India-Russia Strategic Partnership: International Relation

India and Russia are deepening cooperation in the rare earth sector to secure critical mineral supply chains, essential for clean energy, defence, and high-tech industries. This collaboration aims to reduce dependence on China, which currently dominates global rare earth processing.

India–Russia Strategic Partnership – Rare Earths & Industrial Cooperation

1. Strategic Context

India and Russia reaffirmed their long-standing strategic partnership with a renewed focus on industrial cooperation, especially in rare earth minerals and critical resources. This comes amid increased US pressure on India over its oil imports from Russia, despite the US and EU themselves continuing trade in strategic materials with Russia.

2. US–EU–India Trade Dynamics

1. EU imports from Russia (2024): Total: $39.1 billion, Oil alone: $25.2 billion
2. US imports from Russia (2024): Total: $3.3 billion (mainly strategic materials)
3. India's imports from Russia (2024): Oil worth $52.7 billion — second largest buyer after China ($62.6 billion).
4. China's leverage: US avoids targeting China due to its dominance in critical materials (gallium, germanium, rare earths, graphite) crucial for defence & high-tech industries.

3. US Tariffs – Implications for India

Potential 40–50% drop in Indian exports to the US in non-exempt categories. Competitors like Vietnam and Bangladesh benefit from lower tariffs, making Indian goods less competitive. Could adversely affect India's manufacturing exports and trade balance.

4. Importance of Rare Earth Minerals

Need for Essential for EV batteries, wind turbines, semiconductors, aerospace systems, and defence equipment. China's dominance Controls 85–95% of global rare earth supply. Supply risk shows the Recent Chinese export restrictions have disrupted India's automobile sector, revealing supply chain vulnerabilities.

Indo–Russian Cooperation in Rare Earths

Joint ventures in Rare earth extraction and processing , Critical mineral exploration

Focus on,

1. Underground coal gasification
2. Development of modern industrial infrastructure
3. Technology transfer in mining and mineral processing
4. Capacity building in mining equipment & exploration

6. Expanding Industrial Cooperation

Discussed at the 11th Session of the India–Russia Working Group on Modernisation and Industrial Cooperation (New Delhi)

Aerospace science & technology

1. Building a modern wind tunnel
2. Small aircraft piston engines
3. Joint R&D in carbon fibre, additive manufacturing, 3D printing
4. Aluminium, fertilizers, railway transport: Enhanced industrial engagement & technology exchange.

Waste management

Industrial and domestic waste processing solutions.

Outcome

Signing of a protocol reaffirming both nations' commitment to deepen cooperation.

7. Scientific Colaboration

Institutions Involved

1. India's CSIR-IMMT (Institute of Minerals and Materials Technology)
2. Russia's Giredmet (specialist in rare metals & materials)
3. Rosatom (Russian state nuclear energy corporation)

Objectives

1. Advance critical mineral processing technologies
2. Promote sustainable resource development
3. Support India's Atmanirbhar Bharat & Viksit Bharat @2047 initiatives.

Source: https://indianexpress.com/article/business/india-russia-discuss-rare-earth-mineral-extraction-us-tariffs-oil-trade-10175015/