Vistas of Engagement

As already highlighted in the successive IGC and FOC meetings, both sides have identified various sectors of engagement to enhance their cooperation in the following areas:

- Agriculture- Armenia and India have signed a MoU on 19<sup>th</sup> February 2016 to cooperate in the agriculture sector. The priority sectors in agriculture that have been identified

include, animal husbandry, including cattle identification, plant breeding, agricultural crop seed-breeding and plant protection, buffalo breeding, poultry, milk production and processing, agrarian education, training for agricultural specialists, exchange of experience with regard to irrigation and water management (rain water), farming and exchange of agri-scientists and students, progressive technology systems exchange of fruit-trees, germplasm (apricot, grapes, apples, pears etc), exchange of technical expertise and research in fruit disease, exchange of information on technologies in mechanization of agricultural farming (including research, design, production, installation of agricultural machinery/equipment), hi-tech horticulture including irrigation and water management technology, exchange of information on technologies in processing sector, phytosanitary measures during export and import of plant materials and cooperation in the field of agricultural census . It was agreed by the two countries to constitute a Joint Working Group (JWG), which would initially be valid for five years, and would be extendable beyond five.<sup>5</sup> On December 6, 2016 Armenian Agricultural Minister met with Indian Ambassador to Armenia to discuss issues pertaining to the agricultural cooperation between the two countries and the Indian Ambassador expressed his satisfaction over the meeting of the Armenian-India working group on cooperation in the agricultural sector.

- Pharmaceuticals and Health Care- India's strength in the pharma sector is well acknowledged in the international market which has also been emphasized in the bilateral cooperation between India and Armenia in recent years. In order to broaden their cooperation in pharmaceuticals, Armenian Development Agency, in collaboration with the Embassy of India, organized a Two-Day Business Forum in the Armenian capital on February 3, 2014 which was attended by 32 Indian pharmaceutical companies. The Regional Director of Pharmaceutical Export Promotion Council of India (PHARMEXIL) Abhay Sinha acknowledged the fact in the conference about India's minimal presence in the markets of CIS countries with regard to pharmaceuticals and emphasized the need to increase India's presence to strengthen relationship with Armenia. The Director General of Armenian Development Agency, Robert Harutyunyan highlighted that India- Armenia cooperation in the pharmaceutical sector will have an impact in reducing the cost of drugs if they are produced in Armenia, which will not only help in reducing transportation cost but also decrease the price of the medicine as well. Since Armenia has a Free Trade Agreement with Commonwealth of Independent States (CIS) countries and a member in Eurasian Economic Union (EEU), it provides a clear opportunity for Indian businessmen to gain a foothold in these markets with the help of joint ventures. At present, there are twenty Indian pharma companies with Indian capitals working in Armenia.<sup>6</sup>

In continuation of pharmaceutical cooperation, The Governments of Armenia and India signed a MoU on June 24, 2014 to constitute a telemedicine network. The MoU entails that modern telemedicine equipment worth US \$ 530,000 provided by the Indian side is to be installed in Erebuni Medical Center in capital Yerevan and nine other regional medical

centres to be set up in Glumry, Vanadzor, Alaverdi, Goris, Kapan and Meghri etc.<sup>7</sup>“The objective of the memorandum is to develop a telemedicine network in Armenia equipped with state-of-the-art IT hardware, application and diagnostic instruments. The telemedicine network will enhance efficacy through better management of chronic diseases and will also be used as a teaching tool by experienced medical staff for consultations, rehabilitation and other important activities required for immediate diagnosis through telemedicine equipment. The MoU also enables an opportunity to exchange experts between India and Armenia for sharing of knowledge in the domain of telemedicine services. The Government of India will provide a cooperation package that would involve technical expertise, supply and installation of telemedicine software; training of Armenian experts on the software; deputation of experts for project implementation”.<sup>8</sup>

Armenian pharma companies have also visited Mumbai, India, to take part in the International Exhibition for Pharma and Healthcare (IPHEX) on May 13-15, 2015. Armenia has expressed its willingness to explore the opportunities to establish connections with Indian drug companies the products of which are qualitatively equal to European drugs but are twice cheaper. IPHEX 2015 sought to bring together the drugs, pharmaceutical and healthcare industry under one umbrella and offers the largest range of Indian pharmaceutical products and technologies to the global audience.

India has donated 324 boxes of ‘Kelfer Capsules’ (16000 capsules) to the Armenian state owned hospital ‘Muratsan’. The medicines worth US \$ 2500 were gifted by Indian multinational pharmaceutical company The Chemical, Industrial and Pharmaceutical Laboratories (CIPLA), as a humanitarian assistance for treating 20-25 Armenian children suffering from Thalassaemia.<sup>9</sup>

- Information Technology- Information technology is another area of India-Armenia bilateral relations. India has become a hub in the IT sector and the cooperation between the two countries in this regard will be very helpful. India-Armenia Centre of Excellence in IT was established in November, 2011 in the premises of Yerevan State University through a joint venture between the Governments of India and Armenia, which is implemented by Enterprise Incubator Foundation (from Armenian side) and Centre for Development and Application of Computers (from Indian side). While the physical infrastructure for the project like land, building, electricity, water, requisite manpower etc was provided by the Armenian government, the technical infrastructure, course curricula and training of trainers was provided by the Indian government.<sup>10</sup> The Centre is the only hi-tech institution in the region equipped with made in India super computer, called Param. The Centre also offers both short term and long term courses designed to fit a wide variety of audience. Armenia is the first country to have received this super-computer, which is almost a one million dollar project. The Centre is provided with computers, hardware and connected with Centre for Development and Application of Computers (CDAC) in Pune,

which is a governmental organization.<sup>11</sup> The delivery and installation of IT hardware/software has been successfully completed and the site is operational.

The Government of India has also implemented computerization of schools in the Tavush region. All seventy three schools in the region were provided with computer laboratories having computers, scanners, printers so that children can have regular computer classes. The project was completed on November 9, 2012. The Armenian Government has also requested India to replicate the same project in three more regions, namely, Vayots Dzor, Shirak and Syunik. The Ministry of External Affairs of India and CDAC signed an Agreement on August 22, 2014 to set up computer laboratories in fifty schools under Vayots Dzor province in which CDAC is acting as Project Manager cum Consultant on behalf of the MEA and Hayastan All Armenian Fund (HAAF) as implementing agency on behalf of Armenia. The project is under way.<sup>12</sup>



(Map Source: Armenia Regions Map, Mapsof.net)

- Culture and Tourism-Both sides decided to celebrate 25<sup>th</sup> years of their diplomatic relationship in 2017 with spate of cultural events. The proposed event will also be marked with the release of joint postage stamps and translation of classical works into each other's languages to bolster cultural cooperation. World Hindi Day was celebrated in 2014 in collaboration with the Yerevan State Linguistic University. To boost cooperation in tourism, a ten member group of tour operators visited Armenia in 2013 to promote Indian tourism business. The Indian Embassy in Yerevan in August 11, 2015 announced the decision of Government of India to streamline E-Tourist Visa (ETV) for Armenian citizens who wish to visit India and it has been operationalized since August 15, 2015 on the 69<sup>th</sup> Independence Day of India. The scheme of E-Tourist Visa is currently available at sixteen Indian airports; New Delhi, Mumbai, Kolkata, Chennai, Hyderabad, Bangalore, Goa, Kochi, Thiruvananthapuram, Ahmadabad, Amritsar, Gaya, Jaipur, Lucknow,

Thiruchirapalli and Varanasi.<sup>13</sup> The visa simplification procedure should further expedite tourism cooperation between the two countries.

There are presently seven hundred Indian students pursuing medical education in Yerevan State Medical University. They are the ambassadors of India who would play a significant role in bolstering people to people contact in bringing the two countries closer to each other.

## Challenges

Notwithstanding, the progress between the two countries in recent years, there are some challenges in the bilateral relations between India and Armenia:

- 1) There is no direct flight connectivity between the two countries till now, although, this has been addressed by both the countries to initiate direct flight connectivity at an early date. The operationalisation of direct flight connectivity will increase their cooperation in the tourism sector and would bolster business and commercial exchanges.
- 2) Media plays a very critical role in forging public awareness. Indian media's coverage on Armenia is very low in this regard. Indian media must play a positive role in creating awareness among people about Armenian culture, society and politics. Media can also help in disseminating valuable information about business opportunities in Armenia so that Indian small and medium scale industries can go to Armenia for doing business. Media in this way can be an effective medium to help in innovating new avenues for the Indian government to strengthen its bilateral ties with Armenia.
- 3) From Indian side there has been only a single high level visit to Armenia which acts as a challenge in the bilateral relations between the two countries. High level political visits help in taking the relationship forward.

## Regional Aspects

The regional aspects also bear significance for furthering bilateral cooperation between the two countries. In this regard, International North South Transport Corridor (INSTC), which is a multi-modal transportation route connecting Indian Ocean and Persian Gulf to the Caspian Sea via Iran, and then onwards to Northern Europe via St Petersburg in Russia aimed at increasing trade connectivity between member countries is very important. Both India and Armenia are members of the International North South Transport Corridor (INSTC) and India's venture in the Eurasian region through this transport corridor will be helpful in increasing economic and trade connectivity with the countries in the region. India's cooperation with Armenia in INSTC will also further consolidate India's bilateral relations with Armenia.





(Map Source: [www.indiawrites.org](http://www.indiawrites.org))

Presently, India is working on the feasibility of signing a Free Trade Agreement with EEU which will not only help India in integrating with the Eurasian economies but also deepen India's relation with EEU member countries. The signing of Free Trade Agreement (FTA) will provide India opportunities to bolster its business and investment engagements with the countries of EEU. EEU has also planned to create a common pharmaceutical zone along with a single market which will benefit India since Indian pharma products are in demand. The growing credibility of Indian pharma and high healthcare costs in the CIS nations including Armenia would make cooperation in this field fruitful.

## Conclusion

The origin of India-Armenia relationship goes back deep in the annals of history which has evolved and taken shape through various stages. Following the dissolution of the Soviet Union the relationship did not take off well for a variety of reasons. In the last few years, the relationship is evolving at greater pace. At the bilateral level, both sides have identified certain key areas of cooperation in the fields of agriculture, pharmaceuticals, information technology and tourism etc. There is a good opportunity of regional cooperation between India-Armenia through INSTC which will also bolster their bilateral relations. Besides, the promising market of EEU is important for Indian to import oil and natural gas to meet its energy demands, and the Indian pharma products are in good demand in EEU countries. At the multilateral level, Armenia has been supportive of India's permanent membership in the United Nations Security Council. The old cultural linkage continues to act as a major fulcrum in strengthening the bilateral relation between the two countries.

\*\*\*

\* Anirban Chatterjee is Research Intern with the Indian Council of World Affairs, New Delhi.

Disclaimer: Views expressed are of author and do not reflect the views of the Council.

## End Notes

---

<sup>1</sup> India-Armenia Relations, <http://www.mea.gov.in/portal/foreignrelation/armenia-july-2012.pdf>

<sup>2</sup> *ibid*

<sup>3</sup> Siranush Ghazanchyan, "Session of India-Armenia Inter-Governmental Commission held in Yerevan", April 4, 2016, Public Radio of Armenia. <http://www.armradio.am/en/2016/04/04/session-of-india-armenia-inter-governmental-commission-held-in-yerevan/>

<sup>4</sup> India-Armenia Relations, [https://mea.gov.in/Portal/ForeignRelation/Armenia\\_July\\_2014.pdf](https://mea.gov.in/Portal/ForeignRelation/Armenia_July_2014.pdf).

<sup>5</sup> India and Armenia Sign MoU on Agricultural Cooperation, INVC News, February 19, 2016.

<http://www.internationalnewsandviews.com/india-and-armenia-sign-mou-on-agriculture-cooperation/>

<sup>6</sup> Media Coverage on the visit of Pharmaceutical Export Promotion Council, February 3<sup>rd</sup>,

2014, [http://www.indianembassy.am/pdf/Media\\_coverage\\_on\\_Visit\\_of\\_Pharmaceutical\\_Export\\_P.pdf](http://www.indianembassy.am/pdf/Media_coverage_on_Visit_of_Pharmaceutical_Export_P.pdf)

<sup>7</sup> Armenia, India sign memorandum about cooperation in telemedicine worth over \$ 530,000, Arka News Agency, June 24, 2014.

[http://arka.am/en/news/society/armenia\\_india\\_sign\\_memorandum\\_about\\_cooperation\\_in\\_telemedicine\\_worth\\_over\\_530\\_000/](http://arka.am/en/news/society/armenia_india_sign_memorandum_about_cooperation_in_telemedicine_worth_over_530_000/)

<sup>8</sup> Armenia and India sign memo to establish telemedicine network in Armenia, June 24, 2014.

<https://med.news.am/eng/news/2312/armenia-and-india-sign-memo-to-establish-telemedicine-network-in-armenia.html>

<sup>9</sup> India-Armenia Relations, July 2014, [https://mea.gov.in/Portal/ForeignRelation/Armenia\\_July\\_2014.pdf](https://mea.gov.in/Portal/ForeignRelation/Armenia_July_2014.pdf)

<sup>10</sup> CIS Countries, Government of India, Ministry of Electronics and Information Technology.

<http://meity.gov.in/content/cis-countries>

<sup>11</sup> Ambassador of India to Armenia, "Our Relations with Armenia are on the right path", Armedia, October 10, 2015.

<http://armedia.am/eng/news/24901/ambassador-of-india-to-armenia-our-relations-with-armenia-are-on-the-right-path.html>

<sup>12</sup> Country wise Status, Ministry of Electronics and Information Technology, Government of India,

<http://meity.gov.in/content/country-wise-status>

<sup>13</sup> Press Release, E Tourist Visa Scheme for Armenia, 11<sup>th</sup> August, 2015.

[http://www.indianembassy.am/pdf/Press\\_Release\\_on\\_E-Tourist\\_Visa.pdf](http://www.indianembassy.am/pdf/Press_Release_on_E-Tourist_Visa.pdf).



