

**Embassy of India
Prague

Commercial Representative

The Commercial Representative is responsible for the Economic & Commercial cooperation between India and Czech Republic. Commercial Representative facilitates contact with various Government Ministries/Departments and also provides information about the trade and economic data, information about Indian & Czech companies, and organizes events such as seminars, workshop, business round-table, etc. The Commercial Representative works under the supervision of Ambassador and is a part of the Commerce Wing of the Embassy of India, Prague.

The present Commercial Representative is:

Shri Aditya Vats

+420 257 533 562, +420 257 107 013

Second Secretary(Eco) & HOC

fscom.prague@mea.gov.in



India-Czech Republic Economic Relations

Background:

India's trade links with Czech Republic, formerly Czechoslovakia, predate our independence. Czechoslovakia established its Consulate in Bombay (October 1920) and in Kolkata (December 1929). The famous Czech shoe company Bata Works had 120 Czechoslovak nationals employed in Batanagar in the 1930s. For almost four decades after India's independence, Czechoslovakia was one of the leading trading partners of India among the East- European countries. Czech companies established a number of major industrial projects in India in the fields of energy, metallurgy, machine tools and transportation and had about 60 major projects in India before 1990. A list of landmarks in bilateral trade and economic relations is available at the link [Annex I](#)

With the formation of the Czech Republic from January 1, 1993, our trade with the country was switched to freely convertible currencies. The change over and the transformation in economic policies and practices both in India and the Czech Republic resulted in initial slowing down of trade and economic activities between the two countries. New mechanisms and diversified interaction thereafter have resulted in revival of bilateral trade to around USD 1.5 Billion in 2019 from just USD 86 million in 1993.

Since 2008, bilateral trade has amounted to more than one billion U.S. dollars. In 2013, for the first time in our long history of economic relations, the balance of bilateral

trade tilted in India's favour. Recently, our trade and economic relations remained on an upswing with bilateral trade registering a 7.3 percent growth in 2018 (to US\$ 1574 mi) over 2017, with the balance in India's favour, as per Czech statistics. The bilateral trade has almost remained at par y-o-y in 2019 (to US\$ 1567 million). Regular exchange of business missions has provided a boost to our Economic bilateral relationship in the past one year. Regular participation in each other's fairs and exhibitions has provided continuity in trade exchanges and up-dation with latest business developments. The two countries intend to raise their bilateral trade to reach the level of US\$ 5 billion in the year 2025.

This recent trend in the bilateral trade is as follows:

INDIA – CZECH BILATERAL TRADE FIGURES

Year	Czech Imports from India (approx. in mil. USD)	Czech Exports to India (approx. in mil. USD)	Turnover (approx. in mil. USD)
2001	85	68	153
2002	100	158	258
2003	120	120	240
2004	181	202	383
2005	241	262	503
2006	266	399	665
2007	402	552	954
2008	511	635	1 146
2009	472	604	1 076
2010	575	789	1 364
2011	655	855	1 510
2012	596	656	1 252
2013	642	562	1 204
2014	727	591	1 318
2015	675	546	1 221
2016	732	624	1 356
2017	738	667	1 405
2018	864	708	1 572
2019	918	649	1 567

High Level Exchanges

High level exchanges have been maintained after the Czech Republic came into existence after the peaceful bifurcation of Czechoslovakia into Czech Republic and Slovakia on January 1, 1993. A list of important high level exchanges since then is available at the link [Annex II](#)

Agreements:

A The following Agreement/MoUs in various fields including Civil aviation, Defence, Economic cooperation, Social security, Science and Technology, Culture and Education, Consular, Civil Nuclear cooperation, have created an enabling environment for trade and mutual investment between the two countries :

- (I) Letter of supervisory cooperation between Reserve Bank of India and Czech National Bank (June, 2017)

- (ii) MoU between Indian National Science Academy and Czech Academy of Sciences (May 2017)
- (iii) MoU on Air Services (Dec, 2016)
- (iv) MoU on Technical Cooperation in the field of Railway sector between the Ministry of Railways of India, the Czech Railways and the Association of Czech Railway Industry (ACRI) (Aug, 2014)
- (v) Agreement between Bhabha Atomic Research Centre, India (BARC) and Ustav Jaaderneho Vyzkumu rez a.s. Czech Republic (CEZ) in the field of Nuclear Science and Technology. (August 2012)
- (vi) Programme of S&T Cooperation between Department of Science & Technology and M/o Youth, Education and Sports. (April, 2012)
- (vii) Social Security Agreement between India and Czech Republic (June, 2010)
- (viii) Agreement on Economic Cooperation. (June, 2010)
- (ix) Agreement for the Promotion and Protection of Investments (2010)
- (x) Cooperation between India and Czechoslovakia in the peaceful uses of Atomic Energy, November 1966. (Re-validated in 2001 by Exchange of Notes).
- (xi) Agreement on Avoidance of Double Taxation (1998)

B. 8 Agreement/MoUs were signed during the visit of President Ram Nath Kovind in September, 2018 which included:

(i) Visa waiver for Diplomatic Passports;

(ii) MoU between Council of Scientific and Industrial Research (CSIR) and Czech Academy of Sciences (CAS);

(iii) Work plan between Department of Science & Technology (DST) and M/o Youth, Education and Sports for Joint Projects for 2019-2022 with a Joint call for proposals made;

(iv) MoU between Tata Institute of Fundamental Research (TIFR) & Extreme Light Infrastructure (ELI) Beamlines for research in laser technology;

(v) MoU between Bharat Earth Movers Limited (BEML) and TATRA Trucks on strategic cooperation;

(vi) MoU between PHD Chamber of Commerce and Industry (PHDCC) and Association of Medium and Small Enterprises (AMSP) on promotion of SMEs;

vii) MoU between CCS Haryana Agricultural University Hisar and Czech University of Life Sciences; and

viii) MoU between University of Economics Prague and IIM, Bangalore on exchange of students.

- An MOU between Investment Promotion Agencies on both sides viz. Invest India and Czech Invest was signed in October, 2018 to facilitate the Czech investment inflow to India and boost mutual cooperation in assisting Czech companies in investing to India.
- Czech Aviation Training Centre (CATC) established its daughter company in India (CATC India) and signed the MoU with National Skill Development Council (NSDC) in August 2018.
- A Czech Industrial Cluster has been set up in Bengaluru in December, 2018 to facilitate trade and investment.

Bilateral Investments/Projects:

India's main products of Export to Czech Republic are Garment and textile, Pharmaceutical products, Iron and Steel products, electronic instruments, auto components, chemicals, power equipment, footwear etc.

India's main products of Imports from Czech Republic are auto components, textile and leather machines, machines for rubber and plastic industry, machine-tools, food production equipment, ICT equipment, furniture, pumps, electronic items etc.

Around 30 Czech companies have invested in India in transportation, power, automotive and other sectors, including Skoda Auto, Skoda Power, Bonatrans, Home Credit, Vitkovice, Tatra, LIKO-S, Hamrik, Mikroelektronika, Technicoat, Gearspect, Eldis, Stros, ComAp, Fans, Chemoprojekt, Fermat, Hutni Projekt, Zetor, Lasvit, Flying Academy, Preciosa, ZKL, TAJMAC-ZPS, VHS. Detailed list of major Czech companies in India is available at the link [Annex III](#)

Indian companies have invested in the Czech Republic in sectors such as IT, vehicles, tea, textile, pharmaceutical and auto-components. Major Indian companies which have invested in the Czech Republic include Infosys, LEEL, Tata Global Beverages, Cognizant, Samvardhana Motherson, Varroc Excellence, Zomato, Pricol, CLC, KCI, Dina-Hitex, Glenmark Pharmaceuticals, Alok Industries/Mileta Horice a.s., APAG, Cafe Coffee Day. Detailed list of major Indian companies in the Czech Republic is available at the link [Annex IV](#)

Cooperation mechanisms

Joint Commission on Economic Cooperation :

Immediately after the creation of the Czech Republic, new economic agreements were concluded to facilitate trade and investment. The India-Czech **Joint Economic Committee (JEC)** provided the institutional framework for intergovernmental discussions on economic cooperation with Department of Commerce, Government of India being our nodal agency for the JEC. With the entry of the Czech Republic into the European Union, it was necessary to re-negotiate the trade agreement, so that it is compliant with EU regulations. Accordingly, a Bilateral Economic Agreement was signed during the visit of Vice President in June 2010.

Following the signing of a new Trade and Economic Cooperation Agreement in June 2010, the Joint Economic Committee was upgraded to a Joint Commission. The first meeting of Indo Czech **Joint Commission on Economic Cooperation (JCEC)** took place in New Delhi in November 2010. Though it was the first meeting of the Joint Commission, it was called the 8th session taking into account earlier 7 meetings held at the level of the Joint Economic Committee. The Ninth session of Joint Economic Commission was thereafter held in Prague and Brno on September 7-11, 2012 at the Ministerial level. India has been regularly participating at the International Engineering fair in Brno since then. The tenth session of Joint Economic Commission was held in New Delhi on January 27-28, 2015 at the Ministerial level and was co-chaired by Smt. Nirmala Sitharaman, Commerce & Industry Minister (CIM) from Indian side.

The last, 11th Session of India-Czech Republic JCEC was held in Prague from 22-23 October, 2018 with Shri C.R. Chaudhary, MoS (Commerce & Industry) and Consumer Affairs, Food & Public Distribution, leading our delegation. A joint Protocol was signed with

Ms. Marta Novakova, Trade and Industry Minister that includes the following broad topics: Trade and Investment, Engineering and Industrial Machinery, Energy including nuclear and renewable energy, Mineral Resources and Mining Industry, Defence Industry, Information Communication Technology (ICT), Pharmaceuticals, Medical Equipment and Chemicals, Ayurveda, Yoga & Naturopathy, Unani, Siddha and Homoeopathy (AYUSH), Infrastructure Development, Agricultural Products, Environmental and Agricultural Technologies, Scientific and Technical Cooperation, India EU BTIA Negotiations, Agreement on Protection and Promotion of Investment, WTO Modernisation, Visa Issues, Tourism, Standardization and Metrology. The JCEC reflected CR's keenness to substantially upgrade economic cooperation including in new areas and new technologies.

Joint Working Groups

A Joint Working Group (**JWG**) on Industries was set up to facilitate contact between Czech and Indian companies in the heavy industrial sector. Indian PSUs like Heavy Engineering Corporation (HEC) and Hindustan Machine Tools (HMT) are interested in tie-ups with Czech counterparts both for up-gradation of technology for their old Czech machinery & equipment and for joint participation in major infrastructural projects in India. The first meeting of the JWG was held in Prague in June 2006, the second in Bangalore in January 2007.

During the 9th session of the Joint Economic Commission both sides agreed to reactivate the Joint Working Group as JWG on Heavy Engineering. The first meeting was held in Mumbai on March 15, 2013 and its second meeting was held on September 24, 2014. The third meeting was held in November 2015 at Mumbai. The 4th meeting took place in Brno on 03 October 2016. The 5th JWG on Heavy Engineering was held in New Delhi in March 2018 on the sidelines of the India International Sourcing Fair (IESS) 2018 in Chennai.

The 6th **JWG on Heavy Engineering** was held in Brno in October, 2019 on the sidelines of the MSV International Engineering Fair in Brno. The meeting was co-chaired by Sm. Sukriti Likhi, Joint Secretary, Ministry of Heavy Industries and Public Enterprises (MoHI&PE), Government of India and Richard Hlavaty, Senior Director General, Ministry of Industry and Trade of the Czech Republic on the Czech side. The Indian delegation comprised of Official from DoC, senior executives from PSUs/Industry representatives from Heavy Engineering Corporation (HEC), Bharat Heavy Electricals Limited (BHEL), Invest India, Indian Electrical and Electronics Manufacturers' Association (IEEMA), Indian Machine Tool Manufacturers' Association (IMTMA), Engineering Export Promotion Council (EEPC) and Confederation of Indian Industry (CII).

Joint Business Council

- An India-Czech Joint Business Council (JBC) was established in 1991, with FICCI and its Czech counterpart as the nodal agencies.
- The JBC earlier met periodically on the margins of the JEC. Both sides agreed to conduct JBC meeting on the sidelines of JEC during the JEC meeting held in Prague in June 2006.
- During the 9th and 10th JEC meeting, India-Czech business forum were also organized on the sidelines of the meeting. Business delegation from both countries held meetings.
- The Mission has engaged with the Czech Chamber of Commerce and Confederation of Industry of the Czech Republic and held Business forums in cooperation with them.

- During the visit of Rashtrapatiji to Czech Republic, a business forum was held on 7th September 2018 wherein four MoUs in the fields of Trade (between our PHD Chamber and Association of Medium and Small enterprises CR, BEML and Tatra trucks) and Education (between IIM, Bangalore and University of Economics, Prague; CCS University Haryana and Czech University of Life Sciences, Prague) were signed. The forum was organized by the Embassy with participation of Federation of Indian Chambers of Commerce & Industry (FICCI), PHD Chamber of Commerce and Industry, Associated Chambers of Commerce and Industry of India (ASSOCHAM), Trade Promotion Council of India and an Indian business delegation comprising of 53 Indian companies. On the Czech side, the participation included the Czech Chamber of Commerce, Confederation of Czech Industry, Association of Small and Medium Enterprises and around 60 Czech companies. On the sidelines of the forum attended by Rashtrapatiji, B2B meetings were held from companies of both sides.

India-Central Europe Business Forum: The first edition of India–Central Europe Business Forum (ICEBF) was organized by FICCI in March 2014 under the aegis of MEA. The first edition of India–Central Europe Business Forum (ICEBF) attracted over 100 official and business delegates from 14 Central European (CE) countries. Over 200 Indian industry representatives had detailed business engagements with their CE counterparts. The forum established itself as an institutionalized platform to promote multifaceted engagements with promising CE economies. The second edition of the ICEBF was held in Bengaluru during October 3-5, 2015. The third edition of ICEBF was held in New Delhi from December 8-10, 2016 in the name of India –Europe 29 Business Forum. Then last India-Europe 29 Business Forum was held in Delhi from 21-22 November, 2019 and the Czech delegation being led by Vice President of Czech Chamber of Commerce.

Besides, the Embassy of Czech Republic in Delhi, the Czech Republic has four Honorary Consulates in India, one each in Mumbai, Kolkata, Bengaluru and Chennai. The Czech Republic also has an office of Czech Trade in Mumbai and Bengaluru and a Czech Industrial Cluster in Bengaluru that support long term economic relations and guides businesses.

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