

2. India-Israel Relation – International Relations

India-Israel ties are defined by trust and reliability – Jaishankar. India and Israel are deepening their strategic partnership, signing a new Defence Cooperation MoU for co-development and a Bilateral Investment Agreement (BIA), making Israel the first OECD nation to adopt India's new model. Both nations reaffirmed support for IMEC and I2U2, aiming to expand their \$10.77 billion trade, agriculture, and tech cooperation while India navigates the complex diplomatic challenge of balancing ties with Israel, Palestine, and Iran.

High-Level India-Israel Engagements

Foreign Minister's Visit – Israel's Foreign Minister, Gideon Sa'ar, is in India for a three-day visit, meeting with External Affairs Minister S. Jaishankar in New Delhi.

Defence Dialogue – The 17th India-Israel Joint Working Group (JWG) Meeting on Defence Cooperation was held in Tel Aviv, co-chaired by India's Defence Secretary and the Director General of the Israeli Ministry of Defence.

Foreign Ministers' Dialogue – New Delhi

Counter-Terror Cooperation – India and Israel agreed to intensify efforts to counter global terrorism and promote a "zero-tolerance" approach to all forms of terror.

Discussion on Gaza Peace Plan – Both sides expressed support for ongoing peace efforts in Gaza and emphasized the critical need for lasting regional stability.

Expansion of Economic and Technological Ties – Talks focused on expanding cooperation into new sectors, including –

1. Trade and Infrastructure
2. Renewable Energy
3. Semiconductors
4. Cybersecurity

Support for Connectivity Initiatives – Both nations reaffirmed their strong commitment to the India-Middle East-Europe Economic Corridor (IMEC) and the I2U2 partnership.

India-Middle East-Europe Economic Corridor (IMEC)

Formal Announcement – IMEC was formally announced in September 2023 on the sidelines of the G20 Summit in New Delhi.

Key Endorsers – The project is endorsed by major partners, including France, Germany, and Italy, highlighting India's leadership in building a rules-based connectivity network.

Design and Structure of IMEC

Framework – IMEC is a multi-modal connectivity framework that integrates maritime, rail, digital, and energy networks.

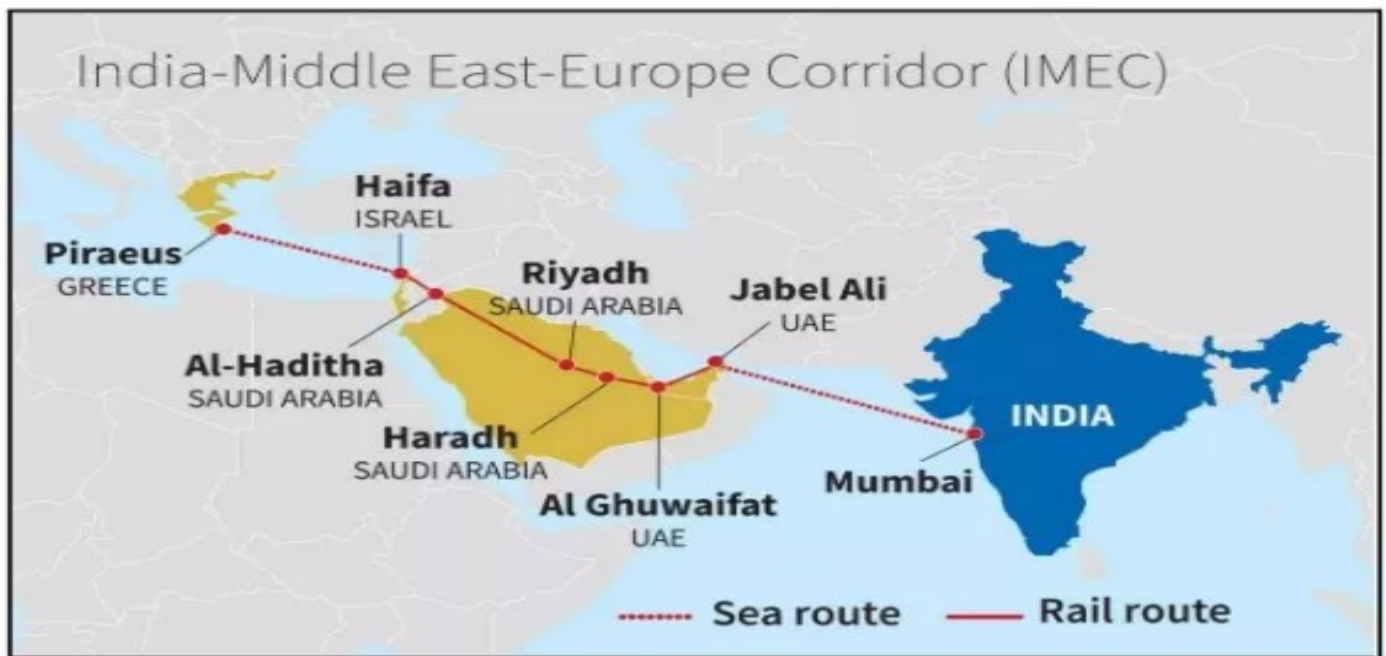
Eastern Corridor – This corridor links India's western ports (Mundra, Kandla, JNPT) with UAE ports (Fujairah, Jebel Ali, Abu Dhabi).

Northern Corridor – This corridor connects Gulf ports to Haifa Port (Israel) via Saudi Arabia and Jordan. From Haifa, it links onward to Piraeus (Greece) and other European destinations.

Key Components

1. High-speed freight railway network
2. Green hydrogen and electricity pipelines
3. Undersea digital cable for data connectivity

4. Upgraded port and logistics infrastructure



The I2U2 Group

Members - I2U2 stands for India, Israel, the UAE, and the US.

Origin - The group was first conceptualized in October 2021 during a meeting of the foreign ministers of the four countries in Israel.

Aim - To discuss "common areas of mutual interest" and strengthen the economic partnership in trade and investment within their respective regions and beyond.

Six Areas of Cooperation -

1. Water
2. Energy
3. Transportation
4. Space
5. Health
6. Food security

17th India – Israel Joint Working Group (JWG) Meeting – Tel Aviv

Signing of a Defence Cooperation MoU - A new Memorandum of Understanding was signed to provide a unified vision and policy direction for deepening defence ties.

Promotion of Co-development and Co-production - The MoU enables joint initiatives for developing and producing advanced defence technologies.

Expanded Areas of Collaboration - Both sides agreed to enhance cooperation in -

1. Strategic dialogues
2. Defence industry collaboration
3. Research & Development (R&D)
4. Artificial Intelligence (AI)
5. Cybersecurity
6. Technological innovation

Focus on Counter-Terrorism - The JWG reaffirmed a mutual commitment to combating terrorism and addressing shared security threats.

Strengthening Strategic Partnership - The meeting reinforced the India-Israel defence relationship, which is based on mutual trust, shared interests, and long-term cooperation.

Timeline of India-Israel Relations

1947 - India opposed the partition of Palestine at the UN, rejecting the creation of nations based on religious criteria.

1950 – India officially recognized the existence of Israel.

1953 – Israel opened a consulate in Mumbai for trade and visa services.

1950s–1980s –

1. India maintained a pro-Arab policy under the Non-Aligned Movement (NAM) in support of the Palestinian cause.
2. Due to Cold War dynamics, India did not establish full diplomatic relations.
3. Despite this, covert defence and intelligence contacts developed, especially after the 1962 Sino-Indian War and the 1971 Indo-Pak war.

1992 – India and Israel established full diplomatic relations.

De-Hyphenation Policy – India explicitly adopted a “de-hyphenation” policy, asserting that its relationship with Israel is independent of its historical relationship with the Palestinians.

2017 – A major shift occurred with the first-ever state visit by an Indian Prime Minister to Israel.

2018 – India voted in favor of a UN resolution opposing the US decision to recognize Jerusalem as Israel's capital.

2021 – India abstained from voting on a UNHRC resolution to create a permanent commission to investigate human rights violations in Gaza, the West Bank, and Palestine.

Bilateral Investment Agreement (BIA)

Signing – In September 2025, the governments of India and Israel signed a new Bilateral Investment Agreement (BIA).

Key Milestone – Israel becomes the first OECD country to adopt India's updated investment-treaty model.

Current Status – Bilateral investments between India and Israel currently stand around US \$800 million.

Significance – This marks a strategic move from a partnership primarily focused on defence/technology to one aiming for broader commercial integration.

India-Israel Relationship – Key Areas of Cooperation

Economic & Commercial Ties

Trade Growth – Bilateral trade (excluding defence) grew from US\$ 200 million in 1992 (mostly diamonds) to a peak of US\$ 10.77 billion in FY 2022–23.

Rank – India is Israel's second-largest country partner in Asia for merchandise trade.

Major Exports from India – Pearls and precious stones, automotive diesel, chemical products, machinery, plastics, textiles, and agricultural products.

Major Imports to India – Pearls and precious stones, chemicals/fertilizers, machinery, petroleum oils, and defence equipment.

I2U2 Partnership

Formation – Formed in 2021 (India, Israel, UAE, US).

Goal – Aimed at promoting economic development, scientific innovation, and regional stability.

Defense Cooperation

Key Supplier – Israel is one of the top arms suppliers to India, with deep collaboration on counter-terrorism.

Volume – Over the past ten years, India has imported \$2.9 billion worth of military hardware from Israel.

Equipment – Imports include radars, surveillance and combat drones, and missiles.

Agricultural Cooperation

1993 – The first Agreement on Cooperation in Agriculture was signed.

2006 – A Comprehensive Work Plan on Agriculture was launched, implemented in 3-year cycles through MASHAV (Israel's Agency for International Development Cooperation).

2025 (New Agreement) – A new Agriculture Cooperation Agreement and Work Plan in the Horticulture Sector was signed to strengthen ties in –

1. Soil and water management
2. Horticultural and agricultural production

3. Post-harvest and processing technology
4. Agricultural mechanization
5. Animal husbandry
6. R&D

Focus Areas of Cooperation

Technology Transfer – Collaboration on food security, technology, and quality seed development.

Centers of Excellence (CoEs) – Expansion of CoEs and implementation of the Villages of Excellence (VoE) model.

FYSIP – Launch of a proposed Five-Year Seed Improvement Plan.

Capacity Building – Cooperation on pest management, capacity building, and post-harvest technologies.

Digital Agriculture – Israel showed keen interest in India's Digital Agriculture Mission.

JWG – An established Joint Working Group (JWG) ensures continuous dialogue and monitoring.

Science & Technology (S&T)

1993 Agreement – S&T cooperation is overseen by a Joint Committee established under the 1993 agreement.

I4F Fund – The US\$40 million India-Israel Industrial R&D and Technological Innovation Fund (I4F) was established in 2017 to foster joint industrial R&D projects.

Energy – India actively bids for exploration licenses in Israel's Tamar and Leviathan gas fields. Indian firms like ONGC Videsh and Indian Oil have been awarded exploration licenses.

Cultural Exchange – Approximately 85,000 Indian-origin Jews live in Israel, forming a strong cultural bridge. Numerous academic collaborations and joint research funding programs are active.

Challenges in India-Israel Relations

Relation with Iran – Israel views Iran as a primary threat, while India values cooperation with Iran for energy supplies and the Chabahar port route.

Regional Volatility – The ongoing Israel-Hamas conflict (2023–25) forces India to adopt a cautious diplomatic tone, avoiding overt military endorsement.

Energy Security – The conflict between Israel and Iran poses serious risks to India's energy imports and connectivity projects, including Chabahar Port and IMEC. Disruptions in the Persian Gulf or Red Sea could directly impact India's oil supply routes.

Balancing Relations with the Arab World – India's West Asia policy must constantly balance ties between Israel and Arab nations, including Iran and Palestine. India maintains support for the Palestinian cause and has deep energy, trade, and diaspora interests with Gulf countries. Overt alignment with Israel risks diplomatic friction with these crucial partners.

China Factor – China is Israel's largest trading partner in Asia, which complicates the geostrategic relationship due to Beijing's strong tech and investment ties with Israel.

Free Trade Agreement (FTA) Delays – Despite robust trade, an FTA has not yet been finalized, limiting investment diversification beyond defence and diamonds.

Security & Cyber Concerns – Incidents like the Pegasus spyware controversy (2021) and other cyber-espionage suspicions can raise trust and privacy issues.

Way Forward

Deepen Strategic Convergence – Move from a buyer-seller defence relationship to co-development and joint production (under Atmanirbhar Bharat), ensuring genuine technology transfer.

Prioritize National Interests – India must balance its interests in the Middle East, maintaining flexibility in dealing with both Israel and Arab nations.

Comprehensive Cooperation – Foster collaboration at governmental, business, and inter-business levels.

Enhance Counter-Terror & Cyber Frameworks – Institutionalize joint intelligence sharing and cyber-security protocols to counter shared threats with transparency.

Increase People-to-People (P2P) Contact – Enhance citizen, academic, and cultural engagement to

deepen bilateral ties.

Expand Trade Volumes – Finalize the Free Trade Agreement (FTA) to expand the trade basket beyond its current potential.

Balance Israel-Palestine Relations – Continue to strike a balance between relations with Israel and Palestine, aligning with both geostrategic and moral considerations.

Strengthen Knowledge Partnership – Foster collaboration between universities, research institutions, and start-ups, building a sustainable partnership beyond security.

Utilize Multilateral Platforms – Actively use frameworks like I2U2 and IMEC to promote regional connectivity, resilient supply chains, and shared innovation.

Conclusion

India-Israel relations have evolved into a multifaceted strategic partnership rooted in defence, technology, and innovation, reflecting deep mutual trust and shared interests. A balanced and pragmatic approach will enable both nations to expand cooperation while safeguarding regional stability and India's wider West Asia interests.

Source - [https - //www.thehindu.com/news/national/india-and-israel-meeting-anti-terror-cooperation-boosting-trade-ties/article70239693.ece](https://www.thehindu.com/news/national/india-and-israel-meeting-anti-terror-cooperation-boosting-trade-ties/article70239693.ece)

