



Indian Council of World Affairs
Sapru House, Barakhamba Road
New Delhi

Report

on

Fourth ICWA-PISM Seminar

on

'Six Decades of India-Poland Relations: The Way Forward'

at

Sapru House, New Delhi
17 November, 2014

The fourth ICWA-PISM seminar on “Six Decades of India-Poland Relations: The Way Forward” was held on November 17, 2014 at Sapru House, New Delhi. The seminar was organised by the Indian Council of World Affairs (ICWA) in collaboration with its MoU partner, the Polish Institute of International Affairs (PISM), Warsaw. In addition to the inaugural and concluding sessions, there were three sessions focused on political and strategic challenges in South Asia and Europe, continuity and change in India-Poland relations and economic engagement between India and Poland, particularly in defence and energy sectors.

Inaugural Session

In his welcome remarks, Ambassador Rajiv K. Bhatia, Director General, ICWA said that the foundation of the relationship between India and Poland has already been built. He opined that India-Poland relationship needs to be taken to the higher level. A multifaceted approach is required to take the relationship to the optimal level. He noted that Donald Tusk, the Polish Prime Minister, has become the President of the European Council and it would enhance the significance of Poland for India. He pointed out that the lacuna from which India-EU relationship suffers, would be addressed and overcome during his presidency. He also noted that political and strategic trends taking place in the neighbourhood of India and Poland, particularly South Asia, Central Asia and Ukraine, would have a spill over effect everywhere. He expressed the need to come out with tangible recommendations for furthering the dialogue between India and Poland.

Dr. Jaroslaw Cwiek-Karpowicz, Research Director, PISM discussed the economic crisis, Afghanistan and situation in Ukraine in his opening remarks. While discussing the history of Poland, he brought out some serious concerns, such as the issue of ethnicity, diaspora, religion, etc. as negative factors hampering the peace and stability of Central and Eastern European countries. However, he quickly underlined the positive contribution made by the Indian diaspora in Poland. Dr. Karpowicz attempted to find out political and economic similarities between Poland and India. He noted that both countries are successful democracies and can offer a lot to the world. He said that India and Poland should not take their successful democracies for granted due to so many challenges they face in their

neighbourhood. Apart from praising the new leadership of India, he brought out the bonhomie between India and Russia. He said that Russia has been an ally of India during the latter's toughest times. During the ongoing Ukrainian crisis, India is not joining the West in imposing sanctions on Russia. It has been trying to maintain an independent policy approach. He spoke at length on Russia's role and the Ukrainian crisis. Poland is against Russia's intervention in Ukraine and Crimea, but at the same time, he said that the West does not want to isolate Moscow, as it would be a "failure of diplomacy". The speaker painted a grim picture of the crisis and tried to garner support of India by highlighting the value of freedom and defeating colonial rule. He suggested that India and Poland can come together to bring all the conflicting parties towards a resolution of the Ukrainian crisis.

H.E. Mr. Tomasz Lukaszuk, Ambassador of the Republic of Poland to India, in his Special remarks, highlighted the significance of a multidimensional cooperation between India and Poland. He said that the South Asian Association for Regional Cooperation (SAARC) is an important organisation and mulled over that India should turn the organisation into a vibrant one. To this initiative, he extended the support of Poland. He was hopeful that the relationship between India and Poland would be strengthened during Donald Tusk presidency of the European Council. Poland and India want reform of the United Nations Security Council (UNSC). According to him, although the UN has entered into the 21st century, the structure still remains that of the 20th century. He suggested that India-Poland multilateral partnership can help in reforming and strengthening the UN. He also brought forth the sectors of energy and mining as areas of deeper engagements between the two countries.

Shri Rahul Chhabra, Joint Secretary (Central Europe), Ministry of External Affairs, Government of India, in his Remarks, highlighted the blossoming relationship between India and Poland. He also argued that the criticism pertaining to limited high level interaction between the two countries is not true, and some high level visits have taken place in the past five years. Poland is important for India also because it is a member of various international export-import control regimes, like the Nuclear Suppliers Group. He said that the country can help India in gaining memberships in these regimes. He also said that both countries as

observers in the Arctic Council can help each other to strengthen their respective positions in the organisation. Both countries are taking initiatives to widen the cooperation in economic sphere, he noted.

First Session: India and Poland Perspectives on Emerging Regional Dynamics in the EU and South Asia

The session was chaired by Ambassador S. K. Bhutani, former Indian Ambassador to Poland. He set the context of the discussion by highlighting that India, Poland and their respective regions have been subject to the influence of globalisation, and their relations have to be taken into account within the changing environment.

Dr. Karpowicz presented a Polish perspective on the EU. He said that it is an interesting moment, as the Polish Prime Minister, Donald Tusk, has become the new president of the European Council. It would be interesting to see how Poland would shape policies within the EU. He underlined the three challenges – economic, political and security, which confront the EU under the new president.

The issue of unified stance on political, economic and security matters among the EU member states is the key challenge that confronts the EU. He opined that the united Europe would try to find a common understanding among 28 member states. On various aspects of economic issues, he underlined that balancing fiscal policies adopted by the EU Member States, particularly the north and the south, stimulating economic growth and promoting investments, would remain the key concerns to address. Security challenge is another area, where it remains to be seen how united EU acts on external threats. He, however, emphasized that, at present, much better unity is observed in the EU, which is clearly evident from the sanctions imposed on Russia by all 28 nations.

Professor Sanjay Kumar Pandey from the Centre for Russian and Central Asian Studies, Jawaharlal Nehru University, said that India and Poland have striking resemblance regarding their history; particularly, the concept of ‘partition’ has great resonance, which shaped

debates in both countries. How both countries have coped with it is an issue that needs to be looked at. He pointed out that Poland has coped with its neighbours fairly well, unlike India. In case of India, he mentioned that the major challenge for its foreign policy has been to deal with its neighbours, the legacy of the partition and contested border issues, which still remain unresolved. In its extended neighbourhood, India is closely involved in development projects in Afghanistan, and its relations with Central Asia are growing. On regional cooperation - SAARC, there is hope to see some movement and positive initiatives.

As far as India and Poland's relations with Russia are concerned, he noted that there is divergence. Poland has been very insistent on sanctions on Russia. India's position has not been very vocal on Russia for obvious reasons of mutual interest. However, India has articulated about non-violation of territorial integrity and having a peaceful resolution through talks. He was critical about the contradiction seen on the part of the EU and Poland regarding their positions on political pluralism, and human rights in case of Russia *vis-a-vis* China or federalism solution in the case of Sri Lanka and Ukraine.

Dr. Jakub Wodka, Department of Foreign Policy Strategy, Ministry of Foreign Affairs, Poland, contested that Russia's pretext of Ukraine invasion being a geopolitical concern with regard to the West, the EU and the NATO is not the real argument. He argued that the West has been very supportive towards Russia's efforts for modernisation and it should not be seen as a threat. The EU has followed open regionalism and believes in the language of cooperation as opposed to the language of geopolitical concerns. The NATO, he emphasized, was open to Russia's expectations. It was sensitive to Russia and treated Moscow with parity and not humiliation. He also spelt out Russia's actions as setting a dangerous precedence for global order. The Ukraine invasion might have global implications. He further noted that NATO's decision to strengthen the Eastern flank, EU's coherent stand on sanctions and Ukraine getting closer to the EU, are the responses to Russia's aggressive behaviour.

As regard to Poland-Russia relations, he highlighted that Poland always tried to build good relations with Russia and had mutually beneficial relations until the Ukraine crisis

happened. Briefly, he outlined Poland's foreign policy, which rested on two pillars, the EU and the NATO. It has adopted its foreign policy to new situations on the ground. It aspires to be elected soon as a non-permanent member of UNSC and join the G-20 in the future.

During the Q&A, it was noted that Poland's relations with Russia are influenced by history and Russia's non-peaceful endeavours have always preoccupied Poland. Russia's action on Ukraine was due to internal problems and not because of being threatened by the EU. Russian President Vladimir Putin's action on Ukraine concerns Poland directly. It also shows that the UN needs to be reformed. It was also reminded that Russia is not the only superpower that violated international law, as the US has done it before several times, for instance, Iraq or Syria. According to Indian participants, this illustrates clearly the double standards. The Western countries selectively use the concepts of democracy and human rights for their political purpose. It was also noted that Ukraine is an emotive and existential issue for Poland, and India, not being in the region, maintains a balanced and calm position. Another speaker observed that Turkey has major geopolitical clout and its integration with EU would enhance its position. However, because of opposition from Cyprus, Turkey has lessened its interest at present.

Responses to G-20 as a forum devoted to economic issues rather than politics were varied. The Polish delegates felt that G-20 is both an economic and political platform, while from the Indian side, the view shared was that G-20 should be seen essentially as an economic platform, not political; but political issues get discussed on the margins. The Indian side suggested that the Ukraine solution can be found in the case of Kazakhstan: Kazakhstan's policy has been very prudent and it has a good relation with Russia given its Russian population. Ukraine should take a leaf from Kazakhstan's multi-vector policy. Moreover, it was observed that on the aspect of energy, the EU is dependent on Russia, but Russia is also dependent on the EU for technology and modernization. For natural gas, Poland is highly dependent on Russia. However, it is investing in LNG terminals to have alternative access to gas and escape from the trap of energy being used as a political tool. It is also working for a common gas market. At the same time, the EU is the major consumer of Russian gas, but

Russia is now diversifying its clients, as the case of China illustrated. However, Russia-China cooperation in this field raised scepticism among Polish speakers, not only due to distance, but also because of long time-frame and strong differences between the two.

Second Session: Continuity and Change in India-Poland Relations

The session was chaired by R L Narayan, former Indian Ambassador to Poland, and had three panellists, Professor Ummu Salma Bava, Centre for European Studies, Jawaharlal Nehru University; Mr. Patryk Kugiel, Senior Research Fellow, PISM; and Dr. Sebastian Domzalski, Deputy Head of the Mission, Embassy of the Republic of Poland, New Delhi.

Mr. Patryk Kugiel talked about continuity and change in India-Poland partnership. He discussed the social, political and economic changes in India and Poland. He noted that the international system has also changed after the Cold War and forms one utterly new framework of bilateral cooperation. The Ideological glue that existed during the Soviet period does not exist anymore. He saw change in the political spectrum of India and Poland, as Prime Minister Narendra Modi might bring about change in the India-Poland relations as well. He shared the survey done by him about Polish perceptions of India and highlighted the role of Indian diaspora as a new positive element in India-Poland relations. He emphasised science and technology cooperation and suggested that India and Poland should create a joint technology fund to bolster research in the most promising sectors. He observed that the strategic partnership between India and Poland will depend on whether both countries will manage to find converging strategic interests and implement new projects in these strategic areas.

Professor Ummu Salma Bava discussed various aspects of India-Poland relations in the bilateral and multilateral framework of the India-EU strategic partnership. She also argued that substantial political and economic changes have taken place in Poland and India. The change in geopolitics of the region has transformed the relationship between India and Poland. India and Central Eastern Europe had a special relationship. She contended that economic progress is the tool for political transformation in India. She further argued that the

transformation of Poland was also radical. She believed that there is scope for enhancing economic and political relationship. She argued that small and medium enterprises (SMEs), energy and defence can be the crucial sectors for cooperation. Considering Prime Minister Modi's initiative of "Make in India", she said that it would provide opportunity for cooperation between the two countries. She said that energy cooperation would be the game changer. She noticed that India-EU relations need to be improved and there should be greater cooperation at the bilateral and multilateral levels. She noticed several problems in India-Poland relations. She noted that Poland is part of the EU and the EU talks about the collective approach, but speaks individually. She suggested that Poland should enhance its visibility in India and this kind of think-tank dialogue is a helpful tool, but it should be now organised at new places and universities in order to reach out to new audiences. She advocated for greater people-to-people contacts as well as business to business interactions.

Dr. Sebastian Domzalski talked about the positive changes taking place in India as well as in bilateral relationship between New Delhi and Warsaw. He noted that India is on high priority for Polish foreign policy. In comparative terms, he stated that Polish investments in India are higher than the Chinese investments. Talking about the 'Make in India' initiative, he noticed the immense potential for economic growth in the country and gradual economic reforms would unleash the latent potentials. In his view, Indian IT companies are increasingly interested in investing in Poland. To facilitate better business cooperation, Poland has simplified the visa process recently. He also argued that there are several areas, including energy and defence, offering huge potential for cooperation between India and Poland. He informed that Poland is the largest exporter of apple in the world and it would see India as a promising market for Polish apples. Food processing, research and development, mining and energy and coal are the areas of cooperation between India and Poland.

Third Session: India-Poland Defence and Energy Cooperation

It was chaired by Mr. Patryk Kugiel, Senior Research Fellow, PISM and had three panellists including Mr. Amit Cowshish, Distinguished Fellow, Institute for Defence Studies and Analyses (IDSA); Dr. Artur Gradziuk, International Economic Relations and Global Issues Programme

Coordinator, PISM; and Dr. Ujjwal Bhattacharjee, Senior Fellow, the Energy and Resources Institute (TERI).

Mr. Amit Cowshish gave his presentation on India-Poland defence cooperation. He started by saying that the potential of India-Poland cooperation in defence was largely untapped. The total FDI of Poland in India had been just about US\$ 0.5 billion in the last 13-14 years and one of the primary reasons for this included Poland's preoccupation with its own domestic restructuring. There were similarities in India and Poland in terms of their aspirations and the actual growth of their defence sectors. Since the two countries were not in a position to offer each other 'state of the art' technologies on their own, it would be advisable to adopt a pragmatic strategy for their cooperation in defence. One way of doing this could be by taking their relationship beyond buyer-seller relationship. According to Mr. Cowshish, the strategy of India and Poland should include both short term and long term approaches. As a short term measure, Polish companies may identify those sectors of defence industry where they could jointly manufacture with Indian companies. In terms of long term strategy, the two countries should focus on those policies that cater to India's concerns related to issues, such as 'transfer of technology' and 'absorption of technology.' India and Poland could also cooperate in terms of 'Make in India' call of India's Prime Minister. Further, Poland could also join hands with India's Micro, Small and Medium Enterprises (MSME). According to Mr. Cowshish, in terms of technology transfer in the defence sector, Government to Government (G2G) exchanges had better chances of success than cooperation between private companies. Also, it would be useful if Poland joined hands with India's industry associations, such as Federation of Indian Chambers of Commerce and Industry (FICCI), The Associated Chambers of Commerce & Industry of India (ASSOCHAM) and Confederation of Indian Industry (CII).

Dr. Artur Gradziuk gave his presentation on Poland's energy sector with a focus on India-Poland energy cooperation. He also spoke on Polish perspective on energy security and environment challenges. In his view, energy issues had been the most important discourse in Poland since 2008. According to him, more than 80 per cent of Poland's electricity was produced through hard coal. In Poland, the energy policy was revised every five years and the

last such revision was done in 2009. According to this document, Poland needs to invest heavily in its energy infrastructure and, therefore, almost every part of Poland is seeing new power plants being constructed. In 2009, the Polish government started its nuclear energy programme and Poland is expected to start its first nuclear power plant in 2020-25. Mr. Gradziuk informed that most of the people in Poland have supported government's decision for nuclear energy. He also reminded that about five billion cubic metre was the estimated annual production of shale gas in Poland and biomass and bio-fuels were primary renewable energy sources in this country. In Poland, energy efficiency was high and the country was very successful in emission reduction. In fact, Poland had been the most successful country in entire Europe in terms of emission reduction. According to Poland's Energy Policy 2050, energy efficiency was given the highest priority and Poland wanted to reduce its dependence on coal by reducing it to 60-70 per cent. In the opinion of Mr. Gradziuk, India and Poland could cooperate in the coal sector. Other areas of cooperation included machinery for mining, research and development (R&D), shale gas exploration, energy efficiency, renewable energy and climate change.

In his presentation, Dr. Ujjwal Bhattacharjee focussed on India-Poland cooperation in the energy sector. In his view, there were many similarities in India and Poland in the energy sector, especially in terms of coal and renewable energy. Since Poland is the net exporter of coal, India could be interested in its import. Still, the cooperation between the two countries could be most successful in capacity development in the energy sector and Polish expertise can be of interest to India. Other areas of cooperation include climate change and renewable energy. Dr. Bhattacharjee informed that India was the 5th largest wind producing country in the world and Poland could benefit from India in this field. For India, solar power was of strategic importance and 12.5 Giga watts of roof-top potential existed in India. Poland could cooperate in Research and Development (R&D) in manufacturing in this area. He concluded by saying that capacity development was the mainstay for technological development, which, in turn, was the backbone of business development.

Concluding Session

Anwar Haleem, Joint Secretary, ICWA, summarised the entire discussion. He said that the speakers had addressed various facets of India-Poland relations and the discussion was very useful. He also noted the changing political and strategic dynamics in the EU and South Asia. He stated that people-to-people and business-to-business interactions would enhance the India-Poland relations.

In his concluding remarks, Jaroslaw Cwiek-Karpowicz said that there should be more interaction between India and Poland. He suggested that ICWA and PISM should have online meetings and interaction at regular intervals. Ambassador Bhatia expressed his happiness over the successful and fruitful conclusion of the seminar. He also suggested that there should be broader framework for India's interaction with Central and Eastern Europe.

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