

Brief Embassy Report on Bilateral Relations – ITJ Division, DGCI&S, Kolkata.

India-Brazil Bilateral Relations

A. Introduction

1. Indian Trade Journal (ITJ) division of the Director General of Commercial Intelligence and Statistics (DGCIS) brings out weekly publication on Embassy Profile Report providing information on recent policy changes and happenings in other countries that may be of interest to the Indian trading community. This is the Profile Report depicting the Embassy of Brazil.

2. India and Brazil share a very close and multifaceted relationship both at bilateral level as well as in plurilateral fora such as BRICS, BASIC, G-20, G-4, IBSA, International Solar Alliance, Global Biofuel Alliance, Coalition for Disaster Resilience Infrastructure as well as in the larger multilateral bodies such as the UN, WTO, UNESCO, and WIPO. The two countries have been Strategic Partners since 2006. The bilateral relationship is based on a common global vision, shared democratic values, and a commitment to foster economic growth with social inclusion for the welfare of the people of both countries.

B. Commercial Relations (Trade and Foreign Investment) – Recent facts & figures

3. As a trading country partner of India (under Region:8 – Latin America, as per Indian Trade Classification) and as per latest compiled and available statistics with DGCI&S, India's exports to Brazil during 2023-24 have been recorded at 6.02 billion US Dollar and India's imports from Brazil during the same reference period stands at 6.21 billion US Dollar with a resultant trade balance deficit of 0.19 billion US Dollar.

Export-Import statistics as per India's Ministry of Commerce data bank from 2019-20 to 2023-24 are as follows :

Export-Import statistics from 2019-20 to 2023-24

(US Dollar Billion)

Year	Total trade	Import	Export
2019-20	7.04	3.07	3.97
2020-21	7.25	3.01	4.24
2021-22	12.20	5.71	6.49
2022-23	16.59	6.67	9.92
2023-24	12.23	6.21	6.02

(Source: Department of Commerce, India)

4. In 2023-24, India's exports to Brazil was US\$6.02 billion while India's import from Brazil was US\$6.21billion. Major Indian exports to Brazil includes processed Petroleum products, Agro-chemicals (insecticides, fungicides), Chemicals, Pharmaceuticals, Engineering products, Textured filament yarn, and Unwrought Aluminum. Brazilian exports to India include Crude oil, soya oil,

Gold (non-monetary), cane sugar, cotton, gum, wood and turpentine oils, chemicals(carboxylic acids) and iron ore and concentrates primarily.

5. Total Indian investment in Brazil is estimated at more than US\$ 8 billion. Brazilian investments in India are around US\$ 1 billion. Major Indian companies in Brazil are Glenmark, ZydusCadila, Sun Pharma, Dr. Reddy's Laboratories, Pidilite Industries Limited, ONGC Videsh Limited (OVL), NMDC Limited, TVS, Tata Motors, Infosys and Wipro. Major Brazilian companies present in India are Polo (auto mobiles), Vale (mining), Stefanini (IT), Gerdau (Steel), WEG (Heavy Electrical motors/generators etc.), Compsis (Toll Road software system), Dedini (Ethanol production), Farmas Kunz (footwear), Perto (Fabrication of ATMs), Fanem (Hospital instrumentation).

Other Major Areas of Co-operation

- Several Agreements/ Memorandum of Understanding (MOU) have been signed between India and Brazil for cooperation in the fields of defence, economic and commercial links, technical cooperation and culture.
- There are regular high-level contacts between India and Brazil PM and President meet regularly for bilateral meetings and on the sidelines of multilateral meetings. India and Brazil have established Trade Monitoring Mechanism as an institutional mechanism to monitor and identify bottle necks in bilateral trade and take appropriate measures to address them.
- External Affairs Minister (EAM) Dr. S. Jaishankar co-chaired 9th India-Brazil Joint Commission (JCM) Meeting with his counterpart Amb. Mauro Vieira on 27 August 2024 in New Delhi, in which both sides reviewed the entire gamut of bilateral relationship and discussed cooperation in the areas of trade and investment, energy with focus on bio- fuel, agriculture and livestock, health and traditional medicine, science and technology, digital economy, defence affairs, counter-terrorism, consular and legal affairs. Brazilian Foreign Minister Mauro Vieira attended the G20 FMM on 2 March 2023 in New Delhi and spoke at the Raisina Dialogue. He also accompanied President Lula during his visit to New Delhi to attend G20 Summit.
- As Strategic Partners, India and Brazil have several Institutional mechanisms to coordinate various aspects of their bilateral relationship. This includes Joint Commission Meeting (Foreign Minister level), Strategic Dialogue (NSA), Foreign Office Consultations (Secretary), Trade Monitoring Mechanism (TMM), Economic and Financial Dialogue, Dialogue on Consular and Mobility Issues, Joint Defence Commission, Joint Committee on Science & Technology and India-Brazil Business Leaders Forum. The 2nd Foreign Office Consultation (FOC) was held in Brasilia on 20th June 2023 and the 9th India-Brazil Joint Commission Meeting was held in New Delhi on 27th August, 2024. The 6th meeting of the TMM was held on 4 October, 2023 in Brasilia. Both sides also have several Joint Working Groups to take forward sectoral cooperation.
- Parliamentary exchanges is another major feature of India-Brazil bilateral relations. There are two India-Brazil Parliamentary Fora that are currently active in Brazil: (i) India-Brazil

Parliamentary Friendship Group headed by Federal Deputy Vinicius Carvalho, and (ii) India-Brazil Friendship Front headed by Senator Nelson Trad. In India. There was an India-LAC Parliamentary Friendship Group during the 16th term of Lok Sabha.

- India and Brazil have established Trade Monitoring Mechanism as an institutional mechanism to monitor and identify bottlenecks in bilateral trade and take appropriate measures to address them. Since 2008, the TMM has met five times. The last meeting was held on 4 October, 2023 in Brasilia which was led by Secretary of Commerce, Sunil Barthwal from Indian side and Secretary of Foreign Trade of Brazil, Tatiana Prazeres from Brazilian side. In the meeting, both sides discussed opportunities for cooperation and progress in removing non-tariff barriers to bilateral trade, both in agricultural and industrial products.
- MERCOSUR is a regional trading bloc comprising of Brazil, Argentina, Uruguay and Paraguay. India signed a Preferential Trade Agreement (PTA) with MERCOSUR in 2004. Both sides have since agreed to expand the PTA from its current list of 450 items so as to further enhance commercial ties between India and MERCOSUR, including growth and diversification of trade. There is also interest in India and Brazil for the expansion of India-MERCOSUR PTA towards a more comprehensive and agreement. The last round of talks with MERCOSUR, was held on 24 September 2019 and the issue was also discussed in TMM meetings held on 24 January 2020 and 4 October, 2023.
- India and Brazil signed an agreement in 2003 for cooperation in defence. Meetings of Joint Defence Committee (JDC) are held as an institutionalized mechanism for defence cooperation. Seven JDC meetings have taken place so far between the two sides. The 7th JDC meeting was held in Dec 2021 in New Delhi. Visits of several high level defence delegations have taken place in 2022, 2023 and 2024.
- An MoU on cooperation in the area of Cyber Security between CERT-In and its counterpart agency was signed during the State Visit of President Bolsonaro in January 2020. India and Brazil also cooperate in cyber issues at BRICS and IBSA.
- India and Brazil signed a framework agreement for peaceful use of outer space as well an Agreement inter-institutional cooperation between the space agencies. Both countries have been collaborating in Data sharing and satellite tracking of Indian satellites. Minister of Science, Technology and Innovation of Brazil Mr. Marcos Pontes visited India from 23 February to 1 March 2021. During the visit, Minister Pontes witnessed the launch of Brazilian satellite Amazonia-1 at Satish Dhawan Space Center, Sriharikota. Amazonia-1 is the first Earth Observation satellite to be completely designed, integrated, tested and operated by Brazil. New Space India Limited (NSIL), the commercial arm of ISRO has signed a launch service agreement for its launch on board PSLV as its primary payload. The satellite will provide remote sensing images to observe and monitor deforestation, especially in the Amazonia region, as well as monitor the diversified agriculture throughout the country.
- India's engagement in the hydrocarbon sector in Brazil has intensified in the recent years. India also regularly imports crude oil from Brazil. Indian PSUs such as OVL and BPRL have

together invested over US\$ 5 billion in exploratory and producing assets in Brazil. Brazil is also the destination for India's largest upstream investment in South America.

- Minister of Mines and Energy of Brazil, Mr. Bento Albuquerque visited India on 19-22 April 2022 accompanied by a delegation of private sector leaders of the biofuels and automotive sector. During the visit both sides reviewed the existing bilateral cooperation across the entire spectrum of the energy sector and committed to enhance the beneficial partnership between the countries. Shri Pankaj Jain, Secretary, Ministry of Petroleum and Natural Gas, led an official delegation, including CEOs of PSUs to Brazil in September 2022, during which a long-term agreement was signed by between Indian Oil and Petrobras for supply of crude oil.
- Brazil signed the International Solar Alliance (ISA) Agreement in 2019 and ratified the agreement in December, 2022.
- An MoU for cooperation in health was signed in January 2020. The first meeting of the Joint Working Group on Health held in March 2022 wherein the two sides explored areas of mutual interest and potential collaboration such as health surveillance, technology transfer and joint research.
- In Brazil, there is a lot of interest in India's culture, religion, performing arts and philosophy. Ramakrishna Mission, ISKCON, Satya Sai Baba, Maharishi Mahesh Yogi, Bhakti Vedanta Foundation and other spiritual gurus and organizations have chapters in Brazil. Folkloric traditions and celebrations from India relate a lot to the joyful and colorful festivities in Brazil. Indian philosophy, spirituality and religion were the first forms of Indian culture to reach Brazil. The first classical Indian art form to come to Brazil was Bharatanatyam, followed by Odissi, Kathak and Kuchipudi.
- The Indian community in Brazil is estimated to be around 4,000 people, with majority of them living in Sao Paulo, Rio de Janeiro and Manaus. The community comprises primarily of professionals and businessmen, with some scientists/researchers also working in the fields of space, agriculture, physics and biotechnology. There is an Indian Association in Sao Paulo, which organizes events to celebrate national days and community festivals.
- Mahatma Gandhi is highly regarded in Brazil and the Government and NGOs are trying to inculcate the philosophy of non-violence among students, youth and police. Statues of Mahatma Gandhi have been installed in Rio de Janeiro, Sao Paulo, Brasilia, Salvador, Londrina and Cuiaba. An organization called Filhos de Gandhi (Sons of Gandhi) is very popular in Salvador, Brazil and takes out street processions wearing Gandhian attire every year.

Source: www.mea.gov.in