

EMBASSY OF INDIA  
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**ECONOMIC AND COMMERCIAL REPORT  
BELGIUM AND LUXEMBOURG  
February 2005**

**A. GENERAL INTERNAL DEVELOPMENT:**

**Belgium among Europe's productivity leaders:**

Belgium is one of six EU-15 countries with productivity levels higher than the US despite the fact that overall productivity of the EU has fallen to 92% of the US level. The Conference Board's latest report on global productivity also notes, however, that gain by the European Union's old and new members has resulted in raising the growth rate. Productivity in the EU-25 nation bloc grew from 1.3% to 1.6% in 2004 and labor input growth increased from -.2% to .7%. The Conference Board reported that, on average, the productivity level of the EU-15 was at 92% of the US level in 2004, down from 99% in 2000 and 100% in 1995, with the decline reflecting both the relatively slow pace of European productivity growth and the acceleration of US productivity gains after 1995.

**Minister of Budget Johan Vande Lanotte for a long-term perspective to assure and strengthen Belgium's economy:**

Mr. Vande Lanotte presented his vision in a talk show on VRT television which consists of innovation, rejuvenation and renovation. The Minister identified 12 new ways that would lead to improved Belgian economy. It is timely as the federal government is about to begin major debates on the problems related to end-of-career and early retirement schemes. The Socialist Minister advocates a radical modernization of the Belgian socio-economic system, in which innovation, rejuvenation and competitiveness would be the main ingredients. On the problem of ageing population, the minister proposes a change in the care system, a democratization of extra-pension systems, a new housing policy and further reduction of the country's debts. A new legislation will have to be adopted, stipulating the amount the government would put into the Silver Fund each year. The Silver Fund was created by the Minister in the former coalition government to assure payment of pensions beyond 2010. The minister wants 0.3% of the GNP to go into the Silver fund from 2007, which would be increased later by 0.2% every year. This would correspond to the budget surplus to be realized by the Belgian Government in the coming years. Until now no budget surplus has been paid into the fund, although the present legislation already makes it possible. The Flemish Prime Minister Yves Leterme has welcomed the proposals of the Minister.

## **B. ECONOMY AND COMMERCE:**

### **Impressive growth in India-Belgium Bilateral Trade in 2004:**

The Bilateral trade between Belgium and India reached a new high during 2004. It finally broke the Euro 6 billion mark and touched 6487 million euros compared to 5619 million euros in 2003 registering a growth of 15.4%. Indian exports grew at 27% from 1767 million euros in 2003 to 2245 million euros in 2004, accounting for 34.6% of the total bilateral trade. Indian imports also went up from 3852 million euros in 2003 to 4241 million euros in 2004 with 2004 with a growth rate of 10.12% accounting for 65.4% of the total bilateral trade. Belgium continues to remain the second largest trading partner of India after the UK among the EU member States. Diamonds still dominate the bilateral trade accounting for 74.4% of the trade.

### **Luxembourg registers impressive Economic Growth in 2004:**

The Central Services for Statistics and Economic Studies STATEC Luxembourg, in its Report has stated that the main macro-economic indicators bear witness to sustained activity in 2004, together with a strong increase in employment. STATEC confirms its estimate of 4.2% growth in the volume of GDP in 2004, and marginally revises its forecast for 2005 downwards from 4.2% to 4%. For 2006 and 2007, STATEC continues to forecast sustained growth in the Luxembourg economy at a rate of just over 4%. This rate of expansion, though very favorable compared to other European countries, goes hand in hand with under utilised production capacity. Potential GDP i.e. maximum production achievable without putting pressure on prices-(given the stock of capital, manpower resources and technological progress)-should meanwhile grow at an average of around 4.5% during the near future. From 2002 to 2005 the Luxembourg State will have injected the equivalent of some 6% of GDP into the economy. According to the 2004-2007 Stability Programme, this expansionist policy, which has probably sustained demand and prevented a more marked cyclical slowdown, is unlikely to last beyond 2005. The public deficit is likely to stabilize at around 1% of nominal GDP. According to the Ministry of finance and the Luxembourg Central Bank, the structural deficit, which neutralizes the effects of the economic situation on public expenditure and revenue, will probably fall between 0.5% and 1% of GDP in 2004 and 2005. The next version of the public sector accounts, drawn up by STATEC under the 'notification of excessive deficits' procedure to be published in early March will provide a better picture of the state of public finances and the cyclical impetus of budget policy in 2004 and 2005.

### **Starting a Business 50% Faster in Belgium:**

The time needed to create a business in Belgium has been reduced by 50% in 2004. The cabinet official overseeing the reduction of paperwork within the federal government, Mr. Vincent van Quickenborne, announced in the Parliament that it took on average 27 days to complete the paperwork to start a business in 2004, compared to 56 days in 2003. By mid-2005, your business should be up and running in 3 days. One of the important factors in this process has been the introduction of the single ID number for companies,

which replaces a range of previous numbers used for VAT, company registration and social security. Progress towards a single number to cover all administrative matters began with the establishment of Crossroads Bank for Companies, a central databank, in mid-2003. From January 1, 2005, all businesses in Belgium are required to use their unique company number when dealing with various government departments.

### **New TB Drug Discovered in Flanders:**

As reported in the Science Magazine, Flemish researchers from Johnson & Johnson laboratories in Beerse, in the Antwerp province, may have found a new medicine to treat tuberculosis. Results from mouse experiments indicate the new drug works better and faster than current medications, suggesting it could reduce by half the time required to cure TB. Early trials show the new drug is safe, and human testing is under way. It does not seem to cause unwanted effects in patients with AIDS, which is currently a great concern in the treatment of TB. Clinicians say there is a critical need for a new tuberculosis treatment because the disease has become increasingly resistant to current drugs. If the medicine works, it would be the first TB medicine to be discovered in 40 years. But it could be another six years before it is available on the market. TB still causes about 2 million deaths annually, making it the second most infectious disease after AIDS.

### **Belgium More E-Government Ready:**

Belgium was ranked 16th in the 'Global E-Government Readiness Index 2004' by the United Nations, 7 places up from the year before. This is the greatest progress of all the 191 countries listed in the survey, which analyzes the efforts made by governments to provide services for its citizens electronically, and to what extent citizens have access to them. The US tops the list, followed by Denmark and the UK. Analysts link Belgium's progress in the 'Readiness Index' to recent initiatives such as Tax-On-Web (electronic filing of taxes), and the new electronic identity card. With the electronic ID-card Belgians have access to governmental services through their home computer. The card contains an electronic signature and a personal pin-code. It allows Belgians to print out official certificates at home, make their income-tax-declaration online, and even send registered mail electronically in some areas, Belgium is clearly a front-runner. Since November 15th, Belgium started as the first country in the world to deliver passports with a digital chip containing personal data. This state of the art travel document complies fully with the US criteria set for the visa-waiver countries.

## **C. EUROPEAN UNION:**

### **Trade Commissioner Peter Mandelson's visit to India:**

Commissioner Mandelson visited India (Jan 12-14) for meetings with Indian leaders, trade officials and industry representatives. The visit was the first to India by a member of the Barroso Commission. Commissioner Mandelson delivered a keynote speech to the Confederation of Indian Industry in which he welcomed India's rise as a global trading

power and urged it to play a leading role in working for an ambitious agreement in the Doha Development Agenda. Major strides were made in “attacking agricultural export subsidies” last July in which both the EU and India played important roles, he added. Mr. Mandelson stated that India had a crucial role to play in ensuring the success of the Doha round as it had “an important leadership role in the G-20 group of countries.” He observed that India’s approach to the Doha Round “will for me and many others be a litmus test of India’s commitment to progressive economic opening.” He urged India to grant greater market access, especially in the information technology sector where it is a world leader. India has the expertise and “competitive strength” to gain from opening up its market, he said. “India has much to gain from liberalizing trade and services,” said Mandelson. Paying rich tribute to India, he said the country “was becoming an economy of the future and of the twin engines (along with China) that is motoring the Asian economic phenomenon.” He said his visit, which was also aimed at boosting EU trade ties with India, “has been as successful as I could have wished for.” Europe is already India’s biggest trading partner and largest source of foreign direct investment.

#### **GDP Growth:**

GDP grew by 0.2% in the Euro-zone and by 0.3% in the EU-25 during the 4<sup>th</sup> quarter of 2004, compared to the previous quarter according to Eurostat. In the 3<sup>rd</sup> quarter of 2004, growth rates were 0.3% in both zones. Compared to the same quarter of the previous year, GDP grew by 1.6% in the euro-zone and by 1.8% in the EU-25 in the 4<sup>th</sup> quarter of 2004. Over the whole year 2004, GDP grew by 2% in the Euro-zone and 2.3% in EU-25, compared to 0.5% and 0.9% respectively for the year 2003.

#### **Trade Balance in Deficit:**

The European Union had a deficit trade balance of Euro 60.5 billion with the rest of the world in 2004, compared to a Euro 57.8 billion deficit in 2003, according to a provisional report released by Eurostat, the EU's statistical agency. Exports rose by 10% from Euro 883.1 billion last year to Euro 967.0 billion in 2004 while imports were up by 9% from Euro 940.9 billion in 2003 to Euro 1,027.9 billion in 2004.

#### **Retail Business:**

The volume of retail trade grew by 1.8% in the EU-25 and 0.5% in the Euro-zone in December 2004 compared to December 2003, according to estimates released by Eurostat, EU’s statistical office. Compared to November 2004, the retail sales index increased by 0.1% in the EU-25 and 0.2% in the Euro-zone. In December 2004, retail trade of food, drinks and tobacco grew by 1.5% in the EU-25 and by 0.7% in the Euro-zone compared to December 2003. The non food sector increased by 0.2% and 2.0% respectively. In December 2004, the food, drinks and tobacco sectors grew by 0.2% in both zones compared with November 2004. The non food sector rose by 0.4% in the Euro-zone and by 0.1% in the EU-25.

## **Shipping: Seafarers' Certificates**

The directive on recognition of seafarers' certificates may soon be adopted after the European Parliament cleared a series of compromise amendments. The directive, proposed in 2004, aims to simplify procedures for the recognition of seafarers' certificates within the EU. As demanded by the EU Council, the text amended by Parliament removes linguistic requirements - a basic knowledge of English - proposed by the Commission in its initial text. By contrast, it introduces a series of provisions designed to step up the fight against fraud. It notably urges member states to pursue their efforts within the International Maritime Organisation to secure rigorous agreements at the global level to combat fraudulent practices linked to certificates. Members of European Parliament also adopted a report authorizing member states to ratify the International Labor Organisation Convention on seafarers' identity documents. It aims to improve the system for identifying seafarers whilst simplifying the formalities that apply when they dock in a foreign country.

## **French car maker Renault will produce its 'cheap car' Logan in India:**

India will come before China: the Renault group announced that it may associate with the fourth Indian car constructor, Mahindra, for producing the Logan, the 'cheap car' of the French car maker. Louis Schweitzer, Director-General of Renault, hopes to sell 1 million of this car by 2010. The car that will be sold under the brand Mahindra Renault, and with a right-hand steering wheel, will be produced in the region of Bombay, in one of the four plants of the Indian car maker. Its production will start in the first semester of 2007. The project will involve an investment of 125 millions Euros, and the production should reach 50,000 units per year. The Director-General of Renault, Louis Schweitzer gave details of his projects in China at the World Car Exhibition in October 2004, but he did not speak about India. The French constructor then relied on the partnership that had been concluded in June 2003 between its sub-company Nissan and the Chinese number one, Dong Feng for going forwards in this file. Mr. Schweitzer was hoping to reach a production of 300,000 cars per year in China. The project has not been cancelled, but it has been postponed because of the slow down of growth and because of the strong competition that exists on the Chinese car market. The Indian market, which is slightly smaller, is also less congested, and is as much promising on the long term. 33 millions people on 1 billion have an income that allows them buying a car. In 2004, the Indian car market represented 1 million vehicles, which is 92 % more than in 1998. Today the market is dominated by the local producers Maruti (owed by the Japanese Suzuki at 54%), and Tata, and by the Korean Hyundai; they capture three fourths of the market. But these constructors mainly produce small cars (90 % of the market). With the Logan, Renault wants to develop the category of family cars (10 % of the market), and wants to remain cheap at the same time. The Logan – currently sold in eight Eastern European countries – has known a successful start: 40,000 orders were placed in three months, from September to December 2004. Mr. Schweitzer has reviewed his expectations from 700,000 Logans sold buy 2010, to 1 million. The Logan must allow Renault to conquer emerging markets, where the French car maker always associates with local brands. The Logan is currently produced in Romania (with a capacity of 150,000 cars per year), and it

will be produced in Russia from April (50,000 units per year), then in Morocco (30,000 units per year) and then in Columbia (20,000 per year) in the second semester. In 2006, the French constructor will open its most important Logan assembling plant in Iran (300,000 vehicles per year). In 2007, besides India, the production should also start in Brazil. Next countries will be China and South Africa.

### **Energy: The EC Asks Member States to Open Up Markets:**

The European Commission has warned in its latest annual report on the internal market for energy that the member states must do more to open up their electricity and gas markets. Eighteen Member States have so far failed to meet the July 2004 deadline for the implementation of the electricity and gas Directives. The report says that the delay is harming large as well as small consumers. A major hurdle to competition is the lack of interconnection between national markets, according to the report. Many Member States do not have the necessary infrastructure to swap power and cannot handle electricity congestion. According to the EC, another problem is the domination of the gas and electricity markets by one or two companies. Ultimately this hurts cross border co-operation, its report claims. In most countries more than 25% of large customers have changed supplier following liberalization but switching rates never reach 50%. They tend to move to another domestic supplier. Foreign suppliers rarely manage to climb above a 20% market share. The report also highlights governments' failure to make sure transmission system operators are fully independent and maintain a clear separation between distribution system operators. The report praises the UK and the Nordic countries for liberalizing energy markets, saying this has translated into well developed markets with a robust level of customer activity and generally lower prices. Market opening has already boosted productivity. Despite recent price rises, EU electricity prices have been cut by 10-15% in real terms compared with 1995. The Commission says that it may suggest additional measures to improve the market on the basis of another in-depth review of the liberalization of the EU electricity and gas markets in 2005.

### **New Import Quotas for Garlic and Mushrooms:**

Despite opposition from several EU member states, the European Commission adopted a regulation on the opening of a new import quota in the EU from 1 January 2005 for 4400 tons of fresh or refrigerated garlic. The new quota, for which customs duties of 9.6% will apply, is designed to meet the demands of the enlarged EU. 70% of the new quota will be allocated to traditional importers and 30% for new importers. The validity period of import certificates will be limited up to 30<sup>th</sup> June 2005. Greece, Spain, Italy, Portugal, France and Poland objected to the new quota saying that the supply of garlic was already excessive. The EC also adopted a regulation opening a new autonomous tariff quota for preserved mushroom from 1.1.2005, to take into account the enlarged EU with 10 new member states. This quota will go up to 1200 tons and the duty applicable will be either 12% or 23% depending on the product. The quota is distributed between traditional importers (95%) and new importers (5%).

**Fisheries:**

In accordance with technical measures foreseen in the regulation on total allowable catches. (TACs) and quotas for 2005, the Luxembourg Presidency is organizing in Brussels, a meeting of the relevant national inspection authorities of coastal member States around the Baltic Sea (Germany, Denmark, Sweden, Finland, Poland, Estonia, Lithuania and Latvia). The aim is to determine joint procedures for inspection and surveillance activity set in place in the context of the plan for recover of cod stocks in the Baltic Sea. We recall that the technical measures applying to the Baltic Sea are: - a summer ban on cod fishing in two areas of the Baltic Sea (two months in the Western Baltic and four and a half months in the waters of the Eastern Baltic);-closure all year of cod fishing in three zones, the setting in place for ships of over eight meters of surveillance, inspection and control measures for cod fishing (special fishing permit, the keeping of a logbook by the captain of the vessel, electronic registration of port entry and exit, joint surveillance and the exchange of inspectors).

**Pharmaceuticals - Generic Medicines:**

According to European Generic Medicines Association (EGA), the generic industry is fast becoming EU's main source of medicines. Generics account for 60-75% of medicines in Central and Eastern Europe and 40-55% in a number of north European countries such as UK, Germany and Netherlands. But in countries such as Portugal, France and Spain generics account for only 10-15% of medicines and the governments are formulating measures to increase the use of cost-effective medicines.

**EU Commissioner's Call to Pace Rise in Textiles Exports:**

EU Trade Commissioner Mr. Peter Mandelson has called on China to slow down an expected surge in exports of textiles in order to avoid a global backlash against trade liberalization and China's role as the chief beneficiary. During a visit to China, Mr. Mandelson said China should show some moderation and caution in the rate of growth of Chinese textile exports, which should be paced over time. The Commissioner also called on China to make a generous offer to open its markets as part of ongoing trade liberalization negotiations and to enforce intellectual property rights more rigorously. He said China should liberalize its currency and promised to table new ideas to allow the country win market economy status. The Trade Commissioner was reacting to fears in the EU, but also in the US and developing countries, that China could dominate the global market for textile exports following the ending of quotas when the Agreement on Textiles and Clothing expired on January 1, 2005. The World Trade Organization estimates that China's share of the global textile and clothing market could rise to over 50% since the quotas have been lifted. In 2002, China had 30% of the world clothing market and 22% of the textiles sector. Mr. Mandelson said that though he was encouraged by China's readiness to consider introducing measures to help slow a dramatic surge in exports, he said there was concern that these measures would not be sufficient. He urged China to consider the effect its success in international trade was having on other countries in the world. Under WTO rules, countries can impose safeguard measures or special limits on

imports if they can show that there has been a sudden surge in imports which could damage domestic industry.

### **Parliament Adopts Directive on Unfair Commercial Practices:**

A new EU directive against unfair commercial practices was adopted by the European Parliament taking EU closer to a harmonized EU-wide law on consumer rights. The directive, which is to be formally adopted by the EU Council, would be implemented across the EU by 2007. It establishes common EU rules against aggressive or misleading business-to-consumer marketing, including “pressure selling”, misleading marketing and false claims about “free” products. The new directive will replace the different existing national rules with a single, EU-wide regime to protect consumers. The current system with a maze of different national rules, court rulings and guidelines on consumer protection acts as a damper to the expansion of retail markets across different member states and to consumer confidence across the EU. The directive also forbids advertisements that encourage children to use 'pester-power' to make adults buy a product and advertisements that directly tell children that they must buy a product.

### **Energy sources: Europe prepares the post-oil:**

Uppsala, in Sweden, is a major European place for research on solar energy. The European Union has been working on solar energy for years, but research has always been limited by technical issues. Technically it is easy to produce electricity from light. Einstein found out that some materials do that naturally, like Silicon, for example, if it gets a special treatment. All satellites are equipped with photovoltaic cells, but they are very expensive. There are two options for this activity to take off: the first option is building expensive, but highly productive cells, that is the option of Uppsala researchers, who work on a so-called CIS technology (from its three components: Copper, Indium, Selenium); this technology transforms light in electricity with high returns. The second option is to focus less on the return, but create a technology that could be produced in mass as from the beginning; this is the aim of the H-Alpha project, of the University of Groningen (Netherlands), in the frame of which the Dutch company AKZO projects building a machine that would be able generating every year components for the equivalent of 65 Megawatts. The machine would continuously produce a plastic material that would catch light and transform it in electricity; a pilot project has shown that this method would be the cheapest for producing electricity from solar energy.

### **Appeal in World Trade Organization Procedures against European measures limiting imports of farmed salmon:**

Chile has appealed to the World Trade Organization (WTO) protesting against measures to limit imports of farmed salmon into European Union.., The Chilean Foreign Minister informed the Norwegian Prime Minister Kjell Magne Bondevik announced on the same day that Norway would also become a party to the dispute. The Commission has recently imposed a minimum price on imports of farmed salmon in to EU along with quotas. On Feb 8 February, Chile asked for consultations with the EU under the WTO dispute

resolution procedure. The consultation period is supposed to last up to 60 days and is the first stage of the dispute resolution procedure to try to reach an agreement. The European measures essentially affect Norway.

### **Modification of Customs duty on Bananas:**

The European Commission notified the World Trade Organization (WTO) of its proposal to bring in customs duty of 230 euros a tone on imports of bananas from third countries, by 2006. It is worth noting that in 2001, the EU undertook to modify its import quota system, to replace the present regime based on tariff quotas by 2006. This new tariff, applied under the most-favored nation clause, will replace the present duty of 680 EUR applied to imports outside quotas, the commission stated in a press release. This notification is required under regulations in force and in no way prejudices the results of the ongoing negotiations between the EU and banana-exporting countries.

### **TSUNAMI Trade Concessions to be speeded up:**

The European Commission announced that it is bringing forward a package of trade concessions to help developing countries, including those hit by the Asian tsunami disaster, by three months. The move involves introducing a new system of trade preferences for developing countries (known as the Generalized System of Preferences) from April 1 rather than July 1 as originally planned. The EU Council is still to agree to this proposal formally. The package will offer better access to the EU's markets for a range of countries but the package will contain extra concessions for some countries affected by the tsunami. Sri Lanka will get duty free access for all its products eligible under the GSP including textiles while India, Indonesia and Thailand will be able to export fisheries products on better terms. The Commission is also expected to relax its rules of origin system which determines the level of import duty and import quotas depending on where the product is made. The aim is to make it easier for finished products made from raw materials from another country in the same regional bloc to enter the EU. For example, a garment produced in one country made with cotton sourced from another country in the same regional grouping like the Association of South-East Asian Nations (ASEAN) or the South Asian Association for Regional Cooperation (SAARC).

### **Kyoto Protocol comes into force:**

The Luxembourg Environment Minister Lucien Lux was in Brussels to mark the coming into force of the Kyoto Agreement to fight climate change. Minister Lux said that it was a "historic moment" and that the treaty had triggered a positive dynamic in various countries. The Luxembourg Presidency will now focus on defining future objectives, which are of paramount importance, declared Lux at a press conference with European Commissioner responsible for Environment, Mr. Stavros Dimas and President of the European Parliament Committee on Environment, Mr. Karl-Heinz Florenz. About the United States, Lux declared that President Bush's visit to Brussels would be an opportune moment to persuade the Americans to join the fight against global warming.

Bilateral Trade:

**India-Belgium Trade:**

**Figures in Thousand Euro**

<b>Product</b>	<b>Jan-Dec 03</b>	<b>Jan-Dec 04</b>	<b>% change</b>	<b>% share in 04</b>
India's exports	1767198	2245550	27.07%	34.6%
India's imports	3851773	4241459	10.12%	65.4%
<b>Total trade</b>	<b>5618971</b>	<b>6487009</b>		

**Major items of Indian exports to Belgium:**

**Figures in Thousand Euro**

<b>Product</b>	<b>Jan-Dec 03</b>	<b>Jan-Dec 04</b>	<b>% change</b>	<b>% share in 04</b>
Precious stones and metals	1033047	1175960	13.83%	52.37%
Iron and steel	39968	191900	380.14%	8.55%
Mineral fuel, oils and products thereof	27326	138046	405.17%	6.15%
Articles of Apparel & Clothing accessories, knitted	72032	83988	16.60%	3.74%
Articles of Apparel & Clothing accessories, not knitted	64469	71686	11.19%	3.19%
Organic chemicals	46846	48823	4.22%	2.17%
Fish & crustaceans, mollusks & other aquatic	43129	48355	12.12%	2.15%
Man-made staple fibers	32783	38379	17.07%	1.71%
Electrical Machinery & Equip & parts	26481	37111	40.14%	1.65%
Other made-up textile articles	27167	36263	33.48%	1.61%

## Major items of Indian imports from Belgium

Figures in Thousand Euro

Product	Jan-Dec 03	Jan-Dec 04	% change	% share in 04
Precious stones and metals	3402565	3650601	7.29%	86.1%
Boilers, machinery and mech appliances & parts thereof	79579	106809	34.22%	2.5%
Iron and steel	65446	82712	26.38%	2.0%
Pharmaceutical products	25789	76322	195.95%	1.8%
Organic chemicals	43977	58794	33.69%	1.4%
Plastics and plastics products	42211	51468	21.93%	1.2%
Electrical Machinery & Equip & parts thereof	28580	23287	-18.52%	0.5%
Optical, photographic, cinematographic & measuring equip	15407	13725	-10.91%	0.3%
Photographic or cinematographic products	8925	13425	50.42%	0.3%
Pulp of wood or of other fibrous cellulosic materials	7760	11951	54.00%	0.3%

## India-Luxembourg Trade:

Figures in Thousand Euro

Product	Jan-Dec 03	Jan-Dec 04	% change	% share in 04
India's exports	13942	11268	-19%	51.0%
India's imports	10423	10822	3.83%	44.42%
Total trade	<b>24365</b>	<b>22090</b>		

## Major items of Indian exports to Luxembourg:

Figures in Thousand Euro

Product	Jan-Dec 03	Jan-Dec 04	% change	% share in 04
Man-made filaments	5676	4952	-12.8%	43.9%
Articles of iron and steel	3122	2719	-12.9%	24.1%
Boilers, machinery & mech appliances & parts thereof	843	547	1029.0%	4.9%
Precious stones and metals	822	532	-35.3%	4.7%
Plastic & Plastic products	119	461	287.4%	4.1%
Elec. Machinery, equipment and parts thereof	406	297	-26.8%	2.6%
Glass & Glassware	30	297	890.0%	2.6%
Articles of Apparel & Clothing Accessories, knitted	426	276	-35.2%	2.4%
Tanning or dyeing extracts, tanning & their de	406	141	-65.3%	1.3%
Articles of Apparel & Clothing Accessories, not knitted	330	119	-63.9%	1.1%

**Major items of Indian imports from Luxembourg:****Figures in Thousand Euro**

<b>Product</b>	<b>Jan-Dec 03</b>	<b>Jan-Dec 04</b>	<b>% change</b>	<b>% share in 04</b>
Boilers, machinery & mech appliances & parts thereof	6619	8065	21.8%	74.5%
Iron and steel	937	902	-3.8%	8.3%
Plastics & Plastics products	1379	471	65.8%	4.4%
Aluminum and articles thereof	58	255	340.4%	2.4%
Optical, photographic, cinematographic & measuring equipment	185	217	17.2%	2.0%
Electrical Machinery & Equipment & parts thereof	263	142	-46.0%	1.3%
Other base metals; cermets; articles thereof	29	142	394.4%	1.3%
Articles of Iron & Steel	507	72	-85.8%	0.7%
Copper and articles thereof	39	50	27.1%	0.5%
Wadding, felt & nonwovens; special yarns; twine, cc	1	18	0%	0.2%

**Trade/Investment Enquiries:**

During the month of February 2005, the Commercial Section received 70 trade enquiries. Appropriate action was taken on each of them.

**Details of Tender Information:**

During February, Commercial Section received 4 tenders, which were widely publicized among The Chamber of Commerce and relevant Trade Association in Belgium and Luxembourg, and also displayed on Embassy website & notice boards.

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