

Dmytro V. Rachek

Master's degree in international relations, Interpreter and Assistant to HOC of the Embassy of India in Ukraine

**FOREIGN POLITICAL AND ECONOMICAL INTERESTS OF UKRAINE
IN INDIA: ESTABLISHMENT, PRESENT CONDITION AND PROSPECTS**

The article considers the chronology of relations between Ukraine and India from the early 90-ies till today. Main achievements of relations in political and economic directions are being analyzed; periods of downturn and activity in relations are being investigated.

Key words: India, Ukraine, Asia, interstate relations, foreign policy, trade and economic relations.

At the end of the XXth century India embarks on a long journey for obtaining status of 'world power' which is supported due to a number of factors such as: political stability, multilateral cooperation on international arena, steady economic growth, and integration processes etc. From geopolitical point of view India occupies advantageous location on the political map of the region and the world as whole. Considering the abovementioned factors, the research on relations between Ukraine and India makes the actuality of the present article.

Problems, development and prospects of relations between Ukraine and India are investigated mostly by Ukrainian scientists and researchers in magazine or newspaper articles or partially mentioned in monographs. The following are the main domestic researches in the field of the topic of this article: Lukash O.I., Bordilovska O.A., Semenets O.Y., Hodorovskyi H.I.¹

¹ Lukash O.I. Ukraine-India relations / O.I. Lukash // Ukraina dyplomatychna. – Ed. III. – K., 2003. – P.596-608.; Bordilovska O.A. Foreign policy of the Republic of India in the post-bipolar period (1991-2008): monograph / O.A. Bordilovska. – Kyiv. T. Shevchenko nat. u-ty. – K. : Kyiv. u-ty, 2008. – 248 p.; Semenets' O.Y. Modern India:

In the foreign literature, in particular Indian, the information is available on official measures and actions of the Government of India in the collection of documents and within the cooperation framework of India with CIS countries and with the Russian Federation in monographs or events of the Government of India and statistical data of cooperation in scientific and industrial, military and technical spheres.²

The object of this article is investigation and analysis of achievements and prospects of political and economic relations between Ukraine and India.

For the purpose of covering set above object the author puts the following tasks: to investigate establishment of interstate relations from the moment of getting independence by Ukraine till now; to analyze achievements and prospects of relations between Ukraine and India.

At the reception which was held in New Delhi on the 3rd of October 2002 in the honour of the President of Ukraine Mr. L. Kuchma, the President of India Dr. A. Kalam said the following: "...Excellency, our formal diplomatic ties, maybe, last only a few years, but our factual proximity takes its beginning in 1500 BC, when Indo-Aryans, settled in the parts of Ukraine embarked on their long odyssey to India...".³ With those words a new phase of relations between Ukraine and India in

science, technologies, strategic sectors : monograph / O.Y. Semenets'. – K. : KNEU, 2006. – 205 p.; Khodorovskiy H.I. Establishment of Ukraine-India cooperation / H.I. Khodorovskiy // Ukraine – India: 15 years of friendship. – K., 2006. – P. 9-19.

² Bhasin A.S. India's foreign relations – 2002. Documents / [Edited by A.S. Bhasin]. – New Delhi: Geetika Publishers, 2007. – 1669 p.; Gupta A., Chaturvedi M. Select documents on security and diplomacy / A. Gupta, M. Chaturvedi. – New Delhi: National Security Council Secretariat, 2003. – 391 p.; Indian investments abroad [Electronic resource] / IBEF. –<http://www.ibef.org/india/economy/indianinvestmentsabroad.aspx>; India-Ukraine relations [Electronic resource] / Site of the Embassy of India in Ukraine. –<http://www.indianembassy.org.ua/english/relations.htm>
Karlekar H. Independent India: The First Fifty Years / [Edited by H. Karlekar]. – Delhi: Indian Council for Cultural Relations, 1998. – 622 p.

³ Bhasin A.S. India's foreign relations – 2002. Documents / [Edited by A.S. Bhasin]. – New Delhi: Geetika Publishers, 2007. – 1669 p.

the XXI century began, in the year of the tenth anniversary of establishing formal diplomatic ties.

Turning over the pages of history it would be worth mentioning the participation of Ukraine in the cooperation between India and the erstwhile USSR. It is well known that USSR supplied to India huge economic, scientific and technical assistance during post-war decades. Ukraine was actively involved in this assistance. In 1962 a General Consulate of India was opened in Odessa which had functioned until March 1999.⁴ In accordance with estimates, during 1960-80ies the contribution of Ukraine into economic, scientific and technical assistance was 40 to 50 % from the total.⁵

Thus, before getting its independence Ukraine had already developed a certain mechanism of relations with India, which subsequently facilitated in building up new political relations between countries after 1991.

Despite the fact that India's perception of newly emerged actors on international arena was quite ambiguous⁶, already in December 1991 the President of Ukraine L. Kravchuk was receiving Ambassador of the Republic of India in the USSR A. Honsales with congratulations from the Prime-Minister of India on the occasion of being elected President and successful outcome of the all-Ukrainian referendum.⁷ Considering the geopolitical situation as on 26th of December 1991, India was one among the first to recognize independence of Ukraine.

Next step was the establishment of official diplomatic contacts which was done on the 17th of January 1992 by signing the Protocol on establishment of diplomatic relations.

⁴ Indo-Ukrainian relations [Electronic resource] / Site of the Embassy of India in Ukraine. – Access regime: <http://www.indianembassy.org.ua/ukrainian/relations.htm>

⁵ Lukash O.I. Ukraine-India relations / O.I. Lukash // Ukraina dyplomatychna. – Ed. III. – K., 2003. – P.596-608.

⁶ Karlekar H. Independent India: The First Fifty Years / [Edited by H. Karlekar]. – Delhi: Indian Council for Cultural Relations, 1998. – 622 p.

⁷ Ukraine on international arena. Collection of documents and materials (1991-1995). In 2 Vol. / [Ed. Budakov V.V. and others; Resp. ed. Udovenko H.Y.]. – MFA of Ukraine. Vol. 1. – K. : Urincom Inter, 1998. – 736 p.

Already in March of 1992 the President of Ukraine L. Kravchuk paid his first state visit abroad, and that one to India. That was a five-day visit, during which Ukrainian delegation signed three agreements: on friendship and cooperation; trade and economic relations; cooperation in the field of science and technology, which laid the foundation for further cooperation.

On 13th of February 1993 the first Ambassador of Ukraine in India Mr. H.I. Hodorovskyi presented credentials to the President of India.⁸

Considering that Russia at the beginning of 90-ies mostly dealt with internal problems and cooperated mainly with the West, India started alternative search for new long-term partners, among which Ukraine was considered as one of the most attractive.⁹

In July 1993 the President of India Sh. Sharma visited Ukraine. During the visit the parties discussed pressing international issues and the development of bilateral economic relations.¹⁰

On 2nd of July 1993, the Verkhovna Rada of Ukraine (Parliament of Ukraine) passed a resolution “On main directions of the foreign policy of Ukraine” in which it was clearly mentioned that geostrategic and geoeconomic interests of Ukraine demand close and wide relations with India and other countries of the region, because it would help to diversify Ukraine’s international ties and facilitate its economic independence.¹¹

An important step towards consolidation of practical results was the creation in April 1994 during the visit of the Minister of foreign affairs of Ukraine A. Zlenko to India of Indo-Ukrainian intergovernmental commission on cooperation in the spheres of trade, economy, science, technology and culture. The first meeting of the commission was held in Kyiv at the end of that year.

⁸ Khodorovskyi H.I. Establishment of Ukraine-India cooperation / H.I. Khodorovskyi // Ukraine – India: 15 years of friendship. – K., 2006. – P. 9-19.

⁹ Ibid.

¹⁰ Ukraine on international arena. Collection of documents and materials (1991-1995). In 2 Vol. / [Ed. Budakov V.V. and others; Resp. ed. Udovenko H.Y.]. – MFA of Ukraine. Vol. 1. – K. : Urincom Inter, 1998. – 736 p.

¹¹ Ibid.

In general, during the first half of 90-ies approximately 10 agreements and protocols between Ukraine and India were signed. For comparison, during the same period Ukraine signed with China approximately 30 agreements.¹²

Bilateral relations between two countries underwent essential decline and experienced a long pause when in 1996 Ukraine signed a contract for supply of 320 T-80UD tanks to Pakistan,¹³ and when in May 1998 India held three nuclear tests in the Pokhran desert.¹⁴

Altogether the period from the second half till the end of 90-ies is defined by low activity of countries towards development of relations. It was predetermined by the fact that India had activated its foreign policy towards cooperation with the Russian Federation and Ukraine paid attention mainly to its internal economic and political problems and relations with the West. For the most part meetings and discussions of issues in relations between our countries during the period from 1995 to 2001 were held on the territory of the third countries, in particular during the meetings of the General Assembly of the UN. During this period the most important event, on author's opinion, was participation of the Minister of foreign affairs of Ukraine H. Udovenko as an observer in the XII Conference of the Ministers of foreign affairs of member-countries of the Non-aligned movement¹⁵. During the conference H. Udovenko called on the Minister of foreign affairs of India I.K. Gujral where they discussed pressing issues of bilateral relations. Separate topic of discussion was a candidature of the Minister Udovenko to Head the 52nd session of the General

¹² List of valid bilateral agreements [Electronic resource] / Site of the Embassy of Ukraine in the PRC. – Access regime: <http://www.mfa.gov.ua/china/ua/33727.htm>

¹³ Ukraine has signed a contract for manufacture of tanks for Iraq [Electronic resource]. – ZIK. – 2009. – 10 Dec. – Access regime: <http://zik.ua/ua/news/2009/12/10/208026>

¹⁴ Pidlutskyi O. India declared itself a nuclear state [Electronic resource] / O. Pidlutskyi. – Day. – 1998. – 13 May. – Access regime: <http://www.day.kiev.ua/141527/>

¹⁵ Рух неприєднання – міжнародне об'єднання країн світу, створене під час Першої конференції голів держав та урядів у Белграді у 1961р. Основним принципом держав-учасниць Руху є неприєднання до блоків на чолі з великими державами. Станом на 2011 рік у Русі налічується 120 країн-учасниць та 20 країн-спостерігачів.

Assembly of the UN.¹⁶ This session of the GA of the UN became a matter of pride for Ukrainians for it entered in the history as a ‘session of reforms’ and approved comprehensive program of UN reforming.

Already in 2001, when the State minister for external affairs of India paid a visit to Ukraine, the relations gained new impulse. The Minister called on the President, Prime-Minister, MFA of Ukraine. The parties discussed a wide range of bilateral issues including political, economic, trade, science and technology, culture. During the visit an agreement on bilateral facilitation and protection of investments was signed. Also Indian side had officially informed of its support to Ukraine’s aspiration to join the WTO.¹⁷

Real intensification of relations, however, was made during the official visit in October 2002 of the President of Ukraine L. Kuchma to India. The parties declared a year 2002 – year of revival of Ukraine-India partnership, new period of intensification of relations. Ukraine and India underlined necessity in close cooperation in combating terrorism, drugs trafficking, illicit arms trade¹⁸ and agreed that further expansion of legal base is an effective way to deepen the relations. During the visit a number of intergovernmental agreements were signed: agreement on maritime shipping; agreements on mutual assistance in investigation of criminal cases and extradition; protocol concerning access to the markets of goods and services and also a memorandum of understanding between Ukrainian union of entrepreneurs and industrialists and Confederation of Indian Industries.¹⁹ Indian Government gave real help to Ukraine in its aspiration to join the WTO by signing bilateral protocol on mutual access to goods and services markets. In its turn Ukraine

¹⁶ Matiovka M., Matiovka L. Ukraine in cooperation with Non-aligned movement / M. Matiovka, L. Matiovka. – Uzhhorod: Uzhhorod state u-ty, 1999. – 31 p.

¹⁷ India-Ukraine relations [Electronic resource] / Site of the Embassy of India in Ukraine. – <http://www.indianembassy.org.ua/english/relations.htm>

¹⁸ Gupta A., Chaturvedi M. Select documents on security and diplomacy / A. Gupta, M. Chaturvedi. – New Delhi: National Security Council Secretariat, 2003. – 391 p.

¹⁹ Lukash O.I. Ukraine-India relations / O.I. Lukash // Ukraina dyplomatychna. – Ed. III. – K., 2003. – P.596-608.

expressed its support to India in its aspiration to become a permanent member of the Security Council of the UN.²⁰

In July 2003 a third joint meeting of intergovernmental commission of Ukraine-India and second meeting of joint business council of the Chamber of Commerce and Industry of Ukraine and the Federation of Indian Chambers of Commerce and Industries were held. These meetings are an important practical element in the development of bilateral relations.

Results and agreements achieved during the visit of L. Kuchma to India required further consolidation, thus in August 2003 Minister of foreign affairs of Ukraine A. Zlenko paid a visit to India. During the visit Ukrainian side informed about suspense in supplying military equipment to the chief India's rival – Pakistan²¹ thus providing itself with an opportunity to intensify the dialog and interest India in diversification of its sources of arms procurement.²²

The first parliament visit of the highest level to India was a visit of the Head of Verkhovna Rada of Ukraine V. Lytvyn in December 2003. He called on the Head of the Upper Chamber and Speaker of the Lower Chamber of the Parliament of India. The priorities of cooperation with Ukraine were determined such as aircraft building, high-tech, space exploration, pharmaceutical and chemical industry, metallurgy and energy sector.²³

An important event in the history of Indo-Ukrainian relations was the official visit of the President of India Dr. A. Kalam in 2005 to Ukraine. Considering intensification of relations from 2002, permanent exchange of business delegations, visits of officials, high level of trust, joint vision of solving pressing global issues, the negotiations during the visit were held in the atmosphere of mutual understanding and friendship.

²⁰ Semenets' O.Y. Modern India: science, technologies, strategic sectors : monograph / O.Y. Semenets'. – K. : KNEU, 2006. – 205 p.

²¹ Mass-media on Ukraine [Electronic resource] / Ezhenedelnik 2000. – Access regime: <http://2000.net.ua/2000/forum/1932>

²² Foreign policy of Ukraine in the environment of globalization. Annotated historical chronics of international relations (1991-2003) / [Resp. ed. S.V. Vidnianskyi]. – K. : Henesa, 2004. – 616 p.

²³ Ibid.

A. Kalam gave speech at Verkhovna Rada of Ukraine named 'India which dynamically develops', where he had mentioned that our states can mutually benefit not only from the existing, traditional spheres of cooperation but also from the modern spheres such as pharmacy, information and telecommunication technologies, biotechnologies, materiology and also occupy leading positions in the other spheres. The cooperation in the abovementioned spheres will give a chance to increase trade volumes from 700 mln. USD in 2004 to 5 bln. USD in 2010.²⁴

The next stage of relations between Ukraine and India, 2005-2009, is notable mainly for the work of diplomatic missions and authorities, chambers of commerce and industries and liaison at the UN.

An example of cooperation at the UN is a Universal summit of the UN held in July 2005 in the New York, USA. At the centre of discussion of the summit was a draft resolution on expansion of the Security Council of the UN presented by the group of 'four' – Brazil, India, Japan and Germany. Approximately 30 states, including Ukraine, took part in the development of this project. The project of the group of 'four' in accordance with which the composition of the Security Council of the UN was expanded by 10 seats: six – permanent, among them two from Asian countries, two from Africa, one from Western Europe and Latin America and also four non-permanent members – one per each regional group (except West European instead of which a member from East Europe was proposed) was the most suitable to the vision of Ukraine.²⁵ Nonetheless, final document of the Universal summit had only confirmed an importance of reforming the SC of the UN and did not contain any practical provisions.

In 2009, I. Polikha, Ambassador of Ukraine in the Republic of India held a number of meetings and negotiations with representatives of the Ministry of foreign affairs of India where issues of intensification of Ukraine – India contacts was discussed, in

²⁴ Semenets' O.Y. Modern India: science, technologies, strategic sectors : monograph / O.Y. Semenets'. – K. : KNEU, 2006. – 205 p.

²⁵ Zlenko A.M. Foreign political strategy and diplomacy of Ukraine: study book for students of universities / A.M. Zlenko. – T. Shevchenko Kyiv national university. – K. : Kyiv university, 2008. – 380 p.

particular on the highest level, renewal of the political dialog, holding fourth meeting of the intergovernmental commission.

In June 2009 India and Ukraine signed the biggest in the history of relations contract for overhauling 105 aircrafts An-32 of the Indian Air Forces. The contract amount was estimated at the level of 400 mln. USD. Contract provides for participation of such Ukrainian enterprises as the Design Bureau ‘Antonov’, ‘Aviant’ and ‘Motor Sich’ plants.²⁶ In addition to the contract, the Motor Sich Company signed a contract with Air Forces of India for the sum of 110 mln. USD for overhauling 100 AI-20 engines of AN-32 aircraft.²⁷

In 2010 during the political consultations and other meetings the issue of the preparation of the visit of the President of Ukraine and the Minister of foreign affairs of Ukraine to India was frequently discussed. Also parties consider holding the fourth meeting of the intergovernmental commission at the end of 2011.

During the procedure of handing over copies of the credentials of Ambassador-designate Rajiv K. Chander to the Deputy Minister of foreign affairs of Ukraine V. Mayko on the 2nd of August 2011 the parties discussed a number of joint actions in the context of preparation of future visits of the President of Ukraine and the Minister of foreign affairs of Ukraine to India and also exchanged views on necessity of intensification of Ukraine-India dialog.²⁸

An important sphere which makes a core of Ukraine-India relations is undoubtedly economic sphere. For understanding the potential and the present condition of economic relations we would like to draw your attention to the table of trade volumes with India during 2004-2010.

Goods trade between India and Ukraine in 2004-2010 (thousand USD)²⁹

Year	Export	Import	Total per year
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²⁶ Medunytzia Y. Aircraft industry takes course on India / Y. Medunytzia // Uriadovyi Currier. – 2009. – 24 Jun. – P.1-2.

²⁷ «Motor Sich» modernizes the engines of Indian aircrafts [Electronic resource] / Ekonomichna pravda. – Access regime: <http://www.epravda.com.ua/news/2010/01/18/224174/>

²⁸ News and messages of the MFA of Ukraine. 2 August, 2011 [Electronic resource] / Mfa of Ukraine. – Access regime: <http://www.mfa.gov.ua/mfa/ua/news/detail/63919.htm>

²⁹ За даними Державного комітету статистики України.

2004	481,821.27	226,854.33	708,675.60
2005	736,941.33	321,406.92	1,058,348.25
2006	850,105.50	367,918.40	1,218,023.90
2007	744,139.80	464,627.80	1,208,767.60
2008	1,005,577.20	649,935.00	1,655,512.20
2009	1,152,457.00	476,788.70	1,629,245.70
2010	1,426,117.01	680,748.62	2,106,865.63
2011*	905,138.1	358,020.8	1,263,158.9

* for the 1st half of 2011

From 2001 to 2005 the trade turnover between Ukraine and India has quadrupled from 225 mln. USD to 1058,3 mln. USD, and from 2005 to 2010 has doubled from 1058,3 mln. USD to 2106,8 mln. USD. In 2005 the volumes of Indo-Ukrainian trade have exceeded, for the first time, one billion USD. If to compare trade turnover from 1999 to 2010 it has increased almost 9 times from 239,8 mln. USD to 2106,8 mln. USD respectively. Unfortunately declared during the visit to Ukraine of the President of India Dr. A. Kalam aim to reach 5 bln. USD until 2010 did not come true but nevertheless we observe annual increase tendency in the trade turnover between our states, and for the Ukraine it is always surplus in contrast to negative trade balance with such countries of Asia as PRC, Japan, South Korea. Considering that India is one of the largest foreign investors (43,9 bln. USD on 2010-11 fiscal³⁰), and present level of investments into Ukraine from India does not correspond to the potential of the state, Ukraine shall create a favorable investment climate for further attraction of Indian investments.

As of 2011, chief export from Ukraine to India comprises from sunflower oil, fertilizers and chemicals, machines and equipment. Import to Ukraine from India comprises chiefly from pharmaceuticals, tea, coffee, spices, silk and jute. India is the

³⁰ Indian investments abroad [Electronic resource] / IBEF. – <http://www.ibef.org/india/economy/indianinvestmentsabroad.aspx>

second largest trade partner of Ukraine in Asia and Ukraine is the second largest trade partner of India in the CIS.

With the beginning of the XXI century India intensified its foreign policy in all directions of the international relations. India conducts active work over the development of SAARC (South Asian Association of Regional Cooperation) as a result-oriented organization which promotes regional integration. Relations India-China moved to the new level of cooperation. Signing of nuclear agreement between India and the USA in October 2008 became a new step of relations between these states. Strategic relations with the EU – one of the largest trade partners of India successfully develop in beneficial for both directions. Introduction of different programs in the African states creates positive image of India on this continent. Strengthening of cooperation within ASEAN, which India considers as the priority direction of its foreign policy in the XXI century, significantly increases international political and economic status of the country.

Considering the abovementioned Ukraine shall intensify the political dialog with India and start effective building of relations according to new challenges and prospects which would help Ukraine on the international arena. Strategic relations Ukraine-India would imply comprehensive support and cooperation in such influential international organizations as the UN which both countries consider as the chief mechanism of resolving international issues. It would be rational to hold active negotiations towards becoming an observer in the forums and summits of SAARC, where India is indisputable leader, which would give an opportunity to Ukraine to represent its foreign political and economic interests in this region with the support of India.

For performance of foreign political and economic interests of our country in India a base is formed which consists of:

- Intergovernmental Indo-Ukrainian commission on trade, economic, scientific, technical, industrial and cultural;
- Work group within the commission in the sphere of metallurgy and energy;

- Political and consular consultation between MFAs of countries;
- Ukrainian-Indian committee on science and technology cooperation;

Recent visits of the President of Ukraine to the countries of East and South-East Asia³¹ have intensified and gave a new impulse to the existing relations with the countries of this region. Logical continuation of that shall be a number of visits on the highest level to India which shall include substantial expansion of existing legal base, establishment of new priorities in the relations. Visits on such levels are of a formal nature but serve as a kind of catalyst in bilateral relations between the countries, so called 'green light' for the businesses of both countries.

The article considers the chronology of relations between Ukraine and India from early 90-ies till today. Main achievements of relations in political and economic directions are being analyzed; periods of downturn and activity in relations are being investigated.

Key words: India, Ukraine, Asia, interstate relations, foreign policy, trade and economic relations.

В данной статье рассматривается хронология отношений между Украиной и Индией от начала 90-ых до сегодня. Анализируются основные достижения отношений в политическом и экономическом направлениях, исследуются периоды спада и активности отношений.

Ключевые слова: Индия, Украина, Азия, межгосударственные отношения, внешняя политика, торгово-экономические связи.

³¹ Вересень 2010 – КНР, січень 2011 – Японія, березень 2011 – В'єтнам, Сінгапур, Бруней.