



Indian Council
of World Affairs



WHY VISEGRAD 4?

Prospects of India-V4 Cooperation



DR ANKITA DUTTA



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Indian Council of World Affairs

Sapru House, Barakhamba Road
New Delhi 110001, India

T: +91-11-2331 7242 | F: +91-11-2332 2710

www.icwa.in

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ABSTRACT



For long, New Delhi's traditional focus with respect to Europe has been on the major European powers like France, Germany and the United Kingdom (UK). As a result, several advanced European countries, with which India shares significant political and economic complementarities have not received enough attention. As India's foreign policy priorities change, there is a concerted effort by the Indian government to engage with other countries in the European continent. This has been done through high-level visits, dialogues at various platforms and a push to enhance trade and investment with the region. Similarly, as a changing Europe comes to terms with a rising India, expanding partnership with New Delhi is seen not only as desirable but also imperative.

In this regard, India has taken an interest in various sub-regions of Europe, with the priority given to the four central and Eastern Europe - Poland, Hungary, Czech Republic and Slovakia – also known as Visegrad 4. These countries have also reciprocated their interest in strengthening ties with India which is driven not just by the size of the Indian market but also in their recognition of India's geopolitical significance. There is a growing interest in cooperating with India on various global issues such as reform of global governance, economic growth, innovation and climate change. The aim of the paper is to identify the areas of cooperation and commonalities that brings India and the Visegrad 4 together.

The paper tries to identify their strengths and expertise and, highlight why India needs to engage with these countries and deepen its bilateral ties.

Keywords: India, Visegrad 4, EU, Foreign Policy, Cooperation



INTRODUCTION



In his book, “The India Way: Strategies for an Uncertain World”, External Affairs Minister (EAM), Dr. S. Jaishankar wrote – “Comfort with Europe has grown, but needs more insights into its increasingly intricate politics... This is a time for us to engage America, manage China, *cultivate Europe*, reassure Russia, bring Japan into play, draw neighbours in, extend the neighbourhood and expand traditional constituencies of support.”¹ (*Emphasis added*) The EAM further elaborated on India’s relations with the European countries during the Bled Strategic Forum in Slovenia in September 2021² when he said that - “Delhi is...focused on developing a strong partnership with Brussels and engage with all its 27 members – big and small – individually.” These lines highlight a renewed outlook of the Indian foreign policy towards Europe, where the focus is not limited to the major European powers, but also factors in the various sub-regions of Europe.

New Delhi’s traditional focus in its foreign policy with respect to Europe has been for long on the major European powers like France, Germany and the United Kingdom. As a result, several advanced European countries, with which India shares significant political and economic complementarities, were not given enough attention. On the other hand, many European states

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too were preoccupied with the developments in their respective neighbourhoods and within the EU and, India was not within the spectrum of their attention. Nonetheless, in the past decade, India has taken steps to enhance its foreign policy priorities in Europe. Correspondingly, Europe has also realised the potential that India offers. As a changing Europe is coming to terms with a rising India, expanding partnership with New Delhi is not only seen as desirable, but also imperative.

Moreover, viewed in the context of the changing international world order in which states like China and Russia are trying to change the rules of global governance to their advantage - India stands out as an economic powerhouse with strong democratic credentials – this has led many European states to take notice of New Delhi and to promote a comprehensive policy outlook. This was visible in the launch of the EU's India Strategy in 2018 which provided a blueprint for expanding engagements between the two partners. The strategy recognised India as one of the largest economies, with an annual growth rate of around 7%, and on its way to become the US\$ 7.8 trillion economy by 2030.³ The strategy also recognised India as an important player in the emerging complex geo-strategic space.

Within this scenario, there has been a concerted effort by the Indian government to engage with other countries in the European



continent beyond its traditional partners. This has been done through high-level visits, dialogues, and a push to enhance trade and investment with the region. India has taken a keen interest in the sub-regions of Europe, such as the Central and Eastern Europe (CEE). The present study looks at these changing dynamics of Indian foreign policy as it engages with the four CEE countries – Poland, Hungary, Czech Republic and Slovakia – also known as the Visegrad 4 (V4). These countries have also reciprocated their interest in strengthening their ties with India. Their respective interests are driven not just by the size of Indian economy and market but also in their recognition of India’s increasing geopolitical significance.

The rationale behind the specific selection of these countries is that they represent an important sub-region of Europe – Visegrad 4 has significant political clout within the EU and larger European continent. The paper is divided into three sections—the first section looks at the bilateral relations between India and the V4 countries and their evolution in the recent years. The second section identifies the traditional as well as the new areas of cooperation that could be explored. This section highlights the strengths and expertise that these countries bring to the table, which are crucial for India’s own developmental trajectory. As these commonalities bring them together, India will need to engage with this sub-

The present study looks at these changing dynamics of Indian foreign policy as it engages with the four CEE countries – Poland, Hungary, Czech Republic and Slovakia – also known as the Visegrad 4 (V4).

region as an integrated region while strengthening bilateral ties. This theme forms the basis for the third section, where an argument is made for enhanced cooperation with the V4 region. As India redefines its foreign policy priorities, these countries are looking for opportunities in a rising India - this gives both an avenue to benefit from enhanced cooperation bilaterally as well as collectively. ❄️





INDIA'S RELATIONS WITH CENTRAL AND EASTERN EUROPE



For India, the end of Cold War meant major policy shifts and adjustments. While it welcomed the transitions and transformation that CEE countries were undergoing, the collapse of the Soviet Union was a period of disorientation for Indian foreign policy. This was further coupled with India's own transformation due to its changing economic liberalisation policies. While India shared robust relations with the V4 countries during the Cold War period, the period following the disintegration of the USSR was a time for internal introspection for both India and the newly emerging eastern European countries. Overall, the bilateral relations between the two can be categorised in three distinct timelines –1947-1990; 1990-2010; and 2010-onwards.

THE COLD WAR YEARS - 1947-1990



India and the CEE countries shared close political and economic relations during the Soviet era. A wide range of cooperation in areas such as trade, defence etc. was witnessed during this period, along with critical strategic and political support to India at various international forums⁴. This period was marked with significant contributions by Poland, Hungary and Czechoslovakia to the industrial development of India. According to Tomasz Lukaszuk, “compatibility between the Central European search for markets,

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and India's demand for technologies and investments without a neo-colonial scent also played a significant role in the dynamic development of the cooperation"⁵. The bilateral agreement on shipping between India and Poland and on use of nuclear energy for peaceful purposes with Czechoslovakia in 1960 and 1961 respectively, highlights the strategic relations shared between India and the region. Similarly, Council for Mutual Economic Assistance (CMEA)ⁱ also played a critical role in boosting Indian economy as India's trade with these countries grew from '198.6 million roubles in 1960 to 3289.4 million roubles in 1982'⁶.

India-Poland established diplomatic relations in 1954, however, the Polish consulates (Bombay and Calcutta) had been operational since 1933 and played critical role in assisting Polish refugees during the Second World War. For India, Poland became a partner for collaborating in sectors such as defence equipment, machinery, and industrial projects, especially in energy and mining. Poland also emerged as a key partner for India in establishing heavy industries such as steel construction factories, electrometers industry, coal mining, thermal-electric power plants, ship-building, the manufacturing of tractors and motorcycles, and provided equipment for coal power plants and mines. Moreover, during this period, India was Poland's 20th largest trade partner in the world and for India, Poland was its 11th largest trade partner, and second only to the USSR, in the socialist block – with trade increasing from 3.4 million Polish Zloty (PLZ) in 1953 to 702.8

ⁱ Council for Mutual Economic Assistance (CMEA) was established in January 1949 to facilitate and coordinate the economic development of the eastern European countries belonging to the Soviet bloc. The original members were the Soviet Union, Bulgaria, Czechoslovakia, Hungary, Poland, and Romania. (<https://www.britannica.com/topic/Comecon>)

million PLZ in 1975⁷. While the economic relations were robust, defence cooperation was the cornerstone of the relations between India and Poland. Warsaw exported 300 T-54 MBT tanks, 100 SKOT armoured transporters, and four landing craft.⁸ Poland also supplied India with spares as well as technology for maintaining and upgrading several kinds of equipment, including tank recovery vehicles. In the mid-1970s and mid-1980s, India further received four Polnochny-class amphibious warfare vessel/landing ship tanks from the Gdynia shipyard in two batches⁹. The period also witnessed high-level political relations between the two countries with the visits of Vice President S. Radhakrishnan to Poland in 1956 which was followed by two visits to India by Polish Prime Minister Józef Cyrankiewicz in March 1957 and September 1960. Indian Prime Minister Indira Gandhi also visited Poland in 1967. Poland had also actively supported India during the 1971 Bangladesh War and after New Delhi's first underground nuclear explosion in 1974.

India-Hungary relations during the Cold War came to be defined by India's involvement in the 1956 crisisⁱⁱ when Prime Minister Nehru personally intervened, and used his good offices with the Soviet Union, to help save the life of Arpad Goncz, who went on to become the President of Hungary in 1990. Diplomatic relations were established in 1948 and a trade agreement was finalised in 1954. Hungary transferred to India technology for the manufacturing of vacuum-engineering machines, telecommunications, railway equipment, textile and leather clothing machinery, and for the

ii The Hungarian Revolution of 1956 was a countrywide revolution demanding a more democratic political system and freedom from Soviet oppression. The protests were repressed by the Soviet forces.



aluminium industry¹⁰. The period also witnessed active political engagement with the visit of two Hungarian Presidents (Pál Losonczi in 1969 & 1976, and Dr. Arpad Goncz in 1991) and three Prime Ministers (Ferenc Munnich in 1962, Gyula Kallai in 1966 and Jenő Fock in 1974) to India and of three Indian Heads of State (President Zakir Hussain in 1958, President V.V. Giri in 1970 and President Fakhruddin Ali Ahmed in 1976) and two prime ministers (Indira Gandhi in 1972 and Rajiv Gandhi in 1988)¹¹ to Hungary.

While formal diplomatic relations with Czechoslovakia were established in 1947, India's relations with the country date back to the 1920s when the Bata's shoe factory was established in Batanagar, Calcutta. It was also the first Central European country with which India concluded a trade agreement in 1953-54. Czechoslovakia played a critical role in India's industrialisation efforts in terms of establishment of heavy engineering and industrial plants. New Delhi and Prague also cooperated in the defence sector with the latter providing Aero-45S light aircraft in 1955 and 300 armoured personal carriers (APCs) OT-62A TOPAS between 1969-1972 and 300 OT-64C APCs between 1971-1974.¹² The inauguration of flights between Bombay and Prague in 1959, signing of agreement on use of nuclear energy for peaceful purposes in 1966, along with agreement of scientific, technical and industrial cooperation in 1973 led to further strengthening of relations.

PERIOD OF TRANSFORMATION - 1990-2010

The end of Cold War brought transformative changes within the CEE countries and India. The new order that emerged changed the foreign and domestic priorities of both. In its quest for greater

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international cooperation as well as a conducive atmosphere for its economic transition, India's foreign policy reoriented with an emphasis on cooperation with its immediate and extended neighbourhood through the 'Look East Policy'. A renewed push was witnessed as India boosted its cooperation with its extended neighbourhood-West Asia, Africa and Central Asia region. Similarly, the Central and European countries were undergoing transition of their own as they sought to 'return to Europe' after the collapse of Soviet Union and the bipolar world order. The shared goals for most of them became the accession to the EU and NATO. The economic transition which accompanied the accession to the EU ushered in a period of growth for major economies in the region. The focus during this period for the V4 countries was largely domestic and on rebuilding their relations with the other European countries.

The new realities and the emerging unipolar world had tremendous impact on the foreign policies of both India and V4 countries. While they maintained political and economic relations during this period, the dynamism that was witnessed during the Cold War

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slowed down considerably. This was primarily because both India and the V4 countries were focussed on their respective priorities in Asia and Europe, and could not give adequate diplomatic and political attention to each other. The economic relations also changed primarily due to economic liberalisation and transition from socialist to market economies in both India and the V4 countries. Moreover, the shift from a labour-intensive to a capital and knowledge-intensive model, created circumstances where India and Central Europe became competitors, rather than being compatible partners as was witnessed in the 1970's and 1980's. As India sought new technologies, investments and expertise for its Information Technology (IT) and services sectors, which were crucial for its own growth, the V4 countries were not in a position to meet these demands. On the other hand, the V4 countries did not follow the changes in the global diversification of markets rather limiting their efforts to neighbouring countries and their economic integration with the European Union.

The political dialogue between India and the V4 continued at the highest level, but with a focus on general issues of security and the exchange of information on developments in their particular regions rather than on focused sectors. The Hungarian president Arpad Goncz (1991), the Czech President Vaclav Havel (1994),

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the Slovak Prime Minister Vladimir Meciar (1994), and Polish Presidents Lech Walesa (1994) and Aleksander Kwasniewski (1998) visited India to reassure New Delhi regarding the ‘continuity of good relations between their countries under the new conditions’¹³. However, with India engaging increasingly with the EU, relations with the V4 countries came to be addressed largely under the broader partnership with European Union. The drawback of this development was that the ‘special partnership’ between India and V4 countries was put on the back-burner, as the emphasis was laid on enhancing relations with the EU and other Western European countries, mainly France, Germany and the UK. On the other hand, for the V4 countries, Asia was beyond their foreign policy vision due to their respective political and economic transitions, and focus on relations with Europe.

Despite the slow pace of political and economic relations, the defence partnership between India and the V4 countries continued. In 2003, India signed the Agreement on Defence Cooperation with the Czech Republic and agreed to consider setting up a joint committee on defence cooperation which would meet annually to enhance defence purchases between the two countries. New Delhi and Prague also agreed on the upgradation of the T-72 tanks and the MI series of helicopters¹⁴. With Slovakia, “Unimpex s.r.o., Martin, supplied 35 VT-72B Armoured Recovery Vehicles (ARVs) to the Indian Army in 1994 at a reported cost of \$32 million or a unit cost of \$1.09 million. Another deal for 45 VT-72B ARVs, at a reported unit cost of \$2 million per vehicle, amounting to a total cost of \$90 million, was signed in 1997. In February 2000, Bharat Heavy Electrical Ltd. (BHEL) signed a technical agreement with



Unimpex for licensed production of the VT-72B ARV in India, to meet the Indian Army's requirement for 400 additional ARVs".¹⁵ The agreement also included provision of exchange of the technical know-how and industrial support to BHEL for the serial production of ARVs in India. India and Slovakia also signed a MoU on Defence Cooperation in 1995 which was aimed at promoting bilateral defence cooperation in specific areas including product support in projects relating to defence equipment and components, including public sector units in various areas including transfer of technology through exchanges of information, training and joint projects.

For its part, Poland was engaged in the modernisation of post-Soviet equipment and also signed new deals for Iskra TS-11 training aircraft and 228WZT-3 ARVs¹⁶. India and Poland signed a defence agreement in 2003 and established a joint working group on defence in 2004 with the view of expanding the cooperation in the field of defence technology, research and development, training, peace support and combating terrorism. The areas specified for cooperation included exchange of experience in the field of military planning and functioning of armed forces; military education and training of military personnel; maintaining peace and fighting terrorism; organization of armed forces, their logistic support, personnel management and administration; exchange of information; military science and research; the supply and modernisation of armament and military equipment; and military medicine and legal issues in the field of defence.

In short, politically and strategically, the relations continued to develop between India and the V4 countries, however, not at the

pace that was witnessed during Cold War period. These countries supported India's call for the reforms of the United Nations (UN) and New Delhi's bid for permanent membership of the United Nations Security Council (UNSC). They also supported India at the Nuclear Suppliers Group (NSG) in 2008 for granting it clean waiver from NSG's existing rules, which de facto recognised India as a nuclear state outside the Non-Proliferation Treaty (NPT).

REORIENTING FOREIGN POLICY - 2010-ONWARDS

With the political stabilisation and economic integration in the western structures bringing growth and prosperity to the region, V4 countries began looking outwards towards new markets and partnerships. This was also precipitated by the 2008 global financial crisis. V4 countries were among the few states in EU which were not overly affected by the crisis and adopted policies to explore their outreaches to other regions. As their respective relations with India were 'cordial and friendly' and 'free from any serious dispute or bilateral disagreement', New Delhi emerged as a preferred partner with whom regular political exchanges, economic ties and complementarities needed to be explored and enhanced.

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This is visible in Poland's 2004 '*Strategy towards Non-European Developing Countries*' which laid the foundation for the first comprehensive outlook towards the non-European countries in Asia, Africa and Latin America. The motivation behind this strategy was the growing importance of some of the non-European countries in terms of their economic and strategic relevance. Within the strategy, China and India were identified as 'priority states' in Asia. The strategy highlighted the reasons for Polish outreach towards India¹⁷ which included its large market size, substantial GDP growth rates, enhancing cooperation with the EU and the gradual reforms and reduction of tariff rates. The *Polish Foreign Policy Strategy for 2017-2021*¹⁸ identified three main priorities: security, economic growth and Poland's global image. The policy outlined that 'the world has become less stable and less predictable...As the West's international standing falters, the non-Western world is developing dynamically and profound civilisational changes are taking place: the digital revolution, rapid urbanisation, demographic changes, migrations.' It went on to recognise that 'the locus of the global economy is shifting towards Asia and the Pacific...Asia will increasingly serve as an engine for global growth.' It called for making use of political support, trade and service promotion, to reach out to new markets where they can gain an edge and India was recognised as one of the countries in the region where Warsaw should explore enhanced cooperation across various sectors.

In order to diversify foreign and diplomatic relations, Hungarian Prime Minister Viktor Orban launched the '*Eastern Opening Policy*' in 2010. The idea behind the policy was to develop partnerships

with non-EU countries, to expand and promote Hungarian exports and its small and medium enterprises with a view of reducing dependence on the West. The key motivation of the policy was to attract foreign direct investments from the rapidly growing Asian markets through proactive economic diplomacy. Similarly, the *Export Strategy for 2012-2020 of the Czech Republic*¹⁹ recognised the potential of India, China and Vietnam as among the priority countries that Czech Republic should pay attention to. In terms of foreign policy, *The Conceptual Basis of Czech Foreign Policy for 2011*²⁰ recognised India as ‘as international player with significant growth potential and increasing leverage in world politics. The security and military fields also offered significant opportunities for developing mutual relations.’ Similarly, the updated policy released in 2015 recognised the shifts in international politics and acknowledged that there was change in global power relations which was leading towards a multi-polar world at the economic, strategic and demographic levels. It pointed out that “the economic growth of emerging economies, especially in East, South-eastern and South Asia, has bolstered the global South’s claims to rule-setting regarding the global economy and international trade.”²¹ Within this scenario, it recognised India as a ‘dominant economic power in South Asia’.

Similar outlook was also visible in the *Slovakian Foreign Policy Guidelines* for 2010²², where the priority was on enhancing its foreign policy activities in Asia by strengthening economic and political dialogue with the most important countries of the region – China, Japan, India and the Republic of Korea. Its *Direction of Slovak Foreign and European Policy in 2014*²³ identified that developments



in the Asia and Pacific are shaping global international relations in the 21st century. It identified India along with China, South Korea and ASEAN countries as the focus for enhancing relations.

What can be concluded from the above foreign strategies of the V4 countries is that as these countries started to look beyond Europe, their focus was largely towards the growing economies of Asia – primarily India and China. For its part, India also started to look towards this sub-region of Europe with renewed interest. With Poland, the bilateral relations were strengthened under the Joint Commission on Economic Cooperation which held meetings in 2011, 2013, and 2015. The Joint Working Group was also created for Coal, IT and Food Processing – highlighting these sectors as focus areas. Prime Minister Donald Tusk visited India in 2010 to promote business-to-business relations and to project Poland as a ‘gateway to Europe’ for Indian businesses. The introduction of a programme like ‘Go India’ in 2015 was aimed to motivate Polish businesses and corporates an avenue to engage and enhance their presence in the Indian market. This was further facilitated by the opening of a Polish Investment and Trade Agency’s representative office in Mumbai in 2018. Moreover, the start of direct flights between India and Poland in 2019, is expected to enhance connectivity between the two countries.

The political relations got a further boost when External Affairs Minister Dr. S. Jaishankar visited Poland in 2019. The visit was particularly important as it was the first such visit since 1987. The two sides acknowledged each other’s importance with the wish of having a long-lasting friendship. Foreign Minister Dr. Jaishankar expressed India’s willingness to engage more with

Poland, especially in the Visegrad format, signifying that India not only acknowledged Poland's role as an emerging power in Central Europe, but also that India was ready to engage with important European countries bilaterally, and not just under the ambit of the EU. The visit also outlined certain key areas where the two sides agreed to focus and build a strong engagement. These included bilateral political co-operation, economy, education, culture and strategic issues like peace and security, terrorism, and humanitarian issues.

Relations with Hungary also witnessed an upswing during this period. Prime Minister Viktor Orban visited India as India and Hungary celebrated the 65th anniversary of establishment of diplomatic relations (2013). MoUs on Traditional Systems of Medicine, Cooperation in the field of Sports, Cooperation in the areas of Defensive Aspects of Microbiological and Radiological Detection and Protection and Cultural Exchange Programme were signed. The renewed push to the relations was provided in 2016 when Vice-President of India, Shri M. Hamid Ansari, visited Hungary on the eve of 60th anniversary of the Hungarian Revolution of 1956. The visit marked India's accelerated drive to forge multi-faceted relations with Hungary. Two documents – an MoU for Cooperation in Water Management and an MoU between the Indian Council of World Affairs (ICWA) and the Institute of Foreign Affairs and Trade of Hungary (IFAT), were signed during the visit. External Affairs Minister Dr. S. Jaishankar visited Hungary from 25-27 August 2019. During his visit, Dr Jaishankar held discussions with Hungary's Foreign Minister Mr. Peter Szijjarto on a wide range of bilateral and multilateral



issues. The two Ministers signed a Cultural Exchange Programme between India and Hungary for the period 2019-22. The Hungarian government also announced the decision to join the International Solar Alliance. Apart from this, five new areas of cooperation - film production, digitalisation, water management, solar energy and pharmaceuticals - were identified for strengthening cooperation. The two Ministers agreed to further intensify bilateral interaction in the fields of education, tourism and science.

Since 2014, the bilateral exchanges between India and Czech Republic increased with its foreign ministers visiting New Delhi in 2016, 2017 and 2020. The relations were further strengthened in 2018 when President Ram Nath Kovind visited the country after a gap of 22 years which was followed by the visit of Czech Prime Minister Andrej Babis in 2019, after the gap of 12 years. During his visit, President Kovind described Prague as a 'leading economic partner of India' adding that 'India's growth story and Czech Republic's technological expertise and manufacturing prowess made them natural partners'.²⁴ The Joint Statement released during the visit emphasised on the discussions 'for strengthening bilateral relations to a strategic partnership including through facilitating of temporary movement of professionals on both sides'²⁵. Five MoUs - Cooperation between the Council for Scientific and Industrial Research, India, and the Czech Academy of Sciences; A work plan to support Indo-Czech projects in diverse areas of science and technology, with the Department of Science and Technology taking the lead from the Indian side; a visa waiver agreement for diplomatic passport holders; Cooperation in laser technology between ELI Beamlines and the Tata Institute of

Fundamental Research; and Cooperation between the Haryana Agricultural University and the Czech University of Life Sciences - were signed during the visit. Prime Minister Babis during his visit participated in the Vibrant Gujarat Global summit and expressed the desire to step up defence cooperation and elevate the relations to the level of a Strategic Partnership.

Within the V4 countries, India's connect with Slovakia is relatively slow-paced. However, the relations appear to be on an upward trajectory with the signing of MoU between the Ministry of Railways, Government of India and the Ministry of Transport, Construction and Regional Development of the Slovak Republic on Technical Cooperation in Railway Sector (2015).²⁶ The MoU opened sectors of cooperation in infrastructure building and management station development and workshop modernisation; information and communication technologies especially for passenger amenities etc. in the transportation sector. The relations were further boosted with the opening of Tata Motors-owned Jaguar Land Rover state-of-the-art \$1.6 billion manufacturing facility in Slovakia in 2018.²⁷ This marks the entry of largest Indian-owned car plant in Europe and is a stepping stone for future business to business interactions.

As India and V4 looks towards enhancing their political and economic cooperation, a question that emerges is whether India is looking towards these countries strategically. Although the relations between India and V4 countries have often been called 'cordial and friendly, with no outstanding issues or disagreements' – there is an inherent imbalance in the relations. *First*, the lack of



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information regarding the opportunities that the V4 countries can provide – be it in terms of education, business models, economic structures etc. – has resulted in this area getting largely overlooked by the Indian business, political and education sector. The key developments of the region are not generally reported or studied which has led to the knowledge deficit about the region in India. *Second*, the region suffers from a visit deficit from the Indian side. While there have been multiple visits from the leaders of V4 countries to India, the reciprocating visits from India have been missing. The last two high-profile visits from India included President Kovind’s visit to Czech Republic in 2018 and External Affairs Minister’s visit to Poland and Hungary in 2019. A prime ministerial-level visit to the region is long overdue and would send a positive message of the value India attaches to these countries. *Third*, it is not just India that has perceived Europe as ‘Western Europe’, the V4 countries have also, for long time, viewed Asia synonymously with China. Beijing’s growing presence and cooperation with these countries under the 16+1 format has led these countries to favourably look towards China as a key economic partner. However, as the perceptions regarding China has shifted,

it is not just India that has perceived Europe as ‘Western Europe’, the V4 countries have also, for long time, viewed Asia synonymously with China.

these countries have viewed India as the preferred partner in the region with whom they can explore opportunities and enhance their partnership.

While the relations in the 1990s were a matter of routine for both India and V4 countries, the changing geo-politics and the geo-economic scenarios of the 21st century provide ample opportunities to both to recalibrate their partnership and strengthen their relations. The following section looks at the various areas of cooperation where both India and the V4 countries can cooperate and collaborate. ❖❖

The paper identifies, Economic cooperation, Start-Up ecosystems, Artificial Intelligence, Climate change and People-to-People Contacts as the areas of focus for cooperation.



AREAS OF COOPERATION



The paper identifies, Economic cooperation, Start-Up ecosystems, Artificial Intelligence, Climate change and People-to-People Contacts as the areas of focus for cooperation. The idea behind the selection of these areas of cooperation is simple – while the economic cooperation and people-to-people contacts forms the backbone of India’s relations with the V4 countries, start-ups, AI and Climate change are identified as futuristic areas of cooperation. These are some of the areas where both India and V4 countries have put in place comprehensive strategies which lay a kind of groundwork for exploring these areas for enhanced cooperation. The section discusses the policies and strategies put in place by these countries and tries to identify complementarities between the partners.

First, Economic cooperation is a critical driver of relations between India and the Visegrad 4 countries. India’s development trajectory and potential has resulted in many countries taking keen interest and participating in its growth story. The V4 countries are not immune to this process. The following section highlights the economic and investment cooperation between India and the region.

India and Poland share multifaceted trade relations – with India being the number one country in Asia for Polish investors²⁸. The

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trade between the two countries has grown seven-fold over the last decade with bilateral trade in 2020-21 of close to US\$2.3 billion, which increased to US\$3.8 billion in 2021-22. India's major exports to Poland include tea, coffee, spices, textiles, pharmaceuticals, machinery and instruments, auto parts and surgical items. The main products imported include coke, carbon-based electronics and scrap iron.

Indian investments in Poland are valued at over US\$3 billion in various sectors, such as advanced production technologies, IT, R&D, while total Polish investment in India is estimated at US\$672 million²⁹. Such investments have opened markets to large-scale industrial names in both countries ranging across a wide spectrum of sectors. For instance, shaping the growth of the Warsaw-Delhi bilateral ties, Poland's Solaris (green transport), BBT (defence), Ekolog (green technology), among others, have invested in India and similarly, Indian companies like Ranbaxy (pharmaceuticals), Tata Consultancy Services (TCS) and Videocon (electronics) have made wide scale investments in Poland. Furthermore, the two nations share agreements on cooperation across a plethora of sectors³⁰: Agreement on Cultural Cooperation (1957), MoU on Defence Cooperation (2003) which was extended indefinitely in 2011 and covers military personnel training and arms modernisation, Agreement on Cooperation in the field of Tourism (2009) and an Agreement on Economic Cooperation (2006).

The economic ties received further boost in 2018 when the representative office of Polish Investment and Trade Agency (PAIH) was set up in Mumbai to facilitate information about Indian

economic scenario and to promote business-to-business contacts. In September 2019 Polish Airlines LOT started operating direct flights between Warsaw and New Delhi to ease and boost contact. For a more focused and targeted cooperation, the efforts are also on to establish links between states and regions of the two countries such as between Punjab and Lubelskie region, Andhra Pradesh and Malopolska; and between Maharashtra and Wielkopolska. Also, during the 2017 Vibrant Gujarat Global Summit, Gujarat signed two MoUs with Mazovia and Podkarpackie regions of Poland³¹.

In June 2014, at the ‘India Show’ in Poznan, Indian engineering companies primarily from the micro, small and medium enterprise sector participated showcasing India’s engineering expertise. In 2015, Indian government’s flagship programme ‘Make in India’ campaign was also officially launched in Warsaw³². Moreover, in a report published by the Polish Development Fund (PFR) and PricewaterhouseCoopers (PwC) in 2020, India was identified as the most attractive country for Poles to invest in. The report suggested that Polish investors should look at India as an alternative manufacturing hub in Asia. India offers a large, growing domestic market, English-speaking, skilled and semi-skilled labour at comparatively lower costs, rapidly improving digital infrastructure and attractive incentives for companies making new investments in certain identified sectors.³³

Table 1 – India’s Trade Figures with Poland

S. No.	Year	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
1.	Export	1,541.36	1,572.80	1,548.11	1,652.67	2,723.94

Source: Ministry of Commerce *Values in US \$ Millions



Table 1 – India’s Trade Figures with Poland

2.	Import	766.99	793.39	849.58	706.35	1,124.79
3.	Total Trade	2,308.35	2,366.19	2,397.68	2,359.03	3,848.72

Source: Ministry of Commerce *Values in US \$ Millions

The economic relations with Hungary have also witnessed an upward trajectory in the last decade. The trade between the two countries have increased from US\$ 714 million in 2020-21 to US\$ 844.53 million in 2021-22. Major Indian exports to Budapest includes machinery and mechanical appliances and parts, organic chemicals, pharmaceutical products, electrical machinery and equipment etc., while major imports includes electrical machinery and equipment, television image and sound recorders and parts, organic chemicals, medical or surgical instruments iron and steel, plastics etc.

In terms of investments, Indian investments have grown significantly in recent years. Indian investments are in the fields of information technology, pharmaceuticals, electrical machinery, food processing and auto-components. India was the largest Greenfield investor in Hungary in 2014 and third largest in 2015. TCS, Satyam, Genpact, Cognizant, Sun Pharma, Crompton Greaves are among the companies that are active in Hungary. The latest additions are Apollo Tyres’ first green-field investment outside India and a factory to be built by the Sumi Motherson group. With a total accumulated investment of US\$ 1.5 billion, Indian companies have created employment opportunities for more than 8,000 people in Hungary. Also, Sona Group, in 2017, launched a multi-billion forints project to build a new manufacturing plant in Hungary, creating over 130 new jobs. This is the first Greenfield

investment by the Group outside India³⁴. From Hungary, Gedeon Richter, the Hungarian Pharma major has invested US\$ 20 million in joint venture with an Indian firm Themis Medicare Ltd. Budapest-based Bonn Hungary Electronics Ltd³⁵ was a supplier of BMCD35 microwave down-converters and Doppler ranging signals of the spacecraft to ISRO's Mars Orbiter Mission of 2013.

To further identify areas of cooperation while enhancing existing economic relations, India and Hungary have held five meetings of the Hungarian-Indian Joint Committee for Economic Cooperation, the last being held in New Delhi on 6-7 March 2018. On the side-lines of the session of the Joint Committee, the Hungarian Investment Promotion Agency concluded a three-year cooperation agreement with Invest India, aimed at increasing investments through joint projects. The highlighted areas of cooperation at the Joint Committee meeting included trade and investment, agriculture and the food industry, aviation, the space industry, energy, water, science and technology, information and communications technology, transport, education and culture, and healthcare and the health industry, in addition to which the parties also reviewed opportunities for cooperation within the field of tourism.

Table – India's Trade Figures with Hungary

S. No.	Year	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
1.	Export	402.69	458.08	423.94	495.26	550.85
2.	Import	270.84	241.15	187.68	218.92	293.67
3.	Total Trade	673.53	699.23	611.62	714.18	844.53

Source: Ministry of Commerce *Values in US \$ Millions



India's trade and economic relations with the Czech Republic has expanded substantially in the past decade with the government in Prague identifying India as one of the 12 priority countries for promotion of investment and other economic activities. For its part, India has acknowledged Czech Republic's economic strength in heavy industry particularly the automotive, machine tools and metallurgy sectors³⁶. India–Czech bilateral trade has increased from US\$ 878 million in 2020-21 to US\$ 1.2 billion in 2021-22. The main Indian products exported to the Czech Republic includes pharmaceuticals, static converters, heterocyclic compounds, brakes and servo-brakes and parts thereof etc. while it imports, piston engines, parts of railways or tramways locomotive, etc.

The two countries share strong defence sector ties with the Indian forces using Tatra trucks for decades and Indian airports using radars and surveillance system manufactured by ELDIS Pardubice³⁷. In 2019, Czech company, PBS³⁸, opened an Indian office with an objective to produce aircraft engines here in India. The Czech automobile industry is also well-recognised in India, with Skoda running its automotive hub successfully in Tamil Nadu. In 2018, Skoda Auto aimed to invest \$ 1 billion in its India 2.0 project, and in 2020 launched its new low-cost SUV, completely manufactured in India under the project, in the Indian market³⁹. Currently, many Indian companies have invested in the Czech Republic in sectors like IT, vehicles, tea, textile, pharmaceutical, auto-components. Indian companies like Infosys, Ashok Leyland, Tata Tea, Alok Industries, Spentex Industries, Motherson Sumi Systems Limited, Glenmark Pharmaceuticals, Lloyd Group, Lloyd Electric and Engineering Ltd., PMP Components Ltd. have a presence in the Czech Republic.

Table – India’s Trade Figures with Czech Republic

S. No.	Year	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
1.	Export	405.36	429.13	496.35	485.48	628.23
2.	Import	669.54	258.84	299.42	393.12	592.10
3.	Total Trade	1,074.90	687.97	795.77	878.59	1,220.33

Source: Ministry of Commerce *Values in US \$ Millions

Amongst the V4 India’s connect with Slovakia have been relatively slow. Nonetheless, as the two countries work towards changing this, they have taken steps to strengthen economic cooperation. The total trade between India and Slovakia was US\$ 191 million in 2020-21 and US\$ 272.9 million in 2021-22. Slovakia’s exports to India includes iron and steel, road vehicles, industrial machinery, pharmaceuticals, apparel and clothing accessories, controlling instruments/apparatus, electrical machinery, organic chemicals, plastics. Slovakia’s imports from India includes apparel and clothing accessories, footwear, inorganic chemicals, yarn and related products, pharmaceuticals, road vehicles, electrical machinery, iron and steel, manufactures of metals, leather and leather manufactures.

Slovakia has expertise in the car industry, electronics and heavy machinery sectors, which could be priority and prospective areas of cooperation for India. Indian investments are gradually increasing in Slovakia with the latest investment done by Tata Group in 2018. As stated earlier, Slovakia has also signed a MoU for cooperation with the Indian Ministry of Railways which fits with the Government of India’s ‘Make in India’ initiative and has opened up a large area for cooperation, including producing coaches for trains, and modernisation of rail systems, including software and hardware.



India enjoys a positive trade balance with the region, as Indian exports have been growing much faster than imports from the V4 countries. What is also visible is that there is scope of expansion of economic relations.

Table – India's Trade Figures with Slovakia

S. No.	Year	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
1.	Export	152.46	145.96	138.42	155.97	171.13
2.	Import	95.20	57.42	54.84	35.58	101.86
3.	Total Trade	247.66	203.38	193.25	191.55	272.99

Source: Ministry of Commerce *Values in US \$ Millions

As evident from the data, India enjoys a positive trade balance with the region, as Indian exports have been growing much faster than imports from the V4 countries. What is also visible is that there is scope of expansion of economic relations. Both India and the V4 countries need to formulate concrete policy orientation towards each other and identify specific areas where they can play on their strengths. The Covid-19 pandemic provides them a renewed opportunity to enhance their cooperation. The over-dependencies that were highlighted during the pandemic, along with supply chains disruptions has led multinational corporations to rethink how to build resilience into their supply chains, diversifying production centres, as well as attempts to re-shore some production to domestic suppliers. Prime Minister Modi has time and again pitched India as a potential pivot of global supply chain in post-pandemic world and emphasised the importance of trust in business, adding that the coronavirus pandemic has shown the world that the decision on developing global supply chains should

not be based only on cost effectiveness but on trust. Establishing itself as a manufacturing hub has been an economic goal of India for years. The Modi government launched the Make in India programme with the same intention. Added to this dimension is Aatmanirbhar Bharat or Self-reliant India campaign which is the vision of new India.

Together the two initiatives provide the V-4 countries with an opportunity to engage with India and help India become a 'trusted' manufacturing hub. Similarly, V4 countries have also launched several initiatives to foster economic cooperation such as Poland's 'Go India' (2015) which have sought to help companies to increase cooperation with India in the fields of artificial intelligence, information technologies, clean energy, waste management etc. Other areas of potential India-V4 economic cooperation include closer cooperation in energy efficiency and in renewable and alternative sources of energy.

Similarly in terms of the foreign direct investment, according to World Investment Report of 2020⁴⁰, India is the world's ninth largest FDI recipient. While India has robust presence in terms of its investments in the V4 countries, they have yet to play an important role in the Indian investment landscape. The pull factors that make V4 countries attractive in terms of investment includes relatively lower cost of production factors as compared to the rest of the EU; the high qualifications and skills of human resources; lower costs of operations due to higher competition; improvement regarding transport corridors etc. Also, individual country have put in place several incentives for improving their respective investment



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environment such as equal and non-discriminatory treatment of foreign investors by the Czech Republic; tax exemptions for new investments by Hungary and Poland; and financial assistance for FDI promotion by Slovakia. According to a report by Ernst and Young, ‘India is a destination for both services and manufacturing investment’⁴¹. Therefore, India’s attractiveness for the V4 countries lies in its high and untapped potential of its domestic market, cost competitiveness, qualified workforce, and a demand-driven growth model.

The **second area of cooperation is the Start-up Ecosystems.**

In terms of the investment trends in the CEE markets, there is a rapid growth of start-ups with the valuation of tech start-ups in CEE increasing from €10 billion in 2010 to €186 billion in 2021⁴². Poland was acclaimed as one of 50 most innovative countries by Bloomberg in 2017 and has emerged as the technology hub in Central Europe. Poland is the third preferred location in Europe for foreign investments with nearly 200 foreign investments in

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its portfolio for 2020 -which were valued at €10 billion.⁴³ Some of the key start-ups in Poland are Airly (Weather Techstartup); SHOWROOM (E-commerce startup); NovaKid (EdTech platform that specialises in the early-years learning of English) – making the country as one of the key emerging hubs in Europe.

Hungary is a technology repository and India is looking at building cooperation in this sector through technology cooperation and investment ties with Hungary. Under their science and technology agreement, the two countries are exploring a multi-sectoral and multi-layered cooperation and identify sectors of partnership for the future - Start-Ups provide this avenue for both nations to work together. Hungary is becoming a start-up-hub in the Central European region. Its start-up ecosystem was established in 2006 and was significantly boosted by the JEREMIE (Joint European Resources for Micro to Medium Enterprises) program, which emphasised on the development of small and medium entrepreneurship. Critical role in the development of the Hungarian start-up ecosystem has been played by the long-term policies of the government. Budapest has encouraged many start-up events, contests, workshops, local and international conferences, meetups, in particular, events such as Brain Bar (mix of a technological conference and a music festival sponsored by Google), Craft Conference (a conference dedicated to software development), and global hackathons. In the past few years, the numbers of unicorns in Hungary have increased from 5 to 37, highlighting the conducive environment for development of the



start-up ecosystem. Some of the success stories includes – bitrise, SEON, craft etc.⁴⁴

Similarly, Czech ecosystem's strength lies in its strong information and communication technologies. It is also famous for its innovative companies in the field of cybersecurity, such as antivirus companies AVAST, AVG or Cognitive Security, ThreatMark. The Innovation Strategy for the Czech Republic 2019-2030⁴⁵ sets the goal for science, research and innovation to become an absolute priority in the country, focusing on knowledge-based production, technology solutions and services. It aims to become one of Europe's innovation leaders and a country of the technological future. The policy aims to create specific support elements for the establishment and support of start-ups and spin-offs at national level and link these elements with regional and international support. It also aims to create a comprehensive funding programme with national support for the start-up segment and map the start-ups to link them up with investors and support providers.

Slovakian start-up ecosystem is in a developing and nascent space, however, well-established international initiatives like BarCamp, Start-up Weekend, Start-up Grind are in the process of expanding their activities in the country.⁴⁶ India already has a presence in the ecosystem through its 'The Slovakia Hub in India' platform - developed by Indian Chamber of Commerce in the Slovak Republic in collaboration with start-up hubs in Mumbai area, venture capitalists, and investors - to strengthen and foster the connection between the Indian and Slovak start-up ecosystem. The Hub aims to be a dynamic and interactive platform that facilitates learning

and development, networking, mentorship, and funding for start-ups. The idea behind the platform is to aggregate different offerings of the ecosystem and enable discovery by the right audience.⁴⁷ Through this initiative, the Slovak start-up ecosystem is expected to have access to information to understand the Indian start-up ecosystem, India's network of investors and collaboration hubs.

India is also actively working towards becoming a leading start-up country in the world. It boasts the 3rd largest start-up ecosystem in the world, which is expected to witness consistent annual growth of 12-15% year-on-year basis. Start-up India (2016), as a flagship initiative of the Government of India, has catalysed start-up culture and built a strong and inclusive ecosystem for innovation and entrepreneurship in India. These include setting up a Rs 10,000 crore fund as venture capital for the micro, small, and medium enterprises (MSME) sector, allocating Rs 20,000 crore to set up a specialised bank for the SME sector (Mudra Bank), and earmarking Rs 1000 crore to support start-ups. Digit Insurance (general insurance); Infra. Market (B2B online procurement marketplace for real estate and construction material); PharmEasy (services such as tele-consultation, medicine deliveries, and sample collections for diagnostic tests); Cred, Urban Company, Grofers etc. are some of the examples of successful Indian Start-Ups. As of 29 June 2022, India is home to 103 unicorns with a total valuation of \$ 335.80 Bn. The year 2021, 2020, and 2019 saw the birth of the maximum number of Indian unicorns with 44, 11, and 7 unicorns each year, respectively⁴⁸. This has made India one of the leading start-up hubs in the world.



The start-up scenario in Central and Eastern Europe and India has caught the attention of global investors; this provides both India and V4 countries opportunity to formulate a comprehensive outlook for cooperation in this sector. Hungary's Start-Up 2021 report has highlighted India a

The start-up scenario in Central and Eastern Europe and India has caught the attention of global investors; this provides both India and V4 countries opportunity to formulate a comprehensive outlook for cooperation in this sector. Hungary's Start-Up 2021 report has highlighted India as one of the priority markets that the country was looking at for expansion of Start-Up ecosystems⁴⁹. With the growth and visibility of the start-ups in both India and V4 countries, coupled with advancing economy, local talent and an environment which is conducive, it is clear that start-ups will continue to thrive in both India and V4 countries in the near future. Given the high growth potential, coupled with complimentary synergies and a robust start-up culture, this is one area where they can tap into each other's strengths and expand the scope of their partnership.

The **third key area of future collaboration is Artificial Intelligence (AI)**. Given the scope of development and collaboration, this area has been recognised by the partners as a key area of cooperation. The governments in each country have recognised the importance of AI and they have taken measures to boost their respective AI ecosystems through release of national strategies and policies, increased investment in R&D, and most

The governments in each country have recognised the importance of AI and they have taken measures to boost their respective AI ecosystems through release of national strategies and policies, increased investment in R&D, and most importantly through dialogues between stakeholders to work out the modalities and ethics that can drive the AI systems.

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India boasts a robust AI ecosystems and structure. According to a discussion paper released in 2018 by Niti Aayog titled ‘National Strategy for Artificial Intelligence #AIforAll’,⁵⁰ AI has a huge potential to accelerate India’s economic growth, and by some estimates can add US\$ 1 trillion to India’s economy by 2035. The paper identified five focus areas where AI development could enable both growth and greater inclusion: healthcare, agriculture, education, urban-/smart-city infrastructure, and transportation and mobility. The paper also discussed five barriers to be addressed: lack of research expertise, absence of enabling data ecosystems, high resource cost and low awareness for adoption, lack of regulations around privacy and security, and absence of a collaborative approach to adoption and applications. The paper highlighted two key recommendations: the establishment of academic research hubs under the ‘Centres for Research Excellence in AI’ and the development of industry-led ‘International Centres for Transformational Artificial Intelligence’. Building further on the National Strategy on AI, Niti Aayog in 2021 released the first part of



the strategy titled “Towards Responsible AI for All”⁵¹, which aims to ‘establish broad ethics principles for design, development and deployment of AI in India – drawing on similar global initiatives but grounded in the Indian legal and regulatory context’.

A key initiative taken by India in this regard was the launch of “AI for All”⁵² website by Prime Minister Modi in July 2021. It is a self-learning online program designed to raise public awareness about AI. This initiative is one of the largest AI Public Awareness programs, where the government aims to train 1 million citizens in one year.⁵³ The government has signalled its awareness of AI’s importance by articulating a vision for its National Programme for Artificial Intelligence, with the goal of “Making India the global leader in AI, ensuring responsible and transformational AI for All.” India’s AI vision encompasses a vibrant data ecosystem for research, innovation, and adoption of AI and emerging technologies; access to state-of-the-art AI computing infrastructure; financing through grant and equity support to start-ups; development of products and solutions and implementation of high-impact projects; and training and skilling of the workforce.

Similar developments are also witnessed in the V4 region. Out of the V4, Poland has the most advanced AI ecosystem. Poland is home to one of the most dynamic IT sectors in the CEE region and the wider EU. The country already serves as the regional hub of major international IT companies, such as IBM, Microsoft, HP and Google. AI provides opportunities for both India and Poland to collaborate. Already, an innovative technological solutions

provider from Poland, Synerise S.A., has announced plans to provide advanced technical solutions in the state-of-the-art personal learning segment to students in India, through the means of AI. Poland's understanding that the new technologies and solutions based on AI have an increasing impact on building the capacity of national economies has led to launch of the "Policy for the Development of Artificial Intelligence in Poland from 2020"⁵⁴, in 2021. The document elaborated on the objectives for Poland in the short term (2023), medium term (2027) and long term (post-2027). In particular, the Polish strategy provided a blueprint of the policy initiatives to develop a holistic AI ecosystem with the aim of meeting several objectives such as reforming the educational system and providing lifelong learning opportunities in AI-related fields; Encouraging growth and innovation of AI companies through dedicated support in AI research, including the provision of sufficient financial resources; Increasing national and international partnerships in AI etc. Just like India, Poland is also a member of Global Partnership for Artificial Intelligenceⁱⁱⁱ, which is an international and multi-stakeholder initiative to guide the responsible development and use of AI, grounded in human rights, inclusion, diversity, innovation, and economic growth. This is also the first initiative of its type for evolving a better understanding of the challenges and opportunities around AI using the experience and diversity of participating countries.

iii Other members include - USA, UK, EU, Australia, Canada, France, Germany, Italy, Japan, Mexico, New Zealand, Republic of Korea, Singapore



The Hungarian AI ecosystem is driven by the initiative of Ministry of Innovation and Technology called the Hungarian Artificial Intelligence Coalition. The aim of the platform is to connect stakeholders in business, research, academia and government in the field of artificial intelligence to prepare the Hungarian economy and society for the AI revolution. Recognising the potential benefits of the technology and simultaneously taking into account the possible related challenges, the Government of Hungary released its Artificial Intelligence Strategy⁵⁵ in 2020. The strategy aims to ‘prepare society to manage inevitable changes resulting from AI effectively and to fully exploit the advantages of the technology’. The foundation pillars of the strategy include - support for the data economy ensuring access to public and private data; building a community of basic and demand-driven researchers and developers; building an ecosystem supporting the individual and corporate use of technology.

Czech Republic’s AI initiatives are driven through its Innovation Strategy of the Czech Republic 2019–2030⁵⁶, released in 2019 which sets out priorities, which, when achieved, would put the Czech Republic among the most innovative countries in Europe by 2030. It states that the aim of the Czech Republic is to ‘prepare society for trends such as AI and presents tools for achieving the goal’. It aims to provide financial support for innovative AI solutions via R&D programmes; and launch a long-term communications campaign using examples of scientific and commercial success. This was followed by the adoption of National Artificial Intelligence Strategy

(NAIS) in 2019 by the Czech Government. The strategy aims to digitally transform the economy through artificial intelligence. It emphasised on the need to support small and medium-sized businesses, start-ups and domestic brands. The key to fulfilling the National AI Strategy is primarily to support the concentration of R&D in AI, in particular by supporting the creation of the European Centre of Excellence, Test Centre and Digital Innovation Hubs. The Strategy calls for deepening cooperation with global AI centres, but also by maintaining top research facilities and experts in the Czech Republic and, by simplifying and attracting conditions for the arrival of top foreign talent.⁵⁷

While the Slovakian government has recognised the importance of AI and how it is going to impact the future, its AI sector is among the least developed within the V4 countries. The key drivers towards this transformation are - Action plan for the digital transformation of Slovakia for 2019 – 2022; and 2030 Digital Transformation Strategy for Slovakia – both of which aims to transform Bratislava into a rapidly evolving digital country. Both these policies put an emphasis on “innovative technologies such as Artificial Intelligence, Internet of Things, 5G Technology, Big Data and Analytical Data Processing, Blockchain and High-Performance Computing that will become the new engine of the economic growth and strengthening of competitiveness.”⁵⁸ The aim is to support research and development in new technologies and AI, infrastructure building, development of talent and building new models of cooperation among various sectors.



The use of AI in areas such as healthcare, education, urban infrastructure, retail and mobility has the potential to revolutionise these segments over the course of the coming years.

The V4 countries in 2018 also released a collective outlook on AI, ahead of the release of EU's communication. In the document, the four countries recognised the benefits as well as the limitations of AI and called for the preparation to address the rapid changes that AI can bring. The document stated that "AI is a fact, and there is no turning back from it...We should be prepared in advance, in order to be able to address the rapid development of technology, so that we can make the most of the opportunities and avoid potential risks to the highest possible extent."⁵⁹

The use of AI in areas such as healthcare, education, urban infrastructure, retail and mobility has the potential to revolutionise these segments over the course of the coming years. The latest Artificial Intelligence Index, released by Stanford University's Institute for Human-Centred Artificial Intelligence (HAI), noted India's relative prominence in this sector. Its Global AI Vibrancy Tool 2021, which ranks each country according to research output, economy and inclusion, listed India as third in the world⁶⁰, ahead

Climate change has emerged to be the defining issue of the century. The adverse impact of climate change is felt all across the world and the countries are in the process of implementing and expanding their policies and strategies to mitigate the impact of the phenomenon.

of Australia, the UK, Germany and Japan. While out of 4 Visegrad countries, Poland ranks at 29th. An active engagement of these new technologies can serve as a springboard for India and V4 nations to establish and create new and far-reaching solutions to global challenges, thereby increasing their competitiveness in developing modern technological solutions.

The **fourth area of cooperation that can be identified is climate change and energy.** Climate change has emerged to be the defining issue of the century. The adverse impact of climate change is felt all across the world and the countries are in the process of implementing and expanding their policies and strategies to mitigate the impact of the phenomenon. A critical aspect of this is the quest to increase the share of renewable energy in their respective energy matrix and to explore alternative sources of clean energy. This provides India and V4 countries an opportunity to cooperate and share with each other the best practices for formulating cohesive structures in an area of mutual concern.

It is a well-known fact that India has displayed commitment and leadership by taking affirmative action in climate change mitigation. On the domestic front, India has reduced its emission intensity by 21% of its GDP^{iv} and is on track to achieve its goal of 33-35% by 2030 as promised under Paris commitments⁶¹. India has installed 100 GW of renewable energy capacity, while 50 GW

iv Reducing Emission Intensity - Emissions intensity is the level of GHG emissions per unit of economic activity, usually measured at the national level as GDP. This is usually done by tapping into non-fossil fuel energy sources and creating additional carbon sinks to fulfill commitment towards fight against climate change.



is under installation and 27 GW is under tendering. India has also enhanced its ambition to install 450 GW of renewable energy capacity by 2030.⁶² As of 2019, Indian renewable energy sector was the fourth most attractive renewable energy market in the world. India ranked fifth in wind power, fifth in solar power and fourth in renewable power installed capacity⁶³. At the CoP26, Prime Minister Modi enunciated India's new climate change target⁶⁴ - the country will increase its non-fossil fuel power capacity to 500 gigawatts (GW) by 2030, up from 450GW; 50% of India's energy will come from renewable sources by 2030; India's 2030 carbon intensity goal — measured as carbon dioxide emissions per unit of gross domestic product — will be increased from 35% to 45%; India will cut carbon-dioxide emissions by 1 billion tons from business as usual by 2030; and India will achieve the target of net-zero by 2070.

Similarly, the Polish government approved its “Polish Energy Policy to 2040”⁶⁵ document in 2021, which is based on three pillars — a just transformation, a zero-emission energy system and good air quality. Under this new policy, the government targets a reduction in coal's share of the power generation mix from 72% in 2020 to 56% in 2030 through the introduction of offshore wind and the further development of onshore wind and solar. By 2040, coal's share is forecast to fall to at least 28% and to 11% in the event of sustained high emissions allowance prices. Onshore wind capacity is forecast to rise from 6 GW to between 8 GW and 10 GW in 2030, while solar capacity will increase from 3.6 GW to between 5 GW

and 7 GW. Poland expects renewable energy to account for at least 23% of final gross energy demand in 2030, up from 12% in 2019.

In June 2020, Hungary also adopted a new law making the net-zero emission targets by 2050. This is part of a wider change in the country's energy and climate policies. Hungary's National Energy Strategy to 2030⁶⁶ focuses on clean, smart and affordable energy while strengthening energy independence and security, and decarbonising energy production. Renewable and nuclear electricity, and electrification of end-use sectors, are identified as the key drivers towards the 2050 target. Hungary expects substantial investments in the power sector, notably for the construction of two new nuclear power generating units. State Secretary at the Ministry of Foreign Affairs and Trade, Tamás Menczer, in a briefing⁶⁷ said that it is possible for Hungary to achieve 45% of its energy consumption from renewable energy sources by 2040, adding that Hungary is one of the 21 countries in the world that has been able to reduce its emissions in the last 30 years while growing its economy. The government hopes to rely on nuclear and renewable as the alternative energy resources and has set four priorities - increasing energy efficiency, reducing energy consumption, maintaining energy independence and maintaining low prices.

The Climate Protection Policy of the Czech Republic of 2017⁶⁸ specified the objectives in the field of climate protection up to 2030 with an outlook up to 2050 and represents a long-term strategy of a low emission development, which will lead to cost-effective



achievement of the national targets. The Policy defines policies and measures for the gradual reduction of greenhouse gas emissions in the specific areas, i.e., especially in the energy sector, final energy consumption, industry, transport, agriculture and forestry, waste management, science and research and voluntary instruments, with respect to the economically exploitable potential. This was followed by a National Energy and Climate Plan of the Czech Republic, which was released in 2019. Under the plan, the main target of the Czech Republic is to reduce the total greenhouse gas emissions by 30% by 2030 compared to 2005, corresponding to a reduction of emissions of 44 million tonnes CO₂ equivalent. The National Plan also includes long-term indicative targets by 2050 based on the agreed Climate Protection Policy. According to the emission projections, a 34% reduction in greenhouse gas emissions (compared to 2005) will be achieved through the implementation of the policies and measures contained in the National Plan. The Czech Republic proposed a 22 % contribution to the European target by 2030, an increase of 9 percentage points compared to the Czech national target of 13% for 2020. The country's 2030 target of a 22% share are focused mainly on advanced biofuels, with some solar and wind.⁶⁹ Between 2016 and 2030, Czechia expects to double its solar power capacity, more than triple wind power and build up geothermal energy as well as biomethane production from organic waste. The overall shares however remain low.⁷⁰

The year 2019 was a critical year for Slovakia as it committed to achieving climate neutrality by 2050 through a series of policies and strategies. One of the key policies was the *'Integrated National*

India and V4 countries can collaborate on various aspects of climate change mitigation policies.

Energy and Climate Plan for 2021-2030’ in 2019⁷¹. The Plan addresses five dimensions: decarbonisation, energy efficiency, energy security, internal energy markets and research, innovation and competitiveness. This plan was further augmented by the release of ‘Low-Carbon Development Strategy For 2030 With A View To 2050’, under which scenarios to reduce emissions from 42 Mt CO₂e⁷² in 2019 to around 14 Mt CO₂e by 2050 with existing and additional measures, and identifies further measures to reduce emissions to 7 Mt CO₂e by 2050, a level that can be offset by CO₂ removals in order to achieve climate neutrality. Another critical policy released was ‘Greener Slovakia – Strategy for the Environmental Policy of the Slovak Republic’. The policy sets concrete and measurable targets, which should be met by 2030 and “to reduce greenhouse gas emissions in the sectors of emissions trading by 43%, and outside these sectors by at least 20%, compared to 2005”. These policies address climate concerns, and propose actions focus primarily on climate change mitigation rather than adaptation and resilience. In this regard, Slovakia has also increased its renewable energy share between 2005 and 2019 by 10.5 percentage points from a 6.4% share to 16.9%, exceeding its 2020 target of 14%. It further plans to invest in onshore wind and photovoltaics and aims for a renewable energy share of 27.3%⁷³ in the electricity sector by 2030.



Renewable energy is also an important element of the energy matrix for both India and V4 countries. There could be opportunities for collaboration in these areas where they could leverage their expertise in solar and wind power.

India and V4 countries can collaborate on various aspects of climate change mitigation policies. For example, India and Poland are heavily dependent on coal for energy generation. 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. Poland is also a world leader in the mining sector and can offer complex solutions and the most modern technologies in the field of underground coal mining. Poland and India have a long history of collaboration in coal mining. Currently, it is actively involved in West Bengal Project of Deocha Pachami coal block where the aim of the project is to combine innovative technologies and technical know-how of its constituent members, thereby providing tailor-made and state-of-the-art solutions and offers for underground mining in India. This presents India with an opportunity to collaborate with Poland on solutions which were not only environmentally sustainable, but which would also allow India to meet its commitments in tackling climate change.

Similarly, renewable energy is also an important element of the energy matrix for both India and V4 countries. There could be opportunities for collaboration in these areas where they could leverage their expertise in solar and wind power. They can also explore the possibility of close collaborations among the

Hydrogen is emerging as an important source of energy since it has zero carbon content and is a non-polluting source of energy in contrast to hydrocarbons

institutions in V4 countries and India to develop clean technologies for expanding renewable mix in their energy spectrum. All these countries have put in place specific initiatives, such as Hungary has leaped forth in terms of installation of a photovoltaic power plant in Felsőzsolca and plan to establish 28 new solar power plants to accelerate the uptake of renewable energy sources in line with its 2050 climate goals. India, for its part, has been active in terms of establishing and harnessing the solar energy. This gives both the countries an opportunity to exchange best practices and also bring-in their expertise to develop joint projects in a third-country as well. Another example is wind energy. While the solar power is starting to dominate the renewable energy market, wind power is also experiencing a boom. Czech Republic is aiming that by the year 2040, wind power could account for 10 to 25 percent of energy use⁷⁴. Similarly, Poland is also looking at offshore wind project and has the signed with a sectoral deal with the offshore wind industry for development of its offshore wind project in 2021. India is blessed with a coastline of about 7600 km surrounded by water on three sides and has good prospects of harnessing offshore wind energy. Considering this, the Government of India had notified the “National offshore wind energy policy” and has set a target of 5.0 GW of offshore wind installations by 2022 and 30 GW by 2030⁷⁵. As these countries are exploring ways and measures to



expand their own wind energy resources, this provides them with an avenue to share expertise and collaborate on joint projects.

Another critical area relates to the use of hydrogen in the energy mix. Hydrogen is emerging as an important source of energy since it has zero carbon content and is a non-polluting source of energy in contrast to hydrocarbons that have net carbon content in the range of 75–85%⁷⁶. As per International Renewable Energy Agency (IRENA), Hydrogen shall make up 12% of total energy consumption by 2050⁷⁷. Prime Minister Modi launched the National Hydrogen Mission on 15 August 2021 with aim to cut down carbon emissions and increase the use of renewable sources of energy. The NHM, according to a draft paper prepared by the Ministry of New and Renewable Energy (MNRE), has identified pilot projects, infrastructure and supply chain, R&D, regulations and public outreach as broad activities for investment. Development of Hydrogen as an energy source is at a nascent stage, but has considerable potential for aiding the process of energy transition from hydrocarbons to renewables; this could be one of the areas for collaboration between India and V4 countries.

Internationally, India is leading the efforts for combatting climate change with the establishment of International Solar Alliance (ISA) which aims to mobilise more than US\$1 trillion⁷⁸ by 2030 to promote solar power globally. ISA, in August 2020, launched “One Sun One World and One Grid”⁷⁹ plan which aims to connect 140 countries through a trans-national grid that will be used to transfer solar power. India was also critical in the launching of International Coalition for Disaster Resilient Infrastructure (CDRI)

in 2019 at UN Climate Action Summit. It is designed to support the construction of climate-resilient infrastructure. These can also serve as platforms for enhancing cooperation between India and V4 countries on issues related to clean and sustainable energy, good practices related to infrastructure, and climate resilience.

The **fifth important area of cooperation is that of People-to-People Connect.** This dimension forms an important pillar of India's relations and outreach to the region. The Indian practices of Yoga, Ayurveda, and wellness have found a dedicated audience in the region. This is furthered by the long tradition of Indology in the region and the presence of various India Chairs in universities in V4 countries.

Poland's position as the centre of Europe makes it a good hub for connectivity between Asia and Europe, with the direct flights resuming between India and Warsaw, it will further boost the seamless movement of people between the two countries. Poland's Undersecretary of State for Asia Marcin Przydacz had in August 2020 expressed hope that India will begin to view Poland as its "gateway" to Central Europe⁸⁰ (by bordering seven major Central European states including Germany and Russia, Poland is a portal that links EU markets.) and that Poland has already shown an active interest in increasing two-way partnership in the post-pandemic economic landscape with India, citing Delhi as a primary location in Asia. Resumption of direct connectivity between the two countries in the post-pandemic scenario would further enhance this perception.



Indology forms a common thread between the region and India. Three of the four Visegrad countries have a long tradition of studies in Indology.

Similarly, cultural cooperation is one of the most significant pillars of Hungary's relationship with India. Indian Cultural Centre in Budapest was formally opened in November 2010 and named Amrita Shergil Cultural Centre on 15 August, 2014. The Centre has been organising regular cultural activities since 2010. In addition to Yoga, Dance, Music and Hindi classes, screening of Indian films is held regularly. There is considerable interest among Hungarians in Indian dances, music, yoga and meditations with over 200 yoga centres and about 8 schools of Indian dances and music in Hungary. The Hungarian Information and Cultural Centre is among the 23 Hungarian Cultural Institutes abroad and the centre in Delhi was founded in 1978. It is Hungary's oldest Cultural Centre in Asia and has been responsible for introducing Hungarian culture to the Indian masses. It has organised various cultural fests, church organ concert, performances and recitals. It has brought world class Hungarian soloists and orchestras, Hungarian movie festivals and other cultural troops to India.

Indology forms a common thread between the region and India. Three of the four Visegrad countries have a long tradition of studies in Indology. It is a well-known fact that the chair of Sanskrit was established way back in 1893 at the Jagiellonian University, Poland. Further, in 1932 the Indology Department of the Oriental

Institute was set up at the University of Warsaw, which is currently the biggest centre for Indian studies in Poland. To further expand studies on Indian culture and languages, ICCR established 3 India chairs in Poland. Indology also formed a major part of the work of the Department of Indo-European Studies at ELTE University. Under the bilateral Cultural Exchange Programme between India and Hungary, Indian Council of Cultural Relations (ICCR) has been deputing a Visiting Professor of Hindi to the Department since 1992 under the bilateral cultural exchange programme. Similarly, Indology has a very old tradition in Prague, starting with establishment of a Chair in Sanskrit in the prestigious Charles University in 1850s. Indian languages, like Hindi, Bengali, Tamil, are currently taught in this University.

Student exchange programs provide the most potent contact between India and V4. Although Indians constitute the second largest group of international students after China, V4 universities are not priority destinations for their education. In 2019, 10,000 Indian students chose to pursue higher studies in France⁸¹ and 25,149 chose Germany⁸² as preferred location for higher education. The reason for low visibility of the V4 universities is twofold – *first*, is the lack of information and post-degree career opportunities; and *second*, the language barriers. Some countries are trying to overcome these barriers through various initiatives and agreements such as India and Hungary signed the Education Exchange Programme (EEP) in November 2014. Under the EEP, Hungary agreed to provide 200 scholarships for Indian students and research fellows to study the natural and life sciences, information technology, economics, business and management



and engineering in Hungarian universities. In return, the India has offered scholarships for Hungarian students and research fellows to pursue studies in English and Hindi languages and other fields at the post-graduation and doctoral levels. Similarly, Poland has provided university level scholarships to several Indian students. The establishment of Polish National Agency for Student Exchange Helpdesk at Manipal Academy of Higher Education Academic is a step to further enhance the opportunities of academic collaboration between the two countries.

As the Indian practices of Yoga and Ayurveda are also gaining momentum in Poland, India has provided scholarships called “Ayush” to Polish students to study Ayurveda and Yoga in India. Students from Poland are given scholarships under the ICCR schemes every year to study in India. Similarly, there are about 700 Indian students studying medicine, engineering, life sciences and physical sciences in various Czech universities. Moreover, to facilitate easy movement of students and skilled workers, Czech government in 2020 announced an expansion in quota for fast-track visas for highly skilled/professionals from India⁸³. It further agreed to strengthen the preferential regime through Project Student as a special arrangement to facilitate movement of Indian students and researchers.

Central Europe can also become a new destination for Indian tourists – for example between 2010 and 2017, the number of tourists going to Czech Republic increased to 85,656.⁸⁴ As, the size of Indian population living in the region has also increased to over 20,000 by 2019. The region has a potential to become an attractive region for the Indian tourists with the ease in visa facilities. Similarly, India’s demographic dividend can be leveraged by the

V4 countries. This is primarily because all four countries have been experiencing an acute labour shortage in the past couple of years. India and V4 countries can also explore possibilities of opening a regular skilled migration channel. Moreover, as these countries have low unemployment rate across, it can become a preferred location for skilled migrant movement. Several decisions like Czech Republic's announcement to grant 500 high-skilled long stay visas⁸⁵ every year to Indian professionals' points to the idea of attracting skill labour movement. ✕✕



CONCLUSION

WHY V4?



The joint communiqué issued after Dr Jaishankar's visit to Poland stated that the foreign minister had "conveyed India's readiness to engage more actively in the region of Central Europe, which should have a positive impact on the overall EU-India cooperation". Additionally, he emphasised on India's 'desire to engage with Poland within the Visegrad Format'. This was the first time, that the reference to engage with the region as a whole was mentioned. This also marked the first attempt by the government to conceive a larger partnership with the V4 as an autonomous region within the Indian foreign policy rather than looking at them through the larger lens of India's relations with the EU. India had close ties with the countries in Central and Eastern Europe during the Cold War. Since the end of Cold War, EU- India partnership has been dominated by western member states such as France, Germany, and U.K. Trade, academic engagements, tourism, technology, energy cooperation, movement of high skilled personnel, and people-to-people connectivity with Central and Eastern Europe present an untapped potential.

The V4 countries have been among the fastest growing economies in the EU. They all grew above the EU average (2% GDP) in 2018, with Poland recording the third highest growth of GDP (5.1%) among 27 EU members and Hungary coming just behind it (4.9%). Together, the V4 make up the 12th largest economy in the world, worth over US\$1 trillion. Yet their trade with India – US\$4 billion in 2018 – is far below the potential level. Hungary is India's 80th largest trading partner while Poland is 42nd, Czech Republic is 75th and Slovakia is 118th trading partner in 2020-21⁸⁶. In terms of the FDI inflows from the region to India between April 2000-March



2022, was US\$832.2 million – i.e., Poland: US\$690.8 million, Czech Republic: US\$97.3 million, Hungary: US\$25.3 million, Slovakia: US\$18.8 million.⁸⁷ On the other hand, Indian investment in Hungary⁸⁸ and Poland⁸⁹ are valued in the range of US\$ 3 billion each, while in Slovenia⁹⁰ and Czech Republic⁹¹, it has investments in the range of above US\$ 1 billion each.

India-V4 trade and economic relations might appear modest, but economic cooperation has grown over the last two decades. In the past few years, there has been a steady growth in trade and the launch of government policies to boost economic cooperation between India and the V4 countries. This positive trend in trade in goods and services is likely to continue and expand into new sectors of the economy. Another factor that might contribute to greater India-V4 trade relates to the conclusion of the EU-India FTA. As these countries look towards new economic partners as they diversify away from Europe, India can be an attractive destination for these countries. India and V4 countries already share a long history of cooperation in Indian industrialisation process during the Cold War, today, these countries can offer India new and low-cost technologies in areas required for Indian modernisation programs, from infrastructure to sanitation and agro-processing. For V4 countries, India represents an untapped larger consumer market with strong economic credential. Therefore, there is a need for course-correction from both sides to tap into each other's respective strengths.

As India seeks to increase its global position and presence, it would need more reliable partners in Europe, especially after Brexit, to

promote its interests within the EU as well as in multilateral forums like the United Nations Security Council or the Nuclear Suppliers Group (NSG). Therefore, enhanced political cooperation with the V4 countries is imperative for India. The V4, to a large extent, coordinate their position within the workings of the EU – so as to project a stronger voice on various issue. Together V4 countries send a total of 108 members to the European Parliament (Poland: 52, Czech Republic: 21, Hungary: 21, Slovakia: 14) out of 705 in total after Brexit⁹². The V4 countries have played an increasingly assertive role in shaping both the internal agenda and external policy of the EU, for example, Poland, Hungary and Czech Republic blocked the EU attempt to introduce legal obligations to achieve net-zero greenhouse gas emissions by mid-century compared to 1990 levels⁹³ or the tough stand taken towards the irregular migration in 2015-16. They are also advocates for enhanced EU-India cooperation as they not only share historically friendlier relations with India but also several similarities in their world views – such as sovereignty, national interest, multilateralism. Moreover, as EU recognises the strengths of India, both economically and strategically, Brussels has sought to deepen cooperation in various sectors as is evident in the 2018 EU Strategy on India - it also paves the way for V4 to strengthen their cooperation with India.

This is further complimented with the fact that these countries have supported India internationally. The V4 members have supported India's candidature for a permanent seat in the UN Security Council as well as its efforts to join the export control regimes such as the Nuclear Suppliers Group, the Wassenaar Agreement, the Australia Group, and the Missile Technology



India's foreign policy under the present government has focused on developing strong bilateral ties with this sub-region and New Delhi acknowledges V4 countries importance as major players in Central Europe.

Control Regime. They also have similar approaches as those of India on various international challenges from climate change to terrorism. For instance, the Polish presidency of the COP 19 meeting in Warsaw in 2013 facilitated a compromise in global climate change negotiations, including on the concept on intended nationally determined contributions. Moreover, at the COP 24 (Katowice, 2018), Poland promoted the idea of 'just transition' - a policy to ensure that the shift to green energy does not adversely affect the interests of workers and communities – both of these issues are close to India's own policy on climate mitigation. While talking about cooperation at multilateral forum, it is also worth mentioning Poland's position on the Kashmir issue in August 2019 as the Chair of UNSC. It not only stood by the position that the problem must be resolved "bilaterally" between Pakistan and India but, as chair, it also refused to raise the issue at the forum on Pakistan's request and when China brought it for "closed consultation" at the UNSC, no President's Statement was issued in order not to give it more international recognition. Similarly, it was also a co-sponsor of UNSC Resolution 1267 which was to impose sanctions and restrictions on Jaish-e-Muhammad.

Thus, economically and strategically, it is pertinent that India engages with V4 countries in a sustained manner through

The Ukrainian crisis has redefined the idea of European security and integration. The crisis has brought the Central Europe in sharper focus as these states are in the forefront of bearing brunt of the crisis

strengthening and deepening its economic ties, as well as promoting cooperation in science and technology, research, tourism and fostering people to people contacts. India's foreign policy under the present government has focused on developing strong bilateral ties with this sub-region and New Delhi acknowledges V4 countries importance as major players in Central Europe. Over the last decade the V4 states that have registered economic growth while the other nations of Europe continue to struggle. Developing ties with these countries also provides India an added opportunity to open up to other countries in the region. Similarly, for these countries India too is an important country given its demographics and growing business opportunities, it could be a lucrative destination for V4 investment and trade.

While the relations between India and the V4 countries are expanding, the current geopolitical churnings in Europe needs to be mentioned. The Ukrainian crisis has redefined the idea of European security and integration. The crisis has brought the Central Europe in sharper focus as these states are in the forefront of bearing brunt of the crisis – be it in terms of massive influx of Ukrainians or in their quest for diversification of energy resources or reinforcing and integrating their own security structures. For its part, India has called for an immediate



India has called for an immediate cessation of hostilities and has, time and again, emphasised that dialogue is the only way to settle dispute.

cessation of hostilities and has, time and again, emphasised that dialogue is the only way to settle dispute. India's relations with these countries became much more critical during the evacuations of Indian citizens, largely students, from different parts of Ukraine. The bordering countries such as Poland, Hungary, Slovakia and Romania opened their borders for the Indian citizens to cross-over into their territories. Under Operation Ganga, India evacuated over 20,000 of its citizens from these countries. Of the 46 evacuation flights, 29 were operated to Bucharest in Romania, 10 to Budapest in Hungary, six to Rzeszow in Poland, and one to Kocise in Slovakia⁹⁴. Apart from coordinating the flights, these countries also waived off documentation requirements for Indians to enter and then fly home – highlighting the seamless coordination between the concerned departments and ministries of India and V4 countries. While the crisis has fundamentally changed the way V4-Russia relations and EU-Russia relations have worked so far, how the crisis is going to impact V4-India relations remains to be seen.

The V4 remains one of the most vibrant sub-regional groups in Europe, with growing economic and political clout in the Union. India's desire to enhance engagement with V4 countries not only acknowledges their role as important powers in Central Europe, but also that India is open to engaging with European countries bilaterally, and not just under the ambit of the EU. Starting

With rapid economic growth, close historical ties and convergent strategic views with those of India, this is opportune moment to tap the untapped potential for greater Indian

from that vantage point, it can be highlighted that while trade and economics remains a critical driver of relations between the partners, there are new and emerging areas that are laying the foundation for the renewed interests. With rapid economic growth, close historical ties and convergent strategic views with those of India, this is opportune moment to tap the untapped potential for greater Indian cooperation with the V4. India should utilise this opportunity and use the momentum that has been established in past few years and the opportunities provided by pandemic to translate cooperation into partnership.

RECOMMENDATIONS

1. As India and V4 countries shared robust relations during the Cold War period – many areas such as defence, science and technology, economics and trade have institutionalised structures through various agreements and MoUs. These structures can be harnessed and evolved to meet the current demands of the 21st century. This is especially true for defence sector. Both the Czech Republic and Poland, which were important partners of India during the Cold War, and have expressed their willingness to contribute to Indian efforts for defence modernisation. With the growing liberalisation of the Indian defence sector, by allowing 100%



FDI, technological cooperation, acquisition and joint research and ventures could be explored between V4 and India to enhance cooperation.

2. The lack of knowledge is the biggest hindrance – there is a need to improve knowledge about the region. While India is generally known in the V4, it is known for its soft power and not for its political and economic structures. While knowledge regarding the V4 is limited to the academic circles in India. There is a need to move the conversations beyond these limited circles. Media plays an important role in overcoming this knowledge gap. The press in both India and the V4 nations need to increase coverage of the other to reduce the information deficit. Apart from traditional media, social media can also play an active role in promoting V4 countries in India’s public minds. The Indian diaspora has also grown to approximately 10,000 and can be leveraged to disseminate information about these countries in India. The actual percentage of Indians who know about V4 countries is still very low. However, given the positive trend in the relations, a joint effort by the governments in this area could yield positive results in the future.
3. India needs to explore possibilities of cooperation with a sub-regional grouping like the V4 to highlight its growing engagement with Central Europe. The V4 already has V4+ mechanism for cooperation with major non-European partners. India has also established a template of sub-regional cooperation in Europe through its Nordic-India

Summit. Therefore, both India and V4 countries can explore ways of holding joint summit at some time in the future.

4. Setting up of a Joint Research Fund and Centres of Excellence between India and V4 countries could help make these countries visible in the high education sector. This fund could finance collaboration in scientific cooperation in the field of climate change, space, international terrorism, artificial intelligence etc. in order to boost competencies. These centres could help train and enhance skills of younger people while disseminating the information regarding each other's business environment.
5. Given India's demographic dividend and labour surplus – it could be one of the areas that could be explored with the V4 countries. This is primarily because all four countries have been experiencing an acute labour shortage in the past couple of years. India and V4 countries can also explore possibilities of opening a regular skilled migration channel. While India has signed social security agreements with Hungary and Czech Republic⁹⁵, it can also explore the possibilities of negotiations and conclusions with Poland and Slovakia.



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**Indian Council
of World Affairs**

Sapru House, Barakhamba Road, New Delhi- 110 001, India
Tel. : +91-11-23317242, Fax: +91-11-23322710

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