

India-Chile Bilateral

Relations

I. Political Relations

India-Chile relations are characterized by warmth, friendship and a commonality of views on a wide range of issues. Chile shares India's concerns over the threat of international terrorism and has regularly condemned the acts of cross-border terrorism that India has suffered. Both countries cooperate extensively in multilateral fora and share similar views on climate change/renewable energy issues and on expansion and reforms of the UNSC. Chile articulated its support for India's claim to a permanent seat in the UNSC in a Joint Statement issued at the conclusion of the official visit of Chile's Foreign Minister to India in April 2003, and has consistently reiterated this support since. It also signed the International Solar Alliance Framework Agreement in November 2017.

The Defence Wing in the Embassy of India, Santiago, was established in July 2006. In 2009, India and Chile celebrated 60 years of the establishment of diplomatic relations which coincided with the visit to India by the President of Chile, H.E. Dr. Michelle Bachelet Jeria. This was in reciprocation of then Hon'ble President of India, Smt. Pratibha Devisingh Patil's visit to Chile in 2008. The Sixth Round of India-Chile Foreign Office Consultations was held in New Delhi on 31 October, 2014. Hon'ble President Ram Nath Kovind visited Chile (30 March to 1 April 2019) which also marked the 70th Anniversary of establishment of India-Chile diplomatic relations. President Pinera has also expressed a keen desire to visit India. The first India-Chile Joint Commission Meeting was held virtually on 16 October 2020, co-chaired by India's External Affairs Minister and Chile's Foreign Minister.

India and Chile have signed Agreements/MoUs covering various fields of cooperation such as Sports, S&T, Antarctica, Defence, Air Services, Agriculture, New and Renewable Energy, Education, Outer Space, Geology and Mineral Resources, and Gainful employment of spouses and eligible dependents of diplomatic personnel. On 6 September 2016, an Agreement on the expansion of the India-Chile Preferential Trade Agreement (PTA) was signed in New Delhi which increased the scope of the agreement from about 474 tariff lines to 2829 tariff lines. Further expansion of the PTA is under discussion. During MoS (VK)'s visit to Chile in May 2018, an MoU was also signed on the establishment of a high-level Joint Commission between India and Chile. During visit of Hon'ble President on 1 April 2019, agreements for cultural exchange and cooperation in mining sectors were renewed and an agreement was signed on cooperation in disability sector. The Double Taxation Avoidance Agreement between India and Chile was signed on 9 March 2020.

II. Trade and Economic Relations

India's exports to Chile had been growing steadily since 2009, with the exception of a slight decrease in 2014, when a new carbon tax on diesel vehicles in Chile adversely affected motor vehicle exports from India, but this sector has seen a big recovery. The expanded preferential trade agreement began implementation in May 2017 and since then India's exports to Chile have increased. While still higher than the amount in 2017, Indian exports to Chile in 2019 were less than 2018 because of the impact of the social crisis. In 2020 also, we saw a decline due to the pandemic. These figures however do not reflect the amount of trade in services, which is difficult to quantify, as Chilean statistics are difficult to

obtain, and also because Indian IT companies have adopted Chilean identities. Chilean exports to India have also increased, though 2015 to 2019 saw a decrease in copper exports, the major export item in Chile's basket, due to the impact of low copper prices, and of course 2020 has seen a slump due to the pandemic.

Year	Exports from India to Chile (CIF)	Imports from Chile by India (FOB)	Total Indo-Chilean bilateral trade
2009	278.07	908.35	1186.42
2010	380.91	1581.95	1962.86
2011	467.03	1964.99	2432.02
2012	658.45	2636.82	3295.27
2013	693.90	2182.70	2876.60
2014	619.85	2571.75	3191.60
2015	685.76	2026.98	2712.74
2016	701.05	1398.53	2099.58
2017	776.99	1742.33	2519.32
2018	957.11	1480.62	2437.73
2019	892.08	1120.18	2012.26
2020	701.00	811.85	1512.85

Source: Santiago Chamber of Commerce (In Million US Dollars)

High value-added items such as commercial vehicles (Telco, Mahindra), motor cars (Tata Motors, Maruti Suzuki, Hyundai), two-wheelers, and bulk pharmaceuticals have entered the Chilean market, and are among the top 10 Indian exports to Chile. Other traditional items being imported by Chile are home furnishings, garments, handicrafts, textiles, carpets and hand-tools. India's imports from Chile are predominantly copper, iodine, chemical wood pulp, molybdenum concentrates, walnuts and apples.

Visits of business delegations: Former President of Chile and President Bachelet's Special Envoy to the Asia Pacific, Mr. Eduardo Frei, led business delegations to India in November 2015, October 2017 and August 2019. There have been many visits by various organisations (such as CII, FICCI, PHDCCI, ITPO, CLE, PHARMEXCIL, AMA, EPCH etc) from India to Chile to hold BSMs/B2B meetings, participate in Trade Fairs, and to organize road shows in the areas of pharma, apparel, handicrafts, leather, chemicals and allied products, sports goods, information technology, tourism, etc. The 8th India CII India-LAC Business Conclave was held in Santiago on 1-2 October 2018. Dr. V.K. Saraswat led 5-member Niti Aayog delegation visited Chile for sourcing/acquiring lithium in October 2019. Six virtual trade events were organised in 2020.

Investments: As far as Indian investment in Chile is concerned, based on the information given by various companies, it amounts to about US\$220 million. Indian companies have entered the Chilean market by acquiring Chilean companies or setting up joint ventures. Chilean investment in India

amounts to US\$ 151.93 million (source: DIPP). In addition, Chilean Financial Institutions have invested more than US\$ 3250 million in the Indian Financial sector.

III. ITEC

25 slots are offered to civilians every year and we have seen a good response, especially in courses for English language, IT skills, Legislative drafting, Audit, E-Governance, Renewable energy and Environmental technologies. On the defence side, slots are offered regularly for Staff College, NDC, NDA, and HDMC. In addition, slots have been offered in the past for specialized courses in peacekeeping operations and mountain warfare. However, uptake of these offers is not satisfactory, primarily because defence ITEC slots are not funded by us, unlike the civilian slots which are fully funded.

IV. Cultural Relations

Indian culture is very popular here in Chile. There are a large number of local Yoga schools (Kundalini Yoga, Iyengar Yoga, Bikram Yoga etc.) and practitioners. Chile has declared 4th November as National Day of Yoga. There are also quite a few Chileans who have learned Indian classical dance and music, some of whom run their own schools. Bollywood music and dance is also popular. Indian cuisine is appreciated and there are many Indian restaurants in Santiago. Organisations such as ISKCON, Brahmakumari Samaj, and Art of Living are also flourishing. There are Hindu Temples in Santiago, Iquique and Punta Arenas. There is also a small but thriving community of Buddhists.

Cultural events are organised regularly by the Embassy, and get a good response. The International Day of Yoga is also celebrated annually and in 2017, was celebrated in the Chilean Parliament for the first time, and again in 2018 and 2019. For the first time, India officially participated in the “Santiago a Mil” International Theater Festival held in January 2018 in Santiago with performances/workshops by Mr. Astad Deboo and his group. The year long celebrations for the 150th Birth Anniversary of Mahatma Gandhi was launched by MOS (VK), Gen. (Dr.) V. K. Singh (Retd.), who was in Chile for the 8th CII India-LAC Conclave. A six member Manganiar group led by Shri Ghazi Khan, participated, again for the first time, in Chile’s WOMAD festival in February, 2019. In 2020, virtual celebrations were organized for International Yoga Day, Independence Day (including a festival of patriotic films) and Mahatma Gandhi’s birth anniversary. Events included the posting on YouTube of two series of videos in Spanish on the Rig Veda and on Indian cuisine respectively, screening of patriotic films as well as films on Gandhi etc.

V. Indian Community

The origins of the Indian community in Chile can be traced back to 1905, when a Sindhi trader landed in Punta Arenas & chose to stay on. Over the years, other Sindhis moved to Chile, & even today, 99% of Indian-origin Chileans belong to the Sindhi community. As the majority of them are in the area of import/export, they gravitated towards Iquique (Pre Trade Zone) where around one-third of the community is still based. Around 500 of them are in Santiago, about a 100 in Punta Arenas, & the rest are scattered across the country. It is estimated that there are currently around 2100 PIOs in Chile. In addition, there is a constant flow of professionals and businessmen from India, working mainly in the ICT and financial services sectors and also in Indian companies represented in Chile. Some Indian labour is also present in Chile, working mainly in Indian restaurants and as agricultural workers. It is estimated that there may be around 1500 Indian Nationals in Chile today.

Useful Resources:

Website : <http://www.indianembassysantiago.gov.in/>
Facebook : IndiaInChile/
Twitter : @Indiainchile
Instagram : @indianembassyinchile