



Switzerland is keen to assist India in skill development

India's close and substantive relationship with Switzerland gained an edge with Narendra Modi's official visit to that country last June – the first by an Indian Prime Minister in the last several decades. In his meeting with then Swiss President, Johann Schneider-Ammann, Modi secured Bern's crucial backing for India's membership of the Nuclear Suppliers Group (NSG), as well as for combating the menace of Indian black money by bringing tax offenders to justice through expeditious exchange of information.

Both countries share a history of ties, now elevated to a 'privileged partnership', with New Delhi's policy of non-alignment and Bern's traditional neutrality fostering deep understanding between them. Though not part of the 28-member European Union, Switzerland is a key European trading partner for India. The Treaty of Friendship of 1948, one of the first such accords signed by independent India, laid the ground for further pacts like the Double Taxation Treaty of 1994 and the Promotion and Protection of Investment Treaty three years later.

The 'Joint Declaration' on Automatic Exchange of Information (AEOI) that was arrived at within five months of Modi's path-breaking visit will, from September 2019, grant India access on an automatic basis to

the financial information of accounts held by Indian residents in Switzerland from 2018.

Underscoring India's importance to Switzerland, Ammann's successor, Doris Leuthard, who took over on 1 January under Switzerland's yearly rotational Presidential system, will be visiting India in August. Her agenda will include discussions on the European Free Trade Agreement (EFTA) that India has since 2008 been negotiating with the four EFT Association members, Switzerland, Liechtenstein, Norway and Iceland.

Leuthard will also hold talks on India's termination on 1 April of the Bilateral Investment Treaties (BITs) with 58 countries, including Switzerland and EU states. Switzerland was one of the few countries that agreed to renegotiate the treaty as per India's 2015 Model but that annulled all existing investment protection agreements from 31 March 2017. The other countries wanted the pacts to be extended, contending that the new version was against foreign investors' interests.

Switzerland is India's 11th largest foreign investor and fifth largest trade partner. In four years till 2014, it had invested \$2.7 billion in diverse fields, and this tally would exceed \$7 billion if its investments routed through other countries are taken into account. More than 250 Swiss

companies operate in India through joint ventures or their own subsidiaries, with most, like ABB, Novartis, Roche, UBS and Credit Suisse, having offshore software development projects with major Indian companies or through subsidiary operations. They are estimated to have created over a hundred thousand jobs in India.

Switzerland, in turn, is amongst India's top 10 investment destinations. About 100 Indian companies are present there, including those from the pharmaceuticals and life sciences sectors. IT majors like TCS, Infosys and Tech Mahindra provide services to Swiss pharma companies, banks and insurance firms. Switzerland now wants to show it is not just a picturesque Alpine country known for its mountains, watches, cheese and chocolates, but a flourishing economy that enjoys global leadership in innovation, technology, and Vocational Education & Training (VET).

A project connect

Acquainting India on these attributes is Presence Switzerland, the communication arm of the Federal Department of Foreign Affairs (FDFA). FDFA's Asia-Pacific division head Johannes Matyassy sees the Swiss vet system offering India a unique combination of classroom learning and on-job training, with public-private collaboration guaranteeing that the youth are trained according to the needs of the labour market. The training also exposes them to Swiss work culture and ethics that accord primacy to accountability to serve public and consumer interest.

"We see a perfect connect between our development needs and Swiss strengths," mentioned Modi, during his Swiss visit. Describing India's over 500 million youth as ready to meet global manpower needs, he said that he and Ammann had agreed to build on the Swiss vet system suited to India's needs. Within a fortnight of Modi's visit, Rajiv Pratap Rudy, minister of state for skill development & entrepreneurship (SDE), too was in Switzerland to speak on *Skill Development in India: Opportunities and Challenges* at the International Congress on Professional and Vocational

Education and Training (PVET) in Winterthur.

Rudy also signed a MoU for a joint working group to ascertain collaboration in the Prime Minister's Skill India programme. Lamenting the neglect of skill development over the last 60 years, he said this issue was now centrestage as India tried to skill 500 million of its people by 2022. His ministry, formed in 2014 by upgrading the department of SDE, is tasked with framing standards for skill qualifications, and addressing the major challenge of integrating skill training with school education.

Pawan Kumar Agarwal, former Joint Secretary in the SDE ministry and now CEO of Food Safety and Standards Authority of India (FSSAI), says New Delhi is developing a framework for cooperation with Bern on skill development. "We are told that over 100 other countries too have expressed interest in working with Switzerland on skill development," mentions Agarwal, who recalls his 'fascinating experience' in interacting with concerned Swiss officials and visiting apprentices undergoing training in Switzerland. Attributing the 'truly admirable' Swiss system to a strong cultural, industrial and government backing, the senior bureaucrat hopes India can emulate some of its elements.

Mauro Moruzzi, head, international relations, State Secretariat for Education, Research & Innovation (SERI), Bern, says the need for skilled workers is growing the world over, and India can benefit immensely from



Probst and Chandra Kumar seek to skill a million Indians by 2022

Switzerland's successful model. Citing 'huge potential' in the exchange of higher science and technology education and research, he feels that direct funding support to visiting Indian candidates will help them far more than the prevailing clearance of funding through Indian ministries.

A PVET centre is being set up jointly by SkillSonics, an Indo-Swiss initiative for developing skills, and CII in Andhra Pradesh's new capital Amaravati and till the time it is built, it will be run in Vijayawada 40 km away. Programmes on offer will include skilling at the entry level, for youth, and skills upgrade, for existing workforce, in the engineering sector.

A similar unit, called Indo-Swiss Centre of Excellence, has recently

been created in Pune, the result of an initiative by SICC chairman Francesco Gherzi and several Swiss companies in India, and supported by the Malhotra Weikfield Foundation. With two-third financing from the Swiss private industry, this non-profit organisation has engaged SkillSonics to initially train 250 apprentices in manufacturing and 850 in agriculture per year. It will also showcase Swiss clean-tech solutions and products for low energy buildings, sustainable water and waste solutions, and renewable energy.

The first vet centre in India was established as a pilot project in Bengaluru in 2009 under the Swiss-Indian vet Initiative India (SVETII). It was endorsed by the Swiss Office for Professional Education and Technology

Changing Indian mindset

Smita Purushottam, India's Ambassador to Switzerland, cites clean energy and high technology as areas where India can benefit from Switzerland. The diplomat, who founded the High-Tech Defence Innovation Forum to consider issues related to developing advanced technologies in India, says her priorities are to help expand two-way investments

and to raise collaboration with Switzerland in high technology.

On skill development, she sees a challenge in inculcating in India an acceptance for dignity in labour that so prevails in Switzerland, as not many urban Indian students may aspire to what they consider are 'ordinary professions'. Some 65 per cent of Swiss youth undergo



Purushottam: raising collaboration with Switzerland in high technology

apprenticeship, while vocational education in India is considered a low-paying option for only those youngsters who cannot access higher education. "We also see the culture of *jugaad* (quick fixes for working around difficulties) becoming an increasingly ready option," she says. "This encourages an attitude of shortcuts and evasions that help neither the quality of the final product nor sustainable economic growth." ♦

(OPET), Swiss Mechanical and Electrical Engineering Industries (Swissmem), Swiss Federal Institute for vet (SFIVET) and four Swiss companies in India – Rieter, Burckhardt, Bühler and Bobst.

Franz Probst, who headed the pilot project as the then chairman of SICC, believes that opening more such centres regionally will extend skill development beyond the traditional mechanical and electrical segments to food processing, hospitality and factory management as well. Probst, who lived in South India in the 1960s, founded SkillSonics India in Bengaluru in 2011 and SkillSonics AG in Zurich to continue the pilot project.

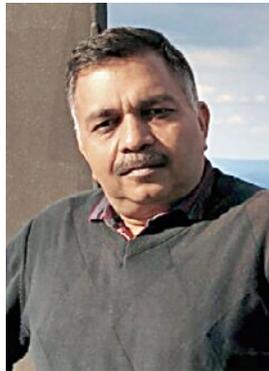
Together with his Indian partner, G.P. Chandra Kumar, he secured exclusive partnerships for SkillSonics with Swissmem and SFIVET and obtained funding support from the sde ministry's National Skill Development Corporation (NSDC). He feels the training programmes will empower a million Indian technicians to reach international skill levels with Swiss diplomas/certificates by 2022. To ensure the quality and sustainability of SFIVET, a two-year Quality Assurance Project was launched in 2015 as an international level train-the-trainer programme.

Skill development

Schindler, the 142-year-old Swiss multinational whose lifts, escalators and moving walkways move a billion people globally every day, imparts training to candidates at its plants across more than 100 other countries, including at its lift and escalator factory at Chakan, Pune, where it also has one of its seven R&D centres worldwide.

Similarly, basic, advanced and expert courses cater to the mechanical, electrical and instrumentation maintenance technicians of cement producer ACC Ltd at 11 locations across India. "The challenge was to train ACC's younger technicians to required standards to enable them to fill in for a retiring workforce," notes Probst. The management control of ACC was taken over by Swiss cement major Holcim in 2004.

Bühler, the world leader in specialist machines as for food processing



Krishna, Agarwal and Raghupathi: endorse the Swiss model

and production, provides training at its plant and world class training facility in Bengaluru to develop and retain highly skilled talent. It besides conducts a two-year certificate course for ITI (Industrial Training Institute) apprentices enrolled under SkillSonics's vocational courses that makes them multi-skilled professionals with the opportunity to work at Bühler.

Michael Enderle, director, Swiss Business Hub, Mumbai, who was CMD of textile machinery manufacturer Rieter India Pvt Ltd from 2006 to 2013, says 44 of the 108, who enrolled for training at his company since 2009, joined it, with 59 more currently undergoing training. Enderle, who was at the parent Rieter Machine Works in Winterthur from 1998 till 2007, mentions that Rieter has invested more than ₹2 crore in this programme until 2013. "The two-year vet training imparts apprentices broad theoretical and practical mechanical know-how and working abilities to solve all assigned tasks, deliver quality within timelines, and co-operate with other departments," he says.

Other companies where such vet training is provided include Coimbatore's Texmo Industries and gmm Pfaudler of Anand, Gujarat, with SkillSonics also having tie-ups with training institutes to support them in expanding the scope and quality of their programmes and training. Since 2015, SkillSonics is also an affiliated partner of India's Capital Goods Sector Council (CGSC) and is in the process of obtaining accreditation of further sector skill councils.

Sudhir Krishna, former Union Urban Development secretary who is

now advisor to the Swiss government on the Project for Capacity Development of Climate Resilient Cities in India, notes that mutual trust between the Swiss government and people has led to more responsible public behaviour and less government expenditure, while achieving results far more efficiently and effectively. He advocates the principle of 'subsidiarity' in planning and executing vocational training missions in India, followed by periodic consultation with Swiss agencies for sharing of experiences. "The Skills mission envisages collaboration between government and industry, but the leading role has been assigned to the Centre, when it would be pragmatic to assign it to the States and, in case of metropolises like Mumbai or Delhi, even to the municipal corporations," he says.

"The Swiss deliver quality rather than quantity, and don't look to *jugaad* (shortcuts) as they want to do things perfectly and through proper training, backed by extensive research," maintains Usha Raghupathi of New Delhi's National Institute of Urban Affairs (NIUA). "India can learn a lot from the Swiss in managing skill development, especially in identifying skills that are required, the link with industries and above all, the quality check of trainers." She believes that such an approach can help expand employment opportunities for the youth, and also help in re-training, and re-skilling them. "After all, the quality of training determines the quality of the skilled workers," she maintains.

♦ SAROSH BANA

feedback@businessindiagroup.com