



Cooperation and Mutual Assistance in Customs: India-Spain

For Prelims: India-Spain Mutual Assistance in Customs, European Union, FDI, location of Spain and the neighbourhood.

For Mains: Significance of India-Spain Relations in European Union and way forward.

Why in News

Recently, the Union Cabinet has approved an Agreement between India and Spain on **Cooperation and Mutual Assistance in Customs Matters**.

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Key Points

▪ About:

- It is a **legal framework for sharing of information between the Customs authorities of the two countries.**
- It helps in the proper **administration of Customs laws and detection and investigation of Customs offences** and the facilitation of legitimate trade

▪ Provisions:

- The correct assessment of customs duties, especially information pertaining to the determination of the customs value, tariff classification and the origin of the goods.
- Customs offence concerning **illicit movement of the following:**
 - Arms, ammunition, explosives and explosive devices.
 - Works of art and antiques, which are of significant historical, cultural or archaeological value.
 - Toxic materials and other substances dangerous to the environment and public health.
 - Goods subject to substantial customs duties or taxes.

- New means and methods employed for committing Customs offences against Customs legislation.

▪ **Significance:**

- It will help in **making available, reliable, quick and cost-effective information and intelligence for the prevention and investigation** of Customs offences and apprehending of Customs offenders.

India Spain Relations

▪ **About:**

- Relations between India and Spain have been cordial **since the establishment of diplomatic relations in 1956**. The first resident Ambassador of India was appointed in 1965.
- The first state visit to Spain by an Indian head of state was paid by the then President in April, 2009.
- The 11th round of the **JCEC (Joint Commission on Economic Cooperation)** meeting was held in Madrid in January 2018.
 - In order to give an impetus to trade and investment relations, India-Spain Joint Commission on Economic Cooperation (JCEC) was set up under the **1972 Trade and Economic Cooperation Agreement** and has since met ten times.

▪ **Economic and Commercial Relations:**

- Spain is India's **7th largest trading partner in the [European Union](#)**.
- Bilateral trade in 2018 (Jan - Dec) stood at USD 6.31 billion, growing by 8.68% over a similar period a year ago.
 - India's exports grew by 8.49 % and stood at USD 4.74 billion while imports grew by 8.49 % and stood at USD 1.571.39 billion.
- Indian exports to Spain include **organic chemicals, textiles and garments, iron and steel products, automotive components, marine products and leather goods**.
- Spain is the **15th largest investor in India** with cumulative **[FDI \(Foreign Direct Investment\)](#) stock of USD 1.43 billion (in January 2000)**, mostly in infrastructure, renewable energy, auto components, water desalination and single brand retail.

▪ **Cultural and Academic Relations:**

- Cultural exchange is an important component of India-Spain bilateral relations. Casa de la India (Homestead) was founded in 2003 as a platform **for the promotion of India and Spain and Indo-Spanish relationships in the field of culture, education, cooperation and enterprise**.
- **[ICCR \(Indian Council for Cultural Relations\)](#)** sponsored exhibitions 'Religions of India' and 'Streams of India' were also hosted in different Spanish cities in 2015.
- The first **[International Day of Yoga](#)** (21th June, 2015) witnessed participation by over 1200 Yoga enthusiasts in a mega Master Class in the iconic Plaza de Colón followed by a Conference on Yoga.
- The ICCR and Casa de la India and with support of the Embassy of India, launched an **Indo-Spanish theatre co-production titled 'Flamenco India'**.

▪ **Indian Diaspora:**

- The Indian community forms a **very small percentage of the immigrant population** of Spain.
- Among the Asian communities, the Indian Diaspora is the third largest group, after Chinese and Pakistanis.
- The earliest Indian settlers were Sindhis who came from the subcontinent at the end of the 19th century and settled in the **[Canary Islands](#)**.
- According to Spanish statistics, the resident Indian population in Spain has gone up from 9000 in 2001 to 34761 as of 2015.

▪ **Bilateral Agreements:**

- Agreement on Trade and Economic Cooperation (1972)
- Agreement on Cultural Cooperation (1982).
- Civil Aviation Agreement (1986).
- Double Taxation Avoidance Agreement (1993).
- Bilateral Investment Protection and Promotion Agreement (1997).
- Extradition Treaty (2002)

- MoU on Institutionalisation of Political Dialogue (2006)

Way Forward

- In order to continue building relations of greater trust and cooperation on the basis of which **Spain and India can become closer allies** in the international context, both governments should continue **to commit to a more ambitious and imaginative strategy focused on the political, commercial and cultural aspects** that offer the prospect of generating comparative advantages.
- Cooperation in the **tourist sector** with Spain offering leading expertise to its Indian counterparts and enhancing the **role of the migrant population** of both countries, especially the well-established Indian community in Spain, are two additional key dimensions of the bilateral partnership.
- The development of this relationship **should also be backed by greater cooperation within the framework of the bilateral relations between the EU and India.**

[Source: PIB](#)

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