

INDIA-GREECE BILATERAL TRADE RELATION

INTRODUCTION & BRIEF ECONOMIC ACCOUNT

The Hellenic Republic lies in south-eastern Europe. The country consists mainly of a mountainous peninsula between the Mediterranean Sea and the Aegean Sea, with a population of 10,497,595 (estimated for 2023). The unit of currency is the *euro* (EUR). Greece is a member of the European Union.

The Greek economy recovered strongly from the severe COVID-19-induced recession, with output returning to the pre-pandemic level in 2021. The strong fiscal response, accommodative monetary policy and prudential policies, and sizable EU support have been key to fostering the recovery. Despite the challenging environment, reforms progressed in several areas, including digitization, privatization, improving the fiscal policy mix, and bank balance sheet repair.

As per IMF's 2022 report growth is expected to remain robust at 3.5 percent in 2022 despite the adverse impact of the war in Ukraine. High energy prices are expected to push up average inflation to 6.1 percent in 2022. Both growth and inflation are expected to decelerate in 2023, reaching 2.6 and 1.2 percent, respectively. Public debt is on a downward trajectory and rollover risks appear manageable over the medium term. Despite improving, the external position last year was moderately weaker than that consistent with fundamentals and desirable policies. Significant downside risks continue to cloud the outlook, especially from a further intensification of the war in Ukraine.

As per latest available statistics from IMF Report, an insight into Greece's select set economic indicators is at **Annexure I**.

FOREIGN TRADE

Principal trading partners of Greece are Netherlands, USA, France, Turkey, Kazakhstan etc. Major five exportable goods of Greece include refined petroleum, packaged medicines, aluminum plating, cotton, cheese, and major five imports include crude petroleum, refined petroleum, packaged medicines, cars, ships.

2. Greece's total exports in 2018 were of the order of US\$ 39,491 million. It increased to US\$ 57,568 million in 2022. During the period from 2018 to 2022, Exports, grew by (34.71%) in 2021 and fell significantly (-7.43%) in 2020 in comparison with 2020 and 2019 respectively. The annual average compound rate of growth this period stands at 9.88%.

3. Greece's total imports in 2018 were of the order of US\$ 65,141 million. It increased to US\$ 97,970 million in 2022. During the period from 2018 to 2022, Imports grew by (39.17%) in 2021 and fell significantly (-10.71%) in 2020 in comparison with 2020 and 2019 respectively. The annual average compound rate of growth this period stands at 10.74%.

A snapshot of Canada's overall Trade Statistics is presented in **Annexure-II [Table 1: Figure 1]**

BILATERAL TRADE WITH INDIA

Merchandise Trade

Greece has been India's one of regular trading partners. Indo-Greece total volume of bilateral trade in FY 2018-19 was of the order of Rs.4,506.41 crores. It increased to Rs.15,801.44 crores in FY 2022-23. The annual compound growth rate of volume of trade during the period from 2018-19 to 2022-23 has been of the order of 36.84%.

2. It needs to be mentioned that between 2018-19 and 2021-22 India has enjoyed a positive Balance of Trade but the Balance of Trade with Greece turned negative in the year 2022-23. The annual compound growth rate of India's imports from Greece (75.37%) way exceeds the annual compound growth of rate of exports (15.85%) to Greece during this reference period. Between 2021-22 and 2022-23 export from India to Greece decreased whereas, imports steeply increased during this one year interval. A snapshot of India's trade statistics w.r.t. Greece is presented in **Annexure-II [Table 2: Figure 2]** .

3. Additionally, **from Tables 3 & 4 presented at Annexure-II below** the following are stated:

- a. Aluminium and products made of Aluminium, Marine Products and Iron and Steel consistently occupy the top 3 slots in India's exports to Greece.
- b. Petroleum Crude and Petroleum Products are the two major commodities which dominate India's imports from Greece.

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Table 1. Greece: Selected Economic Indicators *

| | 2021 | 2022 | 2023 |
|--|---------|---------|-------|
| | (prel.) | (proj.) | |
| Output | | | |
| Real GDP growth (percent) | 8.3 | 3.5 | 2.6 |
| Employment | | | |
| Unemployment rate (percent) | 15.0 | 12.8 | 12.4 |
| Prices | | | |
| CPI inflation (period avg., percent) | 0.6 | 6.1 | 1.2 |
| General government finances (percent of GDP) 1/ | | | |
| Revenue | 48.9 | 48.4 | 47.4 |
| Expenditure | 56.9 | 52.9 | 49.3 |
| Overall balance | -8.0 | -4.5 | -1.9 |
| Primary balance | -5.5 | -1.9 | 0.9 |
| Public debt | 199.4 | 183.4 | 177.4 |
| Balance of payments | | | |
| Current account (percent of GDP) | -6.5 | -6.5 | -5.5 |
| FDI (percent of GDP) | -2.2 | -2.9 | -2.5 |
| External debt (percent of GDP) | 310.1 | 287.0 | 279.6 |
| Exchange rate | | | |
| REER (percent change) 2/ | -2.0 | -0.4 | -1.1 |

Sources: Bank of Greece; ELSTAT; Eurostat; Ministry of Finance; World Bank, World Development Indicators; IMF, International Finance Statistics; IMF, Direction of Trade Statistics; and IMF staff projections

1/ Based on the primary balance definition outlined in the EU enhanced surveillance framework with Greece

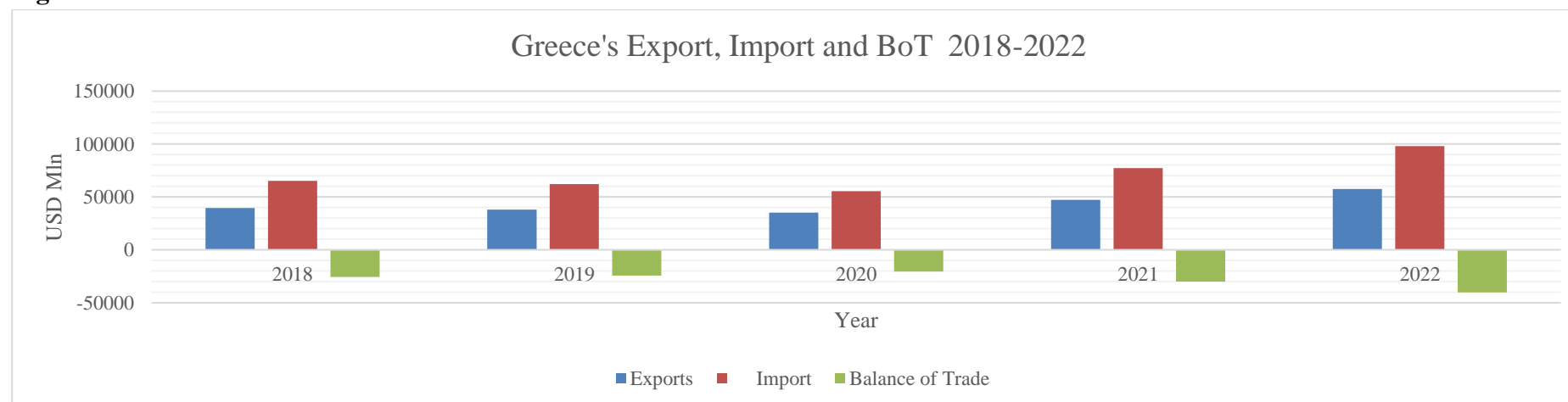
2/ CPI-based

* Table is based on IMF Executive Board Concludes 2022 and on IMF's Article IV Consultations with Greece dated June 21, 2022.

TABLE - 1
GREECE'S TOTAL EXPORTS AND IMPORTS, VOLUME AND BALANCE OF TRADE
BETWEEN 2018 TO 2022

(Figures in USD Million)

| <u>Year</u> | Exports | Percentage Growth in Exports | Import | Percentage Growth in Imports | Volume of Trade | Percentage Growth in Vol. of Trade | Balance of Trade |
|-------------|----------------|-------------------------------------|---------------|-------------------------------------|------------------------|---|-------------------------|
| 2018 | 39491 | | 65141 | | 1,04,632 | | -25650 |
| 2019 | 37886 | -4.06 | 62198 | -4.52 | 1,00,084 | -4.35 | -24312 |
| 2020 | 35070 | -7.43 | 55534 | -10.71 | 90,604 | -9.47 | -20464 |
| 2021 | 47244 | 34.71 | 77285 | 39.17 | 1,24,529 | 37.44 | -30041 |
| 2022 | 57568 | 21.85 | 97970 | 26.76 | 1,55,538 | 24.90 | -40402 |

Annual**Compound****Growth Rate****9.88****10.74****10.42****NOTE : Figures relate to calendar year (January to December)****SOURCE : UN COMTRADE PUBLICATION****Fig: 1****TABLE - 2**

**INDIA'S MERCHANDISE EXPORT & IMPORT w.r.t. GREECE
FY 2018-2019 to 2022-2023**

(Value in Rs. CRORES)

| Year | Exports | Percentage Growth in Exports | Imports | Percentage Growth in Imports | Volume of Trade | Percentage Growth in Vol. of Trade | Balance of Trade |
|---------|---------|------------------------------|---------|------------------------------|-----------------|------------------------------------|------------------|
| 2018-19 | 3502.88 | | 1003.53 | | 4506.41 | | 2499.35 |
| 2019-20 | 3161.60 | -9.74 | 875.82 | -12.73 | 4037.42 | -10.41 | 2285.78 |
| 2020-21 | 4044.15 | 27.91 | 1060.04 | 21.03 | 5104.19 | 26.42 | 2984.11 |
| 2021-22 | 8052.77 | 99.12 | 2236.22 | 110.96 | 10288.99 | 101.58 | 5816.55 |
| 2022-23 | 6310.50 | -21.64 | 9490.94 | 324.42 | 15801.44 | 53.58 | -3180.44 |

Annual

Compound

Growth Rate

15.85

75.37

36.84

NOTE : Figures relate to Financial Year April to March

SOURCE : DGCI & S, M/o C& I

Fig:2

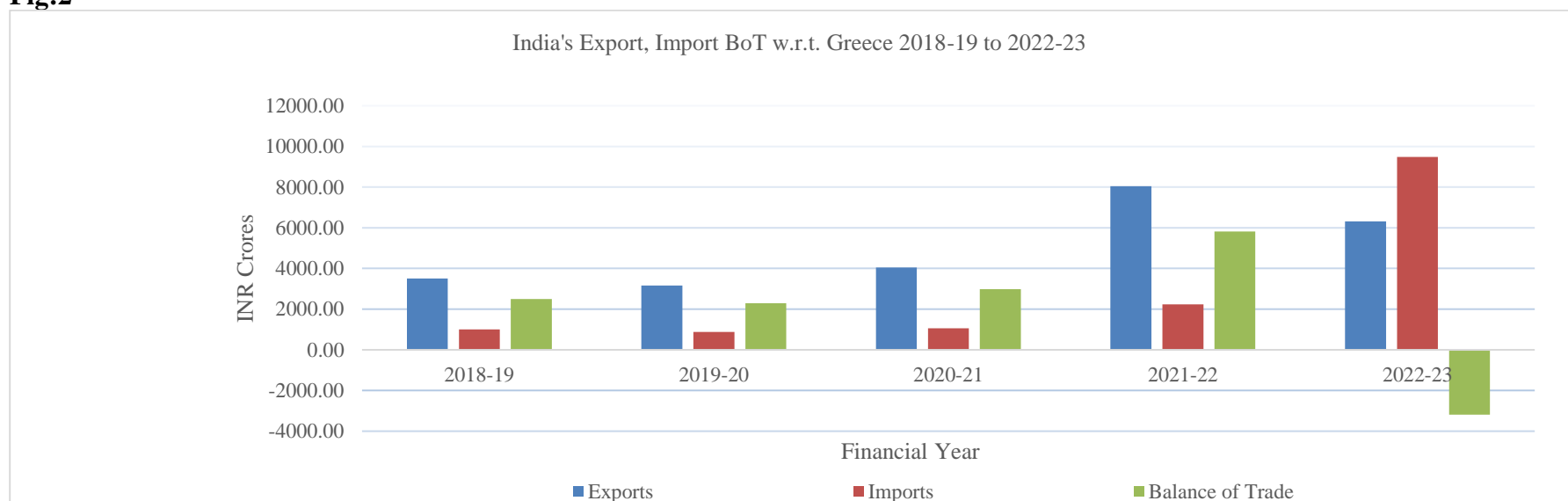


TABLE -III
INDIA'S MAJOR ITEMS OF MERCHANDISE EXPORT TO GREECE
2018-2019 TO 2022-2023 AND THEIR GROWTH RATES (Value in Rs. CRORES)

| Sl. No. | Name of the Merchandise Commodities | Value of Exports | | | | | Annual Growth Rates | | | |
|---------|--|------------------|----------------|----------------|----------------|----------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 19-20 over 2018-19 | 20-21 over 2019-20 | 21-22 over 2020-21 | 22-23 over 2021-22 |
| 1 | Aluminium, Products Made Of Almmn. | 368.32 | 130.08 | 959.66 | 3638.64 | 1228.40 | -64.68 | 637.75 | 279.16 | -66.24 |
| | Share in total export | 10.51 | 4.11 | 23.73 | 45.18 | 19.47 | | | | |
| 2 | Marine Products | 241.73 | 274.75 | 255.50 | 398.94 | 449.70 | 13.66 | -7.01 | 56.14 | 12.72 |
| | Share in total export | 6.90 | 8.69 | 6.32 | 4.95 | 7.13 | | | | |
| 3 | Iron & Steel | 148.68 | 241.45 | 302.06 | 594.51 | 433.12 | 62.40 | 25.10 | 96.82 | -27.15 |
| | Share in total export | 4.24 | 7.64 | 7.47 | 7.38 | 6.86 | | | | |
| 4 | Bulk Drugs/Drugs Intermediates Etc. | 240.56 | 196.53 | 258.15 | 254.27 | 324.40 | -18.30 | 31.35 | -1.50 | 27.58 |
| | Share in total export | 6.87 | 6.22 | 6.38 | 3.16 | 5.14 | | | | |
| 5 | Electronic Instruments | 153.40 | 118.99 | 25.95 | 196.44 | 281.26 | -22.43 | -78.19 | 656.99 | 43.18 |
| | Share in total export | 4.38 | 3.76 | 0.64 | 2.44 | 4.46 | | | | |
| 6 | Residual Chemical And Allied Prods. | 132.43 | 148.12 | 231.23 | 282.24 | 267.33 | 11.85 | 56.11 | 22.06 | -5.28 |
| | Share in total export | 3.78 | 4.68 | 5.72 | 3.50 | 4.24 | | | | |
| 7 | Paper, Paper Board And Products | 88.98 | 94.08 | 102.34 | 218.34 | 242.89 | 5.73 | 8.78 | 113.35 | 11.24 |
| | Share in total export | 2.54 | 2.98 | 2.53 | 2.71 | 3.85 | | | | |
| 8 | Electric Machinery And Equipments | 106.06 | 113.70 | 71.87 | 73.83 | 198.32 | 7.20 | -36.79 | 2.73 | 168.62 |
| | Share in total export | 3.03 | 3.60 | 1.78 | 0.92 | 3.14 | | | | |
| 9 | RMG Manmade Fibres | 88.24 | 100.53 | 67.09 | 120.23 | 155.42 | 13.93 | -33.26 | 79.21 | 29.27 |
| | Share in total export | 2.52 | 3.18 | 1.66 | 1.49 | 2.46 | | | | |
| 10 | Ceramics And Allied products | 46.01 | 57.00 | 68.99 | 83.52 | 154.49 | 23.89 | 21.04 | 21.06 | 84.97 |
| | Share in total export | 1.31 | 1.80 | 1.71 | 1.04 | 2.45 | | | | |
| | Total export to GREECE | 3502.88 | 3161.60 | 4044.15 | 8052.77 | 6310.50 | -9.74 | 27.91 | 99.12 | -21.64 |

NOTE : Figures relate to Each Financial Year, April to March.

SOURCE : DGCI&S, M/o C & I

TABLE -IV
INDIA'S MAJOR ITEMS OF MERCHANDISE IMPORT FROM GREECE
2018-2019 TO 2022-2023 AND THEIR GROWTH RATES

(Value in Rs. CRORES)

| Sl. No. | Name of the Merchandise Commodities | Value of Imports | | | | | Annual Growth Rates | | | |
|---------|--|------------------|---------------|----------------|----------------|----------------|---------------------|--------------------|--------------------|--------------------|
| | | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 19-20 over 2018-19 | 20-21 over 2019-20 | 21-22 over 2020-21 | 22-23 over 2021-22 |
| 1 | Petroleum: Crude | | | | | 4953.32 | | | | |
| | Share in total imports | | | | | 52.19 | | | | |
| 2 | Petroleum Products | 51.94 | 5.30 | 199.54 | 721.75 | 2830.48 | -89.80 | 3664.91 | 261.71 | 292.17 |
| | Share in total imports | 5.18 | 0.61 | 18.82 | 32.28 | 29.82 | | | | |
| 3 | Alumunium, Products Of Alumunium | 116.92 | 134.70 | 197.26 | 268.91 | 277.81 | 15.21 | 46.44 | 36.32 | 3.31 |
| | Share in total imports. | 11.65 | 15.38 | 18.61 | 12.03 | 2.93 | | | | |
| 4 | Paper, Paper Board And Products | 37.01 | 36.66 | 71.72 | 189.46 | 272.61 | -0.95 | 95.64 | 164.17 | 43.89 |
| | Share in total import | 3.69 | 4.19 | 6.77 | 8.47 | 2.87 | | | | |
| 5 | Fresh Fruits | 16.00 | 22.33 | 5.19 | 28.86 | 166.68 | 39.56 | -76.76 | 456.07 | 477.55 |
| | Share in total import | 1.59 | 2.55 | 0.49 | 1.29 | 1.76 | | | | |
| 6 | Iron & Steel | 98.65 | 94.74 | 97.93 | 157.53 | 132.91 | -3.96 | 3.37 | 60.86 | -15.63 |
| | Share in total import | 9.83 | 10.82 | 9.24 | 7.04 | 1.40 | | | | |
| 7 | Copper, Products Made Of copper | 22.25 | 68.59 | 51.16 | 73.83 | 116.78 | 208.27 | -25.41 | 44.31 | 58.17 |
| | Share in total import | 2.22 | 7.83 | 4.83 | 3.30 | 1.23 | | | | |
| 8 | Residl. Chemicals & Allied Products | 45.07 | 48.95 | 75.10 | 116.17 | 93.53 | 8.61 | 53.42 | 54.69 | -19.49 |
| | Share in total import | 4.49 | 5.59 | 7.08 | 5.19 | 0.99 | | | | |
| 9 | Granit, Natrl. Stones And Products | 46.62 | 28.58 | 12.96 | 46.84 | 81.73 | -38.70 | -54.65 | 261.42 | 74.49 |
| | Share in total import | 4.65 | 3.26 | 1.22 | 2.09 | 0.86 | | | | |
| 10 | Cotton Raw Incl. Waste | 103.15 | 76.15 | 48.23 | 92.02 | 80.61 | -26.18 | -36.66 | 90.79 | -12.40 |
| | Share in total import | 10.28 | 8.69 | 4.55 | 4.11 | 0.85 | | | | |
| | Total import from GREECE | 1003.53 | 875.82 | 1060.04 | 2236.22 | 9490.94 | -12.73 | 21.03 | 110.96 | 324.42 |

NOTE : Figures relate to Each Financial Year, April to March.

SOURCE : Directorate General of Commercial Intelligence & Statistics, Ministry of Commerce & Industry, Kolkata : 700 107.