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# India-Italy relations

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**Why is in news?** India-Italy ties: How the 'melodi' came after setbacks, what is at stake

Last week, the hashtag #Melodi trended widely on social media, after Prime Minister Narendra Modi responded to a post on X by his Italian counterpart Giorgia Meloni.

## Bilateral relations:

### **Historical ties:**

India and Italy are ancient civilisations with links going back 2,000 years.

Italian port cities were important trading posts on the spice route.

The Venetian merchant **Marco Polo** traveled to India in the 13th century and wrote about his experiences.

In the last century, **Nobel Laureate Rabindranath Tagore** visited Italy in May-June 1926, a visit arranged by Carlo Formichi, a Professor of Sanskrit at the University of Rome.

**Mahatma Gandhi visited Rome** in December 1931 on his way back from the Round Table Conference in London. Leaders of the Indian freedom struggle read the works of the Italian revolutionary Mazzini.

Indian troops, serving with the British Indian Army, were deployed in Italy during World War II, fighting against the Germans and Mussolini's forces.

### **Political ties:**

After Independence, political relations between India and Italy were established in 1947.

Since then, there has been a regular exchange of visits at political and official levels between both countries, including several visits by Heads of States.

India and Italy have **elevated their bilateral relationship to the level of strategic partnership**

The 2020-2024 Action Plan for bilateral relations has been signed.

### **Economic Relations:**

With Italy, India had a bilateral trade of USD 13.229 billion in 2021-22, a **more than 50% increase** over the previous financial year.

Italy is **India's 4th largest trading partner** in the EU.

Over 600 large Italian companies are active in India, covering varied sectors. Italian brands such as Fiat and Piaggio to the recent Ferrero Roche, KinderJoy, Tic Tac, etc. are household names in India.

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Italy ranks **18th in FDI inflows** in India during April 2000 to December 2020 with FDI inflow of US \$ 3.02 billion during this period.

Italy and India have already intensified their collaboration, bringing bilateral trade to a record figure of around 15 billion euros in 2022, doubling the figure recorded in 2020.

India ranks **19th as country of origin of Italian imports** and accounting for 1.2% of Italian imports.

India **invited Italy to partner in ‘Make in India’ and ‘Aatmanirbhar Bharat Abhiyan’** with a focus on the areas of renewable energy, green hydrogen, IT, telecom, and space among others.

In recent years, bilateral trade has attained a record level. The trend for the current year seems to be more encouraging.

This **increase is evident in the exchange of goods (and services)** with Italian machinery, automotive products, and luxury goods finding a growing market in India, while Indian products, like aluminium, steel, and iron, contribute to the supply chain for Italian manufacturing.

The free flow of trade through the Indo-Pacific is vital for Italy, an **export-oriented country with 58 ports**.

Italian companies, whose **expertise in the maritime and railway sectors** are recognised internationally are ready to play their part in the project.

Italian ports have the required characteristics to act as terminals for the IMEC and access points for Europe.

#### **Defence relations:**

Indian Army played a significant role in the **liberation of Italy in the 2nd world war**

The Memorandum of Understanding (MoU) **on defence cooperation** was signed in 2023

Both the countries has organised **joint military exercises and training courses** on a regular basis

**Milan** – a biennial naval exercise between India and Italy.

**Indian Naval Ship (INS) Tabar**, the Navy’s Talwar-class Russian built frigate, has concluded a two-day naval exercise with the Italian Navy in the Tyrrhenian Sea.

**India - Italy Military Cooperation Group (MCG)** is a forum established to boost defence cooperation between India and Italy.

India-Italy Joint **Working Group on Counter-Terrorism**

India also **welcomed Italy’s engagement** in the **Indian Ocean Rim Association (IORA)** and **Italy’s new status** as a **Development Partner of ASEAN**

The Italian Defence Minister conveyed Italy’s **desire to “reboot defence relations with India”**.

Italy has also deployed an official from its **Embassy for the Information Fusion Centre–Indian Ocean Region (IFC-IOR)** in February 2023 to **enhance maritime security and to counter anti-piracy operations** across the Indian Ocean Region.

#### **View on Indo-Pacific:**

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The partnership is rooted in a **common view of the strategic challenges** in today's world and the approach to face them.

Italy and India share the **need for a free, safe and open Indo-Pacific**.

As underlined by PM Meloni, Italy looks at the Indo-Pacific from the perspective of an "enlarged Mediterranean", which forms a geostrategic unit with the Indian Ocean.

Italy sits at the centre of the Mediterranean Sea and acts as a natural bridge towards the Indo-Pacific.

Italian companies have excelled in **devising cutting-edge solutions** and are **looking forward to increasing their presence in India**. This collaboration will also **enhance the stability of the Indo-Pacific region**.

In August 2023, during a **tour of the Indo-Pacific**, the Italian Navy scheduled a visit to Mumbai by the patrol vessel ITS Morosini, the **first time in several years** that an Italian Navy ship had docked in India.

#### **People-to-people contact:**

India and Italy are also looking forward to people-to-people contact.

During the Indian External Affairs Minister's visit to Italy, a **Migration and Mobility Agreement** was signed.

Italy **already hosts one of the largest Indian communities in the European Union** and has been enriched by a growing number of students and workers.

The agreement will **provide a framework to improve mobility**.

#### **Cultural Exchange:**

The **agreement for cultural cooperation** was signed in 1976.

There are **around 10 Universities/higher education institutions** in Italy with highly qualified faculties which conduct courses in Indian art, history and languages.

Italy is a **popular destination for Indian students** studying abroad. India and Italy have also signed agreements for academic and research cooperation.

**Settimana della Lingua Italiana nel Mondo** (Week of the Italian Language in the World) celebrated the Italian **language and culture** in India

Year-long Festival of India in Italy '**Srijan**'

#### **Space:**

Italy is looking with increasing interest at India's space initiatives — the success of the Chandrayaan-3 mission has been recognised and celebrated by the Italian scientific community.

There is also a growing Indian interest in deepening cooperation in this sector.

**Collaboration has been underway** for some time between the space agencies of the two countries, ASI (Italian Space Agency) and ISRO, government institutions, university research centres and aerospace companies.

A **joint declaration recently signed** between the heads of ASI and ISRO opens up new opportunities, particularly in **earth observation, space exploration and helio-physics**.

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An Agreement on S&T Co-operation exists **since 1978**.

A significant bilateral initiative under the **S&T Cooperation Agreement** is the **India-Trento Programme for Advanced Research (ITPAR)**

### **Issues for setback:**

#### **The Italian marines case:**

The bilateral ties faced a setback in 2012, when **two Italian marines were accused of killing two Indian fishermen** in February that year.

They were moved from Kerala to New Delhi, and stayed at the Italian embassy complex while their trial was on. The Italian ambassador at that time had to be their guarantor.

With the trial pending, the two men were allowed to return to Italy. In 2015, the two countries **took the case to the Permanent Court of Arbitration (PCA) in Hague**.

The PCA ordered Italy to pay compensation to India “for loss of life” and the cases were closed after Italy paid the agreed amount of Rs 100 million. Finally, the case was closed in 2021.

#### **Agusta Westland allegations:**

Another controversy was the **corruption allegations** over the Agusta Westland deal.

In 2011-12, an investigation by the Italian attorney general’s office into alleged unethical dealings by the state-backed defence major Finmeccanica widened to include corruption in an over Rs 3,500-crore deal signed with India by the group’s subsidiary AgustaWestland.

The 2010 deal was a **contract to supply 12 AW-101 helicopters to the IAF**. After the corruption allegations came to light, the issue quickly snowballed in India.

After the cancellation of the contract and after winning a legal case in Italy in June 2014, the Indian government encashed guarantees to the tune of Rs 2,000 crore. The Italian courts in 2018 dismissed all charges, on grounds of insufficient evidence. This verdict was upheld by the Supreme Court in Italy in 2019.

### **Repair of the ties:**

Work to repair the ties **started 2018 onwards**.

When then External Affairs minister Sushma Swaraj led an official delegation for the canonisation ceremony of Mother Teresa at the Vatican from September 2-5, 2016, she met her Italian counterpart and the two sides decided to **celebrate the 70th year of diplomatic ties**.

In 2018, this celebration was observed through a series of cultural events.

External Affairs minister S Jaishankar visited Rome in December 2019 and met then Prime Minister Giuseppe Conte.

PM Modi and PM Conte co-chaired a **Virtual Summit** between India and Italy on November 6, 2020.

At this, the **2020-2025 Action Plan was adopted**, setting the ambitious agenda for an **enhanced partnership** between the countries.

Modi paid **his first official visit to Italy** in October 2021 to attend the G20 leaders' summit. On the sidelines of the Summit, he held a bilateral meeting with then PM Mario Draghi.

On March 2-3, 2023, PM Meloni paid a state visit to India following her election win in September 2022. This was the first high-level visit from Italy to India after a gap of 5 years.

During the visit, Meloni and Modi held discussions on promoting green economy, energy security and transition, defence co-production and co-innovation, and the blue economy.

The **major outcome of the visit** was the **elevation of the bilateral relationship** to the level of Strategic Partnership.

A **startup bridge between Indian and Italian startup companies** was also established.

She was also the Chief Guest and Keynote Speaker at the **Raisina Dialogue 2023**.

When Meloni visited again in September this year for the G20 leaders' summit, the two sides were on the same page for the India-Middle East-Europe economic corridor.

And, Italy's **move to pull out of China's Belt and Road Initiative** has added a strategic dimension to the ties.

In 2019, during Chinese President Xi Jinping's visit to Rome, **Italy became the first G7 country to join the BRI**, in the hopes of China serving as a market for Italian products and Chinese investment boosting Italian infrastructure.

The improvement in ties is music to the ears of both New Delhi and Rome. And while the melody is most apparent under Meloni's term, the long and arduous process was set in motion under Conte and Draghi.

### **Way ahead:**

Italy and India can also **converge on multilateral issues** because they **share the need to frame and support a new global agenda**.

Italy and India can play a **mutually reinforcing role in addressing the urgent contemporary issues** that primarily affect the Global South but also have a major impact on the security, stability and environmental sustainability of the entire world.

During its **G20 Presidency**, India demonstrated its proactive role on several issues such as debt relief for developing countries, reform of international financial institutions, sustainable development and climate change — this includes the Global Biofuels Alliance, which Italy has joined.

As **Italy prepares to take over the Presidency of G7 in 2024**, it recognises the worth of addressing the concerns of a large part of the world, following India's example.