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COUNTRY DOSSIER

Scandanavia

Denmark - Norway - Sweden

January 2023

Country Dossier – Denmark

Since the signing of the Green Strategic Partnership (GSP) between India and Denmark, the GSP has become a mutually beneficial arrangement to advance political cooperation, expand economic relations and promote green growth, create jobs, and strengthen cooperation on addressing global challenges and opportunities. The GSP also assumes relevance in the context of both countries pledging to reduce their carbon emissions by 2030 and focuses on the implementation of the Paris Agreement. Focus sectors identified under the partnership include water, urban development, renewable energy and intellectual property rights and working groups for each have been instituted in both the countries.

Indian and Danish commerce is envisioned to be the primary vehicle for the implementation and execution of this all-important agreement. Currently, there are over 140 Danish companies in India, and over 60 Indian companies in Denmark. Around 200 Danish companies have invested in India in sectors such as shipping, renewable energy, the environment, agriculture, food processing, and intelligent urban development. Trade is facilitated via several associations including Indo-Danish Chamber of Commerce (IDCC), Confederation of Danish (DI) Industry and Indo-Danish Business Association (IDBA). Some of the leading Danish companies in India include AP Moller Maersk Group, Vestas, LM Wind Power, Grundfos, Danfoss, Carlsberg, FL Smidth, Novo Nordisk, Haldar Topsoe, and Ramboll.

The Joint Action Plan (JAP) which was chalked out recently highlights that Danish companies with relevant technologies and expertise will help India in meeting its air pollution control targets, specifically the key problem of burning crop stubble. It also includes efficient ways of tackling the COVID-19 pandemic, cooperative efforts in water efficiency, construction of India-Denmark energy parks and an India-Denmark skill institute to train Indian manpower. The Action Plan has already been mobilized by both sides and is progressing in all identified sectors.

G2G initiatives

PM Narendra Modi met Danish counterpart Mette Frederiksen (3 May 2022) and discussed ways to boost partnerships in green hydrogen, renewable energy and wastewater management. A number of agreements covering sectors such as green shipping, animal husbandry and dairying, water management, energy and cultural exchange were inked after the bilateral talks.

An MoU between the Ministry of Jal Shakti and the Danish Environment Ministry will be signed as a broad framework to launch new initiatives--Smart Laboratory on Clean River Water in Varanasi, a Centre of Excellence on Smart Water Resources Management, and establishment of a Centre of Excellence on Green Shipping, which will further strengthen bilateral maritime cooperation. The areas of cooperation envisaged in the MoU are digitalization and ease of information access; integrated and smart water resources development and management; aquifer mapping, groundwater modelling, monitoring and recharge; efficient and sustainable water supply at household level; river and water body rejuvenation; water quality monitoring and management; climate change mitigation and adaptation.

Sectoral Synergies

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GreenEnergy

- Energy solutions company Danfoss aims to scale up its revenues in India to Rs 50 billion by 2025. As part of this aspiration, Danfoss plans to expand its geographic footprint in India to 80+ cities, improve localization of all products to 80-90% and explore new hotspots where energy efficiency plays a significant role.

Hospitality

- Oyo acquired Denmark based holiday homes operator Bornholmske Feriehuse through its subsidiary DanCenter. Bornholmske Feriehuse, based out of Bornholm island in Denmark, has more than 700 homes on its platform.

Agritech

- The Danish Investment Fund for Developing Countries (IFU) has invested DKK 95 million in Leap India Food & Logistics. The investment was made in collaboration with Neev Fund. The fund has the State Bank of India and the UK's Development Program Department for International Development (DFID) as main investors.

Country Dossier – Norway

Indian and Norwegian energy companies and R&D institutions are increasingly engaging in mutually beneficial partnerships. About 120 Norwegian companies have established business in India and are contributing to the development of a sustainable energy system in India local partners. Bilateral trade between India and Norway doubled to USD 2 billion in the last two year.

Norway's expertise in climate investments, clean energy and ocean technology have benefited India in a huge way. A substantial portion of Norway's USD 1 billion worldwide investments have been allocated for expanding renewable energy in India. Operational since May, Norway's new Climate Investment Fund, managed by Norfund, will reduce and avoid emissions by investing in renewable energy in developing countries with significant emissions from coal power and other fossil fuels. The fund has already made two previous investments in India – in a large-scale solar park with Enel and in Fourth Partner Energy, India's leading developer of distributed solar energy solutions.

G2G initiatives

Amidst the backdrop of Norway's commitment to India for zero emission solutions, the two counties held talks on the use of alternative fuels like green ammonia and hydrogen for futuristic shipping. India and Norway are part of Green Voyage 2050 project (which aims to support shipping's transition towards a low carbon future) and have agreed on capacity building for achieving common goals. Norway also plans to extend ship Board training in Polar Water Navigation.

Sectoral Synergies

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Green Energy

- The new Norwegian Climate Investment Fund, managed by Norfund, together with KLP, Norway's largest pension company, will undertake its first investment of Rs 900 million in a transmission project being developed by ReNew Power in the Koppal district in Karnataka.
- Norfund and Norwegian pension company KLP have agreed to jointly acquire a 49% stake in a 420-MW DC solar power project, Thar Surya 1, located in Rajasthan. The Norwegian investors will pay about USD 35.1 million for the stake.
- Vegard Frihammer, founder and CEO of Greenstat Norway – a leading player in Renewable Energy – has said that Norway is searching for opportunities in the green hydrogen segment in India. The Greenstat CEO says that the company needs a market like India where collaboration in green hydrogen is possible. The Norwegian company has established its Indian arm – Greenstat Hydrogen India Pvt Ltd.
- Norwegian energy giant Equinor-promoted renewable energy company Scatec ASA will set up greenfield projects in India along with opportunities for acquisitions of distressed assets. Scatec entered India in 2021 by becoming an equal partner in Acme Solar Holdings Ltd's 900 megawatt (MW) solar project in Rajasthan.
- Europe's largest renewable energy company Statkraft has submitted a resolution plan for Lanco Mandakini Hydro Energy which is undergoing bankruptcy proceedings at the National Company Law Tribunal (NCLT). Statkraft entered the Indian power market through its subsidiary SN Power when it acquired 49% of the shares in Malana Power Company (MPCL).
- Oil and Natural Gas Corporation (ONGC) signed a pact with Norwegian energy giant Equinor ASA for collaboration in oil and gas exploration and production as well as clean energy projects. Equinor is the leading operator on the Norwegian continental shelf, present in around 30 countries worldwide.

Digitisation

- In a bid to offer new approach to digital preservation and archiving, Norwegian company Piql has announced its innovative long-term data storage technology in India. Piql provides a secure and future-proof way of preserving valuable digital data, offered worldwide through a network of trusted partners. The Norwegian company, Piql, was involved in creating a digital archive for preserving monuments such as the Taj Mahal, archaeological sites at Dholavira in Gujarat and the Bhimbhetka Caves in Madhya Pradesh.

Mergers & Acquisitions

- Norway's Norges Bank – Government Pension Fund Global bought 3,38,000 shares of Multi Commodity Exchange of India (MCX) for over Rs 500 million through an open market transaction. According to bulk deal data available with the National Stock Exchange (NSE), Norges Bank – Government Pension Fund Global acquired 3,38,000 shares, amounting to 0.7 per cent stake in the company.

Food Sector

- Norwegian company Orkla is set to invest Rs 1.50 billion in the packaged food sector of Kerala. The packaged food major, had acquired 67 per cent stake in Kerala-based spice-maker Eastern Condiments. Orkla decided to set up a food processing research centre and introduce a system to ensure more income for farmers and also plans to invest in renewable energy sector.

Country Dossier – Sweden

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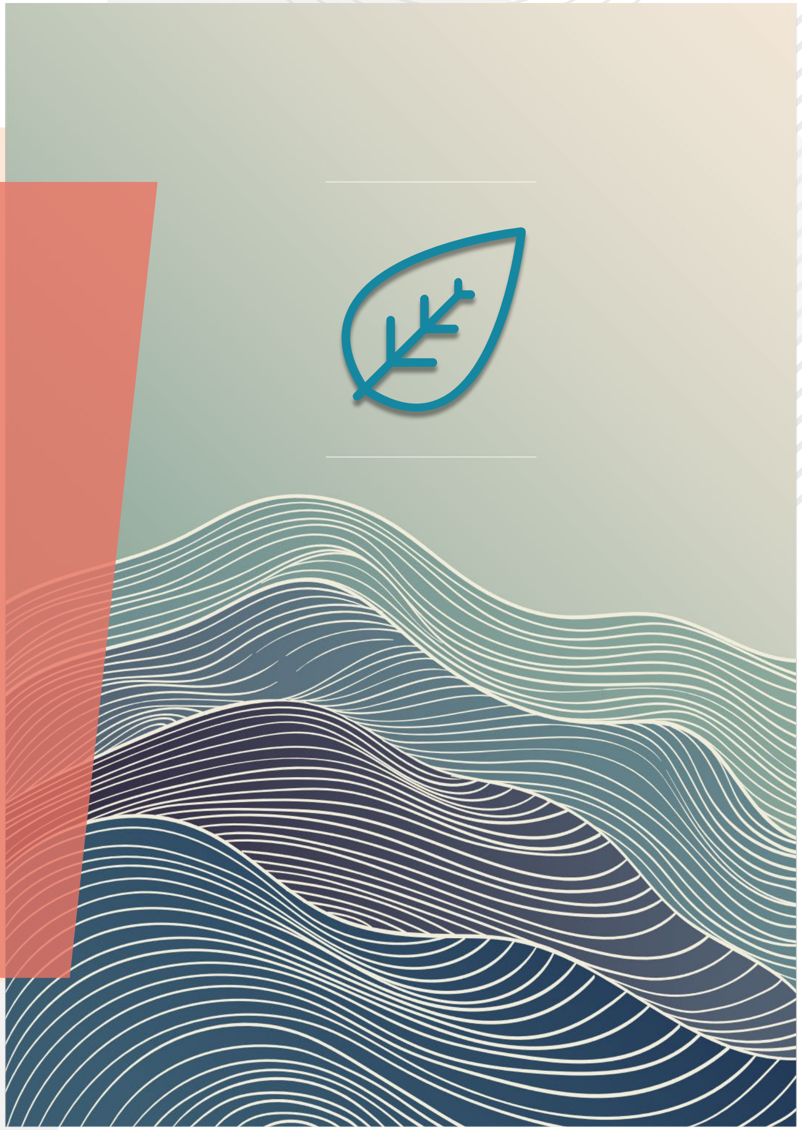
Swedish businesses have a significant footprint in India with the operational presence of around 250 companies that are generating over a million jobs directly and indirectly. Several dedicated MoUs spanning across Energy, Environment, Urban Development, amongst other areas of mutual interest have been signed between India and Sweden.

In sustainable energy, green transition and innovation are the key focus areas of ongoing trade and economic relations between the two countries. A key engine of collaboration, the India-Sweden Green Transition Partnership (ISGTP will enable the platform of the six partner Swedish companies'– Absortech, Alfa Laval, Alleima, Hitachi Energy, KraftPowercon and SKF - to join forces with India's leading corporates across cement, iron & steel and automotive sectors with the objective of contributing to their green journeys.

Sweden has selected Uttar Pradesh as its investment destination in India where Swedish investments would include Retail, Tourism, and Waste Management .



G2G initiatives

Business Sweden in India along with the Embassy of Sweden, the Consulate General of Sweden and Swedish Energy Agency, Vinnova and Stockholm Environment Institute have established the ‘Sustainability by Sweden’ ecosystem in India. An exchange of green technologies and expertise forms the basis of this platform while fostering innovation and co-creation and enhancement of trade and economic collaborations between Indian and Swedish stakeholders.

The India-Sweden Green Transition Partnership (ISGTP) plans to build a sustainable and carbon-neutral future with India. This forum will also help Indian companies achieve net zero goals. The other key objective of the ISGTP is to provide an exchange of green technologies and foster expertise in innovation.

Sectoral Synergies

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Healthcare

- Swedish healthcare provider Medicover will invest "hundreds of millions of dollars into India" as it looks to double the capacity of hospitals and beds in the next five years, company chairman Fredrik Stenmo said in a news report. India is the third largest and fastest-growing business for Medicover, and will soon be the second-largest, overtaking Germany.

Retail

- Ingka Centres, part of Sweden's Ingka Group which also runs Ikea retail stores, said on Tuesday that it will invest euro 900 million to build two mega shopping centres in the Delhi-NCR.

Construction

- Swedish construction company Serneke has shown interest to invest Rs 100 billion in the Film City project in Uttar Pradesh.

Manufacturing

- Swedish auto component major SKF is looking at scaling up investments across its functions in India as part of a strategy to double global revenues, on improved margins, by the end of the decade. SKF India has set up a new facility in Bengaluru for the two-wheeler segment to accelerate sustainable mobility solutions for Indian and South East Asian markets. The Bengaluru facility, features research labs along with various sections of engines, transmission, and powertrains which devises innovative and tailor-made solutions for OEMs.

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