



India and Canada Relations

70th BPSC MAINS | GS PAPER- 1, Sec.: II

By: Tarun Ranjan (C.O. Govt. of Bihar) & Santosh Kashyap

© Bihar Naman Publishing House, Patna. <https://biharnaman.in/>

Introduction

India and Canada have long-standing bilateral relations based on shared democratic, pluralistic, and interpersonal values. India Canada relations are strengthened by an expanding network of bilateral agreements, official dialogues and memoranda of understanding.

Background of India Canada Relations

India and Canada have a long-standing bilateral relationship based on shared democratic values, two societies that are multi-ethnic, multicultural, and multireligious, and with strong people-to-people contacts. In recent years, both countries have worked to strengthen bilateral cooperation in a number of mutually beneficial areas. During the freedom struggle, many Indian migrants settled in Canada. "*Swadesh Sevak Home*" in Vancouver was instrumental in mobilising the Indians against British rule. In 1947, India and Canada established diplomatic relations after the independence. Both India and Canada share similarity in federal structure, as many of the constitution features such as federation with a strong Centre and vesting of residuary powers in the Centre were inspired by the Canadian constitution.

Main Body Part

In the early years of their relationship, India and Canada focused on cooperation in areas such as development assistance and education. *During the Cold War period, India was the largest recipient of Canadian foreign aid.* However, India-Canada relations were at a crossroads when India conducted nuclear tests. It became low again when Sikh terrorists blew up *Air India Flight 182* in 1985. In the 1990s, with the economic liberalization of India, the relationship began to expand into new areas, such as trade and investment. Strategic partnership: A significant moment in this relationship occurred in April 2015, when the Indian Prime Minister *Sri Narendra Modi* visited Canada, elevating bilateral ties to a strategic partnership. In recent years both countries have been cooperating with each other in various dimensions.

Pillars of India Canada Relations

India and Canada have a comprehensive strategic partnership that encompasses a wide range of areas from political to cultural.

Political Relations

- On the Ministerial level, India and Canada have a strategic partnership that is supported by Ministerial Dialogues on foreign policy, trade and investment, finance, and energy.
- Several agreements have been signed between India and Canada, including the Air Services Agreement, Extradition Treaty, Nuclear Cooperation Agreement, and Social Security Agreement etc.

Commercial Relations

- **Bilateral trade:** India was Canada's tenth-largest trading partner in 2022, making it a priority market for the country. The trade balance favours India, bilateral trade between India and Canada is approximately \$12 billion in 2023, but this does not reflect the true potential as only 1.95% of Canada's global trade is with India. India exports pharmaceuticals, gems and jewellery, textiles, and machinery to Canada, while Canada exports pulses, timber, pulp and paper, and mining products to India.
- **FDI:** According to Invest India, Canada is the 18th largest foreign investor in India, having invested approximately \$3,306 million between April 2000 and March 2023.
- **Agreement:** Both parties are in technical negotiations for a Comprehensive Economic Partnership Agreement (CEPA), which will cover trade in goods, services, investment, trade facilitation, and other areas.

Cultural Relations

- **Diaspora:** India and Canada have a number of educational and cultural exchange programs. There are over 1.3 million Canadians of Indian origin. This is a significant aspect for soft power diplomacy of India. Canada has a sizable Indian diaspora, with Persons of Indian Origin (PIOs) and Non-Resident Indians (NRIs) accounting for more than 4% of the nation's population. Recognizing this, the Canadian government in 2019, designated April as Sikh Heritage Month. From 2013 to 2022, the number of Indians granted permanent residency increased by 260%, indicating a stronger bond between the two countries. A sizable number of Indian immigrants have come to Canada as professionals, semi-professionals, skilled labourers, and entrepreneurs. Indian entrepreneurs have shown a growing interest in Canada's Startup Visa (SUV) programme over the years.

Canadian parliament has more than 15 Indian-origin MPs, heading ministry portfolios in current cabinet. New Democratic Party, which is one of the largest party in Canada is headed by an Indian-origin person.

- **Education:** India has also been the top source country for international students in Canada since 2018. The Shastri Indo-Canadian Institute (SICI) was founded in 1968 to promote academic relations in the field of education. The Department of Earth Science and Polar Canada has launched a knowledge exchange and scientific research programme on Cold Climate (Arctic) Studies.
- **Tourism:** Canada is India's fourth largest source of tourists. During 2021, Canada accounted for 5.3% (80,437) of all Foreign Tourist Arrivals (FTAs) in India.

Technological Cooperation

- Research and development: The primary goal of Indo-Canadian science and technology cooperation has been to promote industrial R&D that has the potential for application through the development of new intellectual property, processes, prototypes, or products.
- IC-IMPACTS is a Canada-India Research Centre of Excellence dedicated to the development of research collaborations between Canada and India.
- Space: ISRO and CSA (Canadian Space Agency) have signed Memorandums of Understanding (MOUs) for cooperation in the field of space exploration and utilisation, as well as two Implementation Arrangements addressing satellite tracking and space astronomy. ISRO's commercial arm, ANTRIX, has launched nine nanosatellites in collaboration with the University of Toronto's Institute of Aerospace Studies (UTIAS).
- Nuclear energy: The Nuclear Cooperation Agreement (NCA) was signed with Canada in June 2010, which resulted in the formation of a Joint Committee on Civil Nuclear Cooperation. In 2015, India's Atomic Energy Regulatory Board (AERB) signed an agreement with the Canadian Nuclear Safety Commission (CNSC) to exchange experiences in nuclear safety and regulatory issues.

Challenges to India-Canada Relations

While there have been efforts to strengthen India-Canada Relations, several challenges have also emerged. Some of the key challenges to India-Canada relations include:

- ❖ **Trade barriers:** Trade has been a contentious issue between India and Canada. Both countries have faced trade barriers and restrictions, such as tariffs and non-tariff barriers, which have hindered the growth of bilateral trade. Recently, trade negotiations on the Free Trade Agreement between India and Canada have been paused again. Canada has expressed concerns about India's restrictions on agricultural imports, particularly in areas like pulse crops (e.g., lentils and chickpeas).
- ❖ **Human rights issues:** Canada has been vocal about human rights concerns in India, particularly related to the treatment of religious minorities, such as Sikhs and Muslims. On the other hand, India has expressed concerns over attacks on Hindu minorities and religious places. These issues have led to diplomatic tensions and differences in their respective approaches to human rights.
- ❖ **Visa and immigration issues:** Changes in visa and immigration policies in Canada, have led to concerns in India. Recently, India has suspended visas for Canadians, further escalating the tensions.
- ❖ **Geopolitical issues:** On issues such as Afghanistan, Iran, China, Pakistan, and terrorism, India and Canada have opposing viewpoints and interests. Disagreements over issues such as the political situation in Kashmir and the Khalistan movement in Canada have strained diplomatic relations. During the G20 meeting in New Delhi, India and Canada did not engage in bilateral discussions.

- ❖ **Perceived lack of focus on India:** The current Canadian government appeared to prioritise other regions, such as Asia and the Pacific, over its relationship with India. This may have been a concern for India, especially considering the emerging geopolitical importance of the Indo-Pacific region.
- ❖ **Khalistan Issue:** The Khalistani separatist movement has been a source of tension between India and Canada for many years. The movement advocates for the creation of an independent Sikh state, known as Khalistan, separate from India. The Growing influence of Khalistani advocacy in Canada: In recent years, the Khalistani issue has become more prominent in Canada due to the presence of a vocal Sikh diaspora in Canada, advocating for the Khalistan cause. This is due in part to the rise of social media and the spread of Khalistani propaganda online. India has expressed concerns about the influence of Canada-based Khalistan sympathisers and has criticised Canada for not taking stronger action against them.
- ❖ **September 2023 escalation:** The tensions between India and Canada flared up again over the Khalistani issue. Canadian Prime Minister accused India of being involved in a Sikh separatist's assassination, a claim that India vehemently denied.
- ❖ **G20 Summit:** India and Canada met only on the sidelines of G20 Summit 2023 held in India. During the G20 summit, India held bilateral meetings with many world leaders but not with Canada.
- ❖ **Pause in Trade negotiations:** India-Canada Free Trade Agreement talks have been again postponed due to the concerns about pro-Khalistan activities.
- ❖ **Ambassador removal:** Both India and Canada expelled the senior diplomats. Moreover in recent, India has ordered Canada to reduce its diplomats in the country.
- ❖ **Visa issue:** As a result of absurd accusations and ongoing diplomatic tensions, India has suspended the processing of visas for Canadians wishing to visit India, both within India and in third-party countries.
- ❖ **Role of Five Eyes and US:** The 'Five Eyes' is a intelligence-sharing network of Australia, Canada, New Zealand, the United Kingdom and the United States. In a recent interview, the US Ambassador to Canada stated that "shared intelligence among Five Eyes partners" helped to lead Canada to the assertions made by the Canadian Prime Minister.
- ❖ **India's perspective:** The ongoing issue has further deteriorated the diplomatic relations between India and Canada. India has stated that such unsubstantiated allegations seek to divert attention away from Khalistani terrorists and extremists who have sought refuge in Canada and continue to pose a threat to India's sovereignty and territorial integrity.

Measures Needed to Strengthen India-Canada Relations

Despite the challenges, India and Canada remain important partners. Strengthening India-Canada relations in the current dynamic global landscape requires a multifaceted approach.

- ❖ **Diplomatic engagement:** Both India and Canada need to build trust and confidence at the political level in order to overcome the challenges that have strained their relations in recent years. This can be done through regular high-level dialogue and engagement through Track II diplomacy, as well as through increased cooperation on issues of common interest.
- ❖ **Addressing the Khalistan issue:** To effectively address the Khalistan issue, India must adapt its diplomatic approach. Both India and Canada should engage in open and inclusive dialogue to address the issue of the Khalistani separatism.
- ❖ **Deepen economic cooperation:** Both countries should work to reduce trade barriers, tariffs, and non-tariff barriers. India and Canada need to resume trade talks to negotiate a Comprehensive Economic Partnership Agreement (CEPA) between the two countries, as well as increase trade and investment flows. Investment: Infrastructure and transport are also potential areas for collaboration and investment. The ambitious 'smart cities' initiative in India provides opportunities for Canadian businesses.
- ❖ **Strategic cooperation:** There is a need to strengthen cooperation in key strategic areas such as the cooperation for a framework against terrorism, countering China in the Indo-Pacific region, and emphasising freedom of navigation and rule-based order.
- ❖ **Environmental collaboration:** India and Canada can collaborate on renewable energy projects and technology transfer, given both countries' commitments to sustainability and combating climate change.
- ❖ **Promote people-to-people ties:** Both India and Canada should involve cultural exchanges, educational programs, and other initiatives that would help to strengthen the mutual understanding and respect between the two peoples.

As the world's most populous country, with the fifth-largest economy and second-largest military, India is still an invaluable partner to the West. Strengthening India-Canada relations will require commitment and concerted efforts from both governments. By addressing shared challenges and pursuing mutually beneficial opportunities, both countries can enhance their partnership and contribute to regional and global stability and prosperity.

Joint statement of the 6th India-Canada Ministerial Dialogue on Trade & Investment

1. India and Canada held the sixth Ministerial Dialogue on Trade & Investment (MDTI) in Ottawa on May 8, 2023, co-chaired by Shri Piyush Goyal, Union Minister of Commerce and Industry, Consumer Affairs and Food, and Public Distribution and Textiles, Government of India and the Hon'ble Mary Ng, Minister of International Trade, Export Promotion, Small Business and Economic Development, Government of Canada. The Ministers emphasised the solid foundation of the trade and economic relationship between India and Canada and recognized the significant opportunity to deepen bilateral ties and economic partnership.
2. The Ministers touched on the important discussions taking place at the various meetings of the G-20 being held in India this year under the Indian Presidency. In this context, Minister Ng noted India's role as a global economy of the future and congratulated the Government

of India and the Indian business organizations on the successes enjoyed so far at the G-20 events in India. She expressed her support for India as G20 Chair, and the priorities pursued by India in the G20 Trade and Investment Working Group.

3. In recognition of the critical importance of the Indo-Pacific region for Canada's prosperity, security, and its capacity to address environmental challenges, Minister Ng noted the rolling out of Canada's Indo-Pacific Strategy and noted India's importance in the region.

4. The Ministers noted the resilience of bilateral trade in 2022 following the challenges of the **COVID-19** pandemic and the disruptions caused by the war in Ukraine. Canada-India bilateral trade in goods reached nearly C\$12 billion in 2022, a substantial 57% increase over the previous year. The Ministers also underlined the contribution of the services sector in furthering the bilateral relationship and noted the significant potential for increasing bilateral services trade which stood at C\$8.9 billion in 2022. Ministers recognized the significant growth of two-way investments and their contribution to deepening economic and trade ties, appreciative of the improvements made by both countries to facilitate business growth and attract investment.

5. The Ministers noted that the trade-related strengths of India and Canada are complementary and real potential exists for trade in both goods and services to expand significantly in both traditional and emerging sectors. With that goal in mind, the Ministers called for boosting the commercial ties between the two countries through enhanced cooperation and by forging partnerships to take advantage of the complementarities in such sectors as agricultural goods, chemicals, green technologies, infrastructure, automotive, clean energy, electronics, and minerals and metals. The Ministers further asked their officials to discuss trade remedy issues of bilateral importance on a regular basis.

6. The Ministers emphasized the key institutional role that the MDTI can play to promote bilateral trade and investment ties and to strengthen economic cooperation between the two countries. Recognising the need for a comprehensive trade agreement to create vast new opportunities for boosting trade and investment flows between India and Canada, in 2022 the Ministers formally re-launched the India-Canada Comprehensive Economic Partnership Agreement (CEPA) negotiations. In pursuit of that goal, negotiations towards an Early Progress Trade Agreement (EPTA), as a transitional step towards the CEPA, have been underway and several rounds of discussions have already taken place. The EPTA would cover, among others, high level commitments in goods, services, investment, rules of origin, sanitary and phytosanitary measures, technical barriers to trade, and dispute settlement, and may also cover other areas where mutual agreement is reached.

7. The two sides also agreed to explore enhanced cooperation through measures such as coordinated investment promotion, information exchange and mutual support between the two parties in near future. This cooperation between India and Canada will be finalized by way of a Memorandum of Understanding (MoU) preferably in fall 2023.

8. The Ministers noted that global supply chains remain under the threat of disruption from the fallout of the COVID-19 pandemic, as well as the effects of the ongoing war in Ukraine. In this context, they discussed the continued importance of working together to promote the

international rules-based order and supply chain resiliency in critical sectors. They emphasised enhancing cooperation in sectors such as clean technologies for infrastructure development, critical minerals, electric vehicles and batteries, renewable **energy/hydrogen, and AI**.

9. Recognising the importance of critical minerals for the future economy and green economy, the Ministers agreed on the importance of government to government coordination to promote critical mineral supply chain resiliency. Ministers also agreed to explore options for business to business engagement on critical minerals between the two countries, and have committed to an annual dialogue between the appropriate points of contact at the officials level on the margins of the Prospectors and Developers Association Conference in Toronto to discuss issues of mutual interest.

10. Both sides discussed the potential for strengthening the cooperation in the field of science, technology and innovation in priority areas by building on the ongoing work in the **Joint Science and Technology Cooperation Committee (JSTCC)** and seeking enhanced collaboration in the areas of start-ups and innovation partnerships. The Ministers agreed that there is significant potential to strengthen such cooperation and to enhance collaboration between their research and business communities in support of a sustainable economic recovery and the prosperity and wellbeing of their citizens.

11. The Ministers recognised the value of further deepening the India-Canada commercial relationship through initiatives such as organized fora for SMEs and women entrepreneurs.

12. Minister Mary Ng appreciated the visit of the Indian business delegation at the sidelines of the 6th MDTI which has enhanced B2B engagement. To continue the momentum of B2B engagement, both Ministers look forward to the relaunch the Canada-India CEO Forum with renewed focus and a new set of priorities. The CEO Forum could be announced at a mutually-agreed early date. Further, Minister Mary Ng announced that she looks forward to leading a Team Canada trade mission to India in October 2023 which was welcomed by Minister Goyal.

13. The Ministers noted the significant movement of professionals and skilled workers, students, and business travelers between the two countries, and its immense contribution to enhancing the bilateral economic partnership and, in this context, noted the desire for enhanced discussions in the area of migration and mobility. Both sides agreed to continue to discuss ways to deepen and strengthen the bilateral innovation ecosystem through an appropriate mechanism to be determined. In addition, in accordance with Canada's Indo-Pacific Strategy, further investments will be made to support industrial research and development partnerships.

14. In line with the announcement made in the **National Education Policy 2020** of India for facilitating foreign universities and educational institutions, India also invited top Canadian Universities to set up their campuses in India.

15. The Ministers noted that India and Canada have agreed to an expanded air services agreement in 2022 which enhances people to people ties through enhanced commercial flights by carriers of both the countries.

16. The Ministers reaffirmed their commitment to the rules-based, transparent, non-discriminatory, open, and inclusive multilateral trading system embodied by the World Trade Organization and concurred to work together to further strengthen it.

17. The Ministers agreed to remain engaged to provide sustained momentum including having an annual work plan which is reported on a regular basis to build linkages and strengthen cooperation across sectors to harness the full potential of the trade and investment relationship between India and Canada.

Recent Developments (Till 31st December 2023)

- ✓ Canadian Prime Minister Justin Trudeau made a statement in the House of Commons of Canada (also by Canadian Foreign Minister Mélanie Joly later) on September 18, 2023 which were rejected by India on September 19, 2023. On September 20, 2023 an advisory for Indian nationals and Indian students in Canada was issued. On September 21, 2023 visa services for Canadian nationals were suspended. On October 26, 2023 visa services in four categories were resumed. On November 22, 2023 e-visas for Canadian nationals in certain categories were resumed.
- ✓ During Hon'ble Prime Minister of India Shri Narendra Modi's visit to Canada from April 14-16, 2015, he visited Ottawa, Toronto and Vancouver; held extensive discussions with Canada's political, business and academic leaders and also addressed a gathering of around 10,000 diaspora & friends of India. Several Agreements/MoUs were also signed.
- ✓ Canadian Prime Minister Right Honourable Justin Trudeau, accompanied by 6 Federal Ministers and 13 Parliamentarians, paid a State Visit to India from February 18-24, 2018, at the invitation of Hon'ble Prime Minister of India. During the visit, India and Canada signed six Agreements/MoUs to increase our cooperation in areas such as education, sport, intellectual property, information and communication technology, science and innovation and civil nuclear cooperation.
- ✓ During COVID-19 pandemic, both Prime Ministers spoke three times telephonically and discussed, inter alia, collaborations in research & technology for vaccines, medicines supply from India, evacuation of stranded Indians and Canada's requirement of COVID vaccine from India.
- ✓ The two Prime Ministers met on the sidelines of G-7 Summit at Elmau (Germany) on June 27, 2022 and discussed ways to further strengthen the India-Canada relations across various sectors.
- ✓ The Canadian Foreign Minister (FM) Mélanie Joly visited India and held India-Canada Strategic Dialogue with Hon'ble EAM on February 06, 2023. She visited India again to attend G-20 Foreign Ministers' Meeting (March 01-02, 2023) and Raisina Dialogue (March 03, 2023). EAM met FM Joly in Jakarta on July 14, 2023 on the margins of 30th ASEAN Regional Forum Meeting.
- ✓ Canadian DPM and Finance Minister, Chrystia Freeland visited Bengaluru from February 23- 25, 2023 to participate in the G-20 Finance Ministers and Central Bank

Governors Meeting. Hon'ble Finance Minister Nirmala Sitaraman met DPM again on April 14, 2023 in Washington DC on the sidelines of the Spring Meetings of the IMF and World Bank Group. Both the Finance Ministers met again on July 16, 2023 in Gandhinagar on the sidelines of another G20 Finance Ministers and Central Bank Governors Meeting.

- ✓ Hon'ble Defence Minister (India) Rajnath Singh had a telephonic conversation with the then Canadian Minister of National Defence Anita Anand on April 19, 2023.
- ✓ Hon'ble CIM Piyush Goyal (India) visited Canada from May 07-11, 2023 and co-chaired with Canadian Minister for International Trade Mary Ng the 6th Ministerial Dialogue on Trade and Investment (MDTI) held in Ottawa on May 08, 2023. He also visited Toronto and held business meetings.
- ✓ The Canadian Minister for International Development, Harjeet Sajjan visited India to participate in G-20 Development Minister's Meeting in Varanasi on June 11-13, 2023.
- ✓ Marie-Claude Bibeau, then Minister of Agriculture of Canada visited India to attend G-20 Agriculture Ministers Meeting in Hyderabad from June 15-17, 2023.
- ✓ Steven Guilbeault, Minister of Environment and Climate Change of Canada visited India to attend G-20 Environment and Climate Sustainability Ministers Meeting in Chennai on July 28, 2023.
- ✓ Canadian Minister for International Trade Mary Ng attended the **G20** Trade and Investment Ministerial Meeting in Jaipur on 24-25 August 2023.
- ✓ Mr. Scott Moe, Premier of Saskatchewan Province of Canada visited India with a trade delegation from February 26-March 03, 2023.
- ✓ Mr. Ranj Pillai, Premier of the Yukon Province of Canada, along with a business delegation, paid an official visit to India from 13-16 September 2023. During his visit, he, inter alia, met the Hon'ble Chief Minister of Kerala.
- ✓ Hon'ble Speaker of Lok Sabha, Shri Om Birla, alongwith a Parliamentary delegation comprising six Hon'ble MPs, visited Canada to attend 65th Commonwealth Parliamentary Conference organised by Canada CPA Branch in Halifax from 20-26 August 2022. On the sidelines of 65th CPC, the Hon'ble Speaker of Lok Sabha met, inter alia, then Speaker of the House of Commons of Canada, Anthony Rota and then Speaker of Senate of Canada, George J. Furey.
- ✓ Both sides have dialogue mechanisms such as Ministerial level- Strategic, Trade and Energy dialogues; Foreign Office Consultations; Joint Committee Meeting on Environment and other sector specific joint working groups (JWG).
- ✓ An MoU between DRDO and Canadian Commercial Corporation (CCC) for development of military and defence related technology, infrastructure, training and services was signed in October 2016 which was renewed in 2021.
- ✓ There is engagement on counter terrorism issues particularly through the framework of the **Joint Working Group (JWG)** on Counter Terrorism set up in 1997. The security cooperation was further enhanced with the Framework for Cooperation

between India and Canada on Countering Terrorism and Violent Extremism signed in February, 2018.

- ✓ A **Nuclear Cooperation Agreement (NCA)** with Canada was signed in June 2010 and came into force in September 2013. The Appropriate Arrangement (AA) for the NCA was signed in March 2013, under which a Joint Committee on Civil Nuclear Cooperation was constituted. During Prime Ministers visit to Canada (April 2015), Department of Atomic Energy and M/s CAMECO Inc. signed an agreement for supply of uranium ore concentrate to India in 2015-2020. Under the Agreement signed between India and Canada for **"Cooperation in Peaceful uses of Nuclear Energy"** in 2010, a Joint Committee to oversee the implementation of the agreement was constituted.
- ✓ India's **Atomic Energy Regulatory Board (AERB)** signed an Arrangement with the **Canadian Nuclear Safety Commission (CNSC)** in September, 2015 to exchange experiences in nuclear safety and regulatory issues. An MOU between the Department of Atomic Energy, India and the Department of Natural Resources of Canada concerning cooperation in the fields of Science, Technology and Innovation was signed during the visit of Prime Minister Justin Trudeau in February 2018.
- ✓ An India and Canada Ministerial level Energy Dialogue was held in September, 2016. During the visit of Canadian Prime Minister to India in February 2018, the scope of the Energy Dialogue was expanded to additionally include electricity, energy efficiency and renewable.
- ✓ Secretary, Ministry of Petroleum & Natural Gas, Government of India participated at the World Petroleum Congress 2023 in Calgary, Canada, from September 17-20, 2023.
- ✓ **ISRO** and **Canadian Space Agency (CSA)** signed two MoUs in the field of exploration and utilization of outer space in October 1996 and March 2003, under which two implementing Arrangements regarding satellite tracking and space astronomy were signed. **ANTRIX**, the Commercial arm of ISRO, has launched several Nano satellites from Canada. ISRO in its 100th Satellite PSLV launched in January 2018, also flew Canadian first LEO satellite.
- ✓ The trade and investment linkages between India and Canada form an integral component of the multi-faceted partnership between the two countries. Bilateral trade in goods amounted to USD 10.50 billion in 2022 (India's exports: USD 6.40 billion and India's imports: USD 4.10 billion) which is well below the business potential of the two countries. The bilateral trade in services in 2022 was USD 8.74 billion. In 2023 (January – October), bilateral trade in goods amounted to USD 7.65 billion (India's exports: USD 4.70 billion and India's imports: USD 2.95 billion).
- ✓ Canadian Pension Funds have cumulatively invested over **US\$ 75 billion** in India and are increasingly viewing India as a favorable destination for investments.
- ✓ More than 600 Canadian companies have a presence in India and more than 1,000 companies are actively pursuing business in the Indian market. Indian companies in

Canada are active in the field such as Information Technology, software, steel, natural resources and banking sectors.

- ✓ Major items of India's exports to Canada include gems, jewellery and precious stones, pharmaceutical products, ready-made garments, mechanical appliances, organic chemicals, light engineering goods, iron & steel articles, etc. India's imports from Canada include pulses, newsprint, wood pulp, asbestos, potash, iron scrap, copper, minerals and industrial chemicals, etc.
- ✓ A Memorandum of Understanding on Cooperation in **Information and Communication Technology and Electronics (ICTE)** was signed in 2012. A Joint Declaration of Intent (JDI) for cooperation in the field of ICTE was signed during the visit of Prime Minister Trudeau in February 2018.
- ✓ Secretary, Department of Science & Technology, India led a delegation to Ottawa for the **7th India-Canada Joint Science and Technology Cooperation Committee (JSTCC)**, which he co- chaired with Deputy Minister of International Trade at Global Affairs Canada in May 2022. On the sidelines of the JSTCC, an MoU on Cooperation in industrial research, Development & Innovation, between DST and the **National Research Council of Canada (NRC)** was signed. Department of Science & Technology and Department of Biotechnology also signed an MoU with Natural Sciences and Engineering Research Council of Canada (NSERC) for cooperation in Science & Technology.
- ✓ Department of Earth Science and Polar Canada have started a programme for exchange of knowledge and scientific research on Cold Climate (Arctic) Studies. A Memorandum of Cooperation between **NCPOR** and **POLAR** Canada was signed in February 2020.
- ✓ Department of Biotechnology (DBT) under **IC-IMPACTS** program implements joint research projects in health care, agri-biotech and waste management. Under **"Mission Innovation"** program, India is collaborating with Canada in various activities in the areas of **Sustainable Biofuels (IC4)**.
- ✓ On the request from Canadian government in February 2021 for COVID-19 vaccines, India approved export of 2 million Covishield vaccines to Canada under commercial agreement between Serum Institute of India and Verity Pharmaceuticals of Canada. On March 3, 2021, first tranche of 500,000 doses of vaccines arrived from India to Canada. In order to provide COVID-19 support to India, Canadian Government donated C\$10 million to Canadian Red Cross to assist Indian Red Cross Society, in the form of oxygen plants, oxygen concentrators, ventilators etc. Supports from other provinces of Canada also reached India.
- ✓ Education is a key area of mutual interest. India is the largest source country of foreign students with estimated 230,000 Indian students studying in Canada.
- ✓ The MoU on **Higher Education (2010)** with Canada was renewed in February 2018. Under this MoU, a Joint Working Group oversees and implements the MoU.

- ✓ The **Shastri Indo-Canadian Institute (SICI)** is a bi-national organization fostering, education and cultural cooperation and collaboration between India and Canada including through consortium of 120 Universities and institutions of higher learning and research.
- ✓ Recognizing the dynamic role of people-to-people ties in the India-Canada partnership, both sides agreed to address consular issues of mutual concern through discussion during Prime Minister Trudeau's visit to India in 2018. The India-Canada Consular Dialogue has been instituted under this (last meeting in November 2022).
- ✓ With nearly 1.8 million diaspora and another 1 million Non Resident Indians, Canada hosts one of the largest Indian Diaspora abroad, which account for more than 3% of its total population. The diaspora, whose main concentration is in the Greater Toronto Area, the Greater Vancouver area, Montreal (Quebec), Calgary (Alberta), Ottawa (Ontario) and Winnipeg (Manitoba) have contributed significantly to the Canadian polity, economy society.
- ✓ There are numerous business and Diaspora organizations, supporting enhanced bilateral relations between the two countries.
- ✓ There is an **India - Canada** Co-production Agreement in films. Canada Post and India Post joined hands to issue a commemorative stamp in 2020 and 2021.
- ✓ In October 2020, Canada announced the voluntary repatriation of ancient Annapurna statue which was illegally acquired by a Canadian collector and had been kept at University of Regina. The statue has since been handed over to India and has been placed inside **Kashi Vishwanath** temple in Varanasi in November 2021.
- ✓ ICCR chairs have been established at the following Universities: - **McGill, Alberta, SFU, Calgary and Guelph.**

Conclusion

To rebuild strained Indo-Canadian relations, both nations must shift towards a more constructive engagement that acknowledges their respective concerns and grievances. Quiet and mature diplomacy should replace confrontational tactics. In the pursuit of a harmonious relationship, mutual respect and understanding are essential, and only through constructive engagement can these goals be achieved.

Practice Mains Question for 70th BPSC MAINS

[Q. 1] Discuss the challenges faced by migrants and the diaspora in terms of uncertainty about their own status in Canada and India. Suggest ways to protect & empower the immigrants.

[Q. 2] India and Canada bilateral relations face multiple challenges. Comment in the light of recent developments.

[Q. 3] Analyze the multifaceted nature of India-Canada relations, highlighting key areas of cooperation and challenges. How can both countries work towards resolving

these challenges and strengthening their strategic partnership in the Indo-Pacific region?

