



Foreign Cooperation Department  
Government of Haryana



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## Economic Scenario

	ISRAEL	INDIA	HARYANA
<b>Population</b>	8,775,000	1,210,569,573	25,351,462
<b>GDP</b>	\$387 Billion (nominal) 2020	\$2.6 trillion (nominal) 2020	\$103.80 billion, 2020
<b>GDP per capita</b>	\$42,823 (nominal; 2020)	\$1,750 (nominal; 2020)	\$3,577 (nominal; 2020)
<b>GDP by Sector</b>	<ul style="list-style-type: none"> <li>▪ Agriculture: 2.4%</li> <li>▪ Industry: 26.5%</li> <li>▪ Services: 69.5%</li> </ul>	<ul style="list-style-type: none"> <li>▪ Agriculture: 17.1%</li> <li>▪ Industry: 29.1%</li> <li>▪ Services: 53.9%</li> </ul>	<ul style="list-style-type: none"> <li>▪ Agriculture: 16.6 %</li> <li>▪ Industry: 32.80%</li> <li>▪ Services: 50.6%</li> </ul>
<b>Exports</b>	<b>\$56 billion (2019)</b> <ul style="list-style-type: none"> <li>▪ Diamonds (\$11.2B)</li> <li>▪ Packaged Medicaments (\$2.36B)</li> <li>▪ Medical Instruments (\$2.01B)</li> <li>▪ Integrated Circuits (\$2B)</li> <li>▪ Refined Petroleum (\$1.72B)</li> </ul>	<b>\$330 billion (2019)</b> <ul style="list-style-type: none"> <li>▪ Refined Petroleum- \$39.2B</li> <li>▪ Diamonds- \$22.5B</li> <li>▪ Packaged Medicaments- \$15.8B</li> <li>▪ Jewelry- \$14.1B</li> </ul>	<b>\$ 12.056 billion (2019)</b> <ul style="list-style-type: none"> <li>▪ Basmati Rice- \$ 2.29 B,</li> <li>▪ Ready Made Garments - \$1.46 B</li> <li>▪ Auto Parts- \$0.62 B,</li> <li>▪ Carpets- \$0.47 B,</li> <li>▪ Automobile- \$ 0.46 B</li> </ul>
<b>Main export partners</b>	<ul style="list-style-type: none"> <li>▪ United States- 32.13%</li> <li>▪ China- 8.72%</li> <li>▪ Hong Kong- 4.6%</li> <li>▪ United Kingdom- 4.08%</li> <li>▪ Netherlands- 3.9%</li> </ul>	<ul style="list-style-type: none"> <li>▪ United States- 17%</li> <li>▪ UAE- 9%</li> <li>▪ China- 5%</li> <li>▪ Hong Kong- 3%</li> <li>▪ Singapore- 3%</li> </ul>	<ul style="list-style-type: none"> <li>▪ United States- 22.90%</li> <li>▪ Saudi Arab - 6.82%</li> <li>▪ UK - 5.51%</li> <li>▪ Iran- 4.71%</li> <li>▪ Germany- 3.70%</li> </ul>
<b>Imports</b>	<b>\$72.9 billion (2019)</b> <ul style="list-style-type: none"> <li>▪ Diamonds (\$6.14B),</li> <li>▪ Cars (\$5.07B),</li> <li>▪ Crude Petroleum (\$1.95B),</li> <li>▪ Refined Petroleum (\$1.75B),</li> <li>▪ Broadcasting Equipment (\$1.71B)</li> </ul>	<b>\$474 billion (2019)</b> <ul style="list-style-type: none"> <li>▪ Crude Petroleum- \$92.7B</li> <li>▪ Gold - \$33.8B</li> <li>▪ Coal Briquettes - \$24.9B</li> <li>▪ Diamonds - \$21.4B</li> <li>▪ Petroleum Gas - \$16.4B</li> </ul>	

## India - Israel Country Note

### India - Israel Relations

1. Since the establishment of diplomatic relations between India and Israel in 1992, bilateral trade and economic relations progressed rapidly. From US\$ 200 million in 1992 (comprising primarily of diamonds), merchandise trade diversified and reached US\$ 4.14 billion (excluding defence) during the period April 2020 - February 2021 (DGCIS figures - provisional) with the balance of trade being in India's favour.
2. During the visit of Prime Minister of India to Israel in July 2017, both sides signed and exchanged seven MoUs on cooperation in the areas of innovation, technology, water, agriculture and space & science. A US\$ 40 million India-Israel Industrial R&D and Technological Innovation Fund (14F) for joint-projects was also set up (The seventh round of calls finished in May 2021).
3. During the Visit of Prime Minister of Israel to India in January 2018, the two countries signed nine agreements in various sectors, including cyber security, oil and gas, solar energy, space science, air transport, medicines and film production.

### Trade and Investment

4. India is Israel's third largest trading partner in Asia and seventh largest globally. Though bilateral trade is dominated mainly by diamonds and chemicals, recent years has witnessed an increase in trade in areas such as electronic machinery and hightech products; communications systems; medical equipment etc. India continues to be a 'focus' country for Israeli Government's increased trade efforts.
5. Major exports from India to Israel include pearls and precious stones, chemical and mineral products, machinery and electrical equipment, textile and textile articles, plastics, rubber, plants and vegetable products, mineral products, rubber and plastic products, base metals and transport equipment.
6. Major exports from Israel to India include pearls and precious stones, chemical and mineral products, machinery and electrical equipment, base metals, defence, machinery and transport equipment.
7. As of 2019-20, the total trade between the two countries stood at \$4.95 Bn with exports from India account for 67% and imports from Israel accounting for 33%.
8. Investment:
  - a. Indian Investments in Israel: Cumulative ODI from India as on September, 2019 was US \$ 118.24 million (Source: RBI). Indian companies are marking their presence in Israel through mergers and acquisitions and by opening branch offices. TCS started operations in Israel in 2005; State Bank of India opened a branch in Tel Aviv in 2007; Jain Irrigation fully acquired NaanDan, an Israeli irrigation equipment manufacturing company, in 2012 and Sun Pharma has a 66.7% stake in Israel's Taro Pharmaceutical Industries. Infosys, Tech Mahindra and Wipro Infrastructure Engineering are some other major Indian companies which have made notable acquisitions/investments in Israel during the period 2015-2016. In 2017, India-based Saisanket Enterprises Private Limited acquired Shtula, a leading Israeli manufacturer of metal parts and metal devices. In January 2019, India's Lohia Group acquired Israeli defense company Light & Strong.
  - b. Indian major companies are also making a mark in the Israeli innovation eco-system. In 2013, Tata Group invested US\$ 5 million in the Momentum Fund of Ramot, Technology Transfer Center at Tel Aviv University. Subsequently, in 2016, Tatas joined hands with several leading global players to set up a new technology incubator, called i3 Equity Partners (i3), which focuses on developing next-generation IoT technologies. Wipro has invested in TLV Partners (an Israel-based venture capital firm). Sun Pharma

has collaborations with Weizmann Institute of Science and Technion Institute of Technology. L&T Technology Services opened a R&D Centre in Jerusalem and a Sales Office in Tel Aviv in November 2017. Antill Ventures reportedly announced to open a startup accelerator in Tel Aviv and to invest US\$ 1 million in Israeli startups recently.

- c. Israeli investments in India: During April 2000 - March 2021, Israel's direct FDI into India was US \$ 224.76 million (source: Invest India). There are over 300 investments from Israel in India mainly in the high-tech domain and in agriculture. These investments are varied in nature - manufacturing plants; R&D centers; subsidiaries etc. There is a growing preference for Israeli companies in sectors such as water technologies, homeland security and real estate in addition to traditional areas such as agriculture, chemicals etc. Teva Pharmaceuticals, Ecoppia, Naa'n Dan Jain, Aqwise, Polemix, Eli Hajaj, Rivulis, Alumayer, Plasson, Huliot, Metzterplas, Avgol, IDE, Netafim (invested more than US\$ 25 million in India, 2017), ADAMA (invested over US\$ 50 million in India, 2017), etc. are among the leading Israeli companies, which have notable investments in India.

#### Cooperation in Agriculture and Water Technologies:

9. Agriculture: Under a comprehensive Work Plan for cooperation in agriculture signed on 10 May 2006, bilateral projects are implemented through MASHAV (Center for International Cooperation of Israel's Ministry of Foreign Affairs) and CINADCO (Centre for International Agricultural Development Cooperation of Israel's Ministry of Agriculture and Rural Development). Agricultural cooperation between the two sides is formalized through 3-Year Work plans wherein 3-year Action plans are developed. MASHAV is active in India with many experimental and demonstration projects and operates an agricultural demonstration farm in Pusa.
10. The Fifth three-year work program (2021-2023) was signed on 24 May, 2021. The work program aims to grow existing Centres of Excellence (CoE), establish new CoEs, increase CoE's value chain, bring the CoEs into the self-sufficient mode, and encourage private sector companies and collaboration.
11. 29 CoEs' are fully active in twelve Indian states (Bihar, Gujarat, Haryana, Karnataka, Maharashtra, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh, Mizoram, Andhra Pradesh and West Bengal). The objective is to have one CoE in each Indian state.
12. Indian officials have been receiving training in Israel from time to time. Indian officials and business delegations regularly attend Israel's triennial international agricultural exhibition event Agritech, which showcases Israel's achievements in agriculture. In Agritech 2018, India's participation included the Union MoS Agriculture and the Chief Minister of Haryana, apart from official delegations from Uttarakhand and Punjab.
13. Water Technologies: Ongoing cooperation between the two countries in the sector was formalized through an MOU on Water Resources Management and Development Cooperation signed in November 2016. India's companies and official delegations regularly visit the biannual event WATEC in Israel which showcases Israel's water and energy technologies. During the visit of Prime Minister to Israel in July 2017, both the sides signed MoUs on (i) National Campaign for Water Conservation in India and (ii) With UP Government on Reforms of UP Jal Nigam. During the visit of Chief Minister of Punjab to Israel in October 2018, the State Government of Punjab and Mekorot signed an MoU wherein Mekorot will formulate a Water Conservation and Management Plan for Punjab. Pursuant to this MoU, Punjab and Mekorot signed an Agreement for formulation of Water Conservation and Management Master Plan (June 2019). A Plan of Cooperation between Israel and the Government of Uttar Pradesh for addressing water issues in Bundelkhand region was signed in August 2020.
14. India-Israel water cooperation got a further boost with the first ever visit by a Water Minister from India to Israel in November, 2019. During the visit, Shri Gajendra Singh

Shekhawat, Minister of Jal Shakti, participated in the “India-Israel Strategic Partnership on Water” along with his Israeli counterpart Dr. Yuval Steinitz, Minister of Energy, and was a keynote speaker at the WATEC 2019. The Minister also held bilateral consultations with his Israeli counterpart and interacted with Israeli experts in the water domain.

15. Israeli company IDE has built several desalination plants in India. A 100 MLD per day desalination plant set up by IDE at Nemelli in Tamilnadu was commissioned in 2013, the second such plant in Chennai (IDE has India’s largest desalination plant in Jamnagar with a capacity of 160,000 cubic meters/day). Mekorot, is providing its expertise to concerned organizations in Greater Mumbai and West Bengal. Tahal group signed a US\$ 74 million deal with the Karnataka Government to design, construct and operate a water supply system to 131 villages in the State. An Israeli company, Aqwise, has a joint venture with Triveni Engineering that is providing clean drinking water to Uttar Pradesh Jal Board for almost 2 million residents of Agra with a special water treatment plant on the river Yamuna. Another Israeli company, Ayala, won a contract in February 2017 to clean an eight-kilometer stretch along the river Yamuna in Delhi. In 2019, the Metzterplas unit of Metzter Group, Israel’s drip irrigation company, inaugurated a plant in Hyderabad as a joint venture between Metzter India LLP and India’s Skipper Ltd.

### Industrial and R&D Cooperation

15. Under a bilateral agreement in May 2005, the India-Israel Initiative for Industrial R&D (i4RD) was set up to support joint industrial R&D projects, aimed at development of products or processes leading to commercialization in the global market. This cooperation agreement was signed between the Ministry of Science and Technology, Department of Science and Technology (DST), India and the Ministry of Economy, Israel. i4RD provides partner matching services and funding for joint bilateral research and development (R&D) projects, involving at least one Indian and one Israeli company.

### Agreement/MoU signed in 2020:

16. MoU to collaborate in tech innovation: On 22 September, 2020, a Memorandum of Understanding (MoU) was signed between Israel’s Start-Up Nation Central and India’s International Centre for Entrepreneurship and Technology (iCreate) to initiate a bilateral program to accelerate innovation and technology cooperation between start-ups and corporates from both countries. The aim of this program is to bring together Israeli and Indian entrepreneurs and startups to collaborate on innovative projects.
17. Agreement on Health Cooperation: On 21 December, 2020, India and Israel signed an Agreement on Cooperation in the fields of Health and Medicine. The Agreement includes sharing of expertise for facilitating climate resilient infrastructure & expediting cooperation in exchange & training of medical doctors & other health professionals, assistance in development of human resources & setting up of health care facilities. The Agreement will also facilitate the exchange of information regarding regulation of pharmaceuticals, medical devices and cosmetics.

## Haryana Israel

- Haryana to set up 5<sup>th</sup> **Indo Israel Centre of excellence in Horticulture at Gignau village in Bhiwani, which will be set up at a cost of around ₹8.25 crore.** India and Israel will work together in the field of advanced agricultural resources, agricultural research and training.
- Haryana already has four Centres of Excellence under Indo Israel collaboration. They are Centre of Excellence for
  - Vegetables, Gharaunda (Karnal),
  - Centre of Excellence for Fruits, Mangiana (Sirsa),
  - Centre for Sub Tropical Fruits, Ladwa (Kurukshetra)
  - Integrated Beekeeping Development Centre, Ramnagar (Kurukshetra)
- The Government of Israel has signed an agreement to convert 75 villages in India into model agricultural villages in the next three years under the MASHAV programme. As part of this, a model will be prepared to make villages more productive and self-sufficient in terms of agriculture in different areas of the country, which will be possible to copy at other places as well.

Under this, ideal villages will be developed for crop production in many parts of India between 2021 and 2023. **This will include 30 villages in Haryana.**

## Israel Companies in Haryana

1. **Ecoppia** - Robotic Solar Cleaning Solution, in Gurugram
2. **India-Israel Innovation HUB located in Gurugram.** The HUB is owned and managed by Israeli high-tech professionals. The HUB is in deep collaboration with leading organizations of the high-tech industry in Delhi area. The goal of the HUB is to create a highly developed hi-tech community in Delhi area and to create a productive ecosystem of Israelis and Indians with high technical capabilities. We have set ourselves the goal of creating collaborations and connections between Israeli and India technologies, entrepreneurs and companies, leveraging the skills, know-how and work experience that the founders of the HUB have acquired over many years of work in both high-tech industries in Israel and India. The combination of creative thinking, the flexibility of thought and top-notch professionals, bring the great benefits to the organizations, companies and entrepreneurs who join the innovation HUB.

## Haryana's Export to Israel

Haryana's Export to Israel in FY 2020-21 was USD 74.57 Million and the main export commodities are as follows:

S. No.	Commodity	Export Value (in million USD)
1	Rice -Basmati	34.48
2	Paper, Paper Board And Product	6.58
3	Cotton Fabrics, Madeups Etc.	5.85
4	Electronics Instruments	2.60
5	Carpet (Excl. Silk) Handmade	2.57

## Haryana- Israel Further collaboration

- Agriculture in Israel is a highly developed industry. Israel is a major exporter of fresh produce and a world-leader in agricultural technologies despite the fact that the geography of the country is not naturally conducive to agriculture. Haryana is also one of important agriculture states in India and main contributor of food grains to central pool. Both regions

can further collaborate by sharing best practices in the field of Agri technologies.

- **Israel's Car Import is \$ 5.06 billion (highest) in FY 2019**, Haryana is one of the major exporters of car/ motor vehicles. The Export of cars from the State is \$467.9 million in FY 2019-20 and \$303.91 million in FY 20-21 (till Feb 21). **The state produces two-thirds of passenger cars, 50% of tractors and 60% of motorcycles manufactured in the country.**
- Large scope of bilateral trade in **Drug Formulations and Pharma products**. Israel's import for the same is \$1.6 billion. Pharma sector in Haryana is growing at a fast pace. Therefore, trade may be enhanced in this area.
- Israel's import for **Vehicle parts** \$ 328 million for FY 2019. Haryana has a strong ancillary base for Auto parts and its export from Haryana was \$602 million in FY 19-20 and \$547 in FY 20-21 (till Feb 21).
- Israel's **Garment/ clothing import** is \$2.18 billion for FY 2019. Haryana is the one of important export Readymade garment export reaching \$607.5 million in FY19-20 and to \$1.34 Billion in FY 20-21. The bilateral trade in this area may be promoted in this area too.