

## **Extempore Remarks by Ambassador Manjeev Singh Puri at the function to celebrate the 5<sup>th</sup> anniversary of the Indian Business Chamber, Luxembourg**

Honourable Mr. Etienne Schneider, Vice Prime Minister and Minister of Economy and Foreign Trade of Luxembourg,  
H.E Mr Gaston Stronck Ambassador of Luxembourg in India,  
Mr Sudhir Kohli, President of the Indian Business Chamber of Luxembourg,  
Distinguished Guests

Mr Master of Ceremonies,

Thank you very much for the kind introduction and your reference to the many assignments of my career. I would like to add the most important one – that I am a friend of Luxembourg.

For this first of all I need to thank our Honorary Consul General, Mr Ambi Venkatraman, who acquainted me with Luxembourg more than twenty-five years back when he visited Venezuela, where I was then posted. Since then we have interacted on several occasions, usually relating to bringing Indian dance and music to Luxembourg.

I have also had the privilege of collaborating closely with Luxembourg's delegation to the UN and am, indeed, delighted that Luxembourg presently serves on the Security Council.

The warm and friendly bilateral relations between India and Luxembourg have hugely benefited from the efforts of the business communities of both countries.

I am, therefore, extremely happy to be here today to celebrate the 5<sup>th</sup> Anniversary of the Indian- Business Chamber of Luxembourg and would like to offer my special appreciation to its members and President, Mr Sudhir Kohli.

Our bilateral engagements have resulted in various tangible outcomes such as bilateral treaties and agreements on subjects such as the Air Services Agreement, the Agreement on Avoidance of Double Taxation and Prevention of Fiscal Evasion, the Social Security Agreement and an Agreement on Steel Technology. I am obviously very happy to see Arcelor Mittal in action in Luxembourg.

Bilateral trade between India and Luxembourg saw a spike in 2011-2012 to over USD 60 million and there has been a slight decline in 2013. I am hopeful that sustained efforts from both sides will reverse this trend soon. Indeed, the 13<sup>th</sup> Economic Joint Commission Meeting between the Belgian-Luxembourg Economic Union (BLEU) India fixed an ambitious target for our bilateral trade at USD 200 million by 2015.

The BLEU meeting also noted that around 170 major Indian companies are listed at the Luxembourg Stock Exchange through Global Depository Receipts (GDR) and that Indian GDRs listed in Luxembourg reached a value of about 13 billion euro in 2012 which represents about 27.5% of the overall value of all GDRs listed at the Luxembourg stock exchange.

With total FDI in India of US \$ 872 million, Luxembourg is the 18<sup>th</sup> largest investor in India during the period April 2000 to January 2014. However among the EU Member states it is the 9<sup>th</sup> largest investor in India [*Luxembourg Ambassador in India intimated later that Luxembourg ranks at No. 4 among the combined FDI and FII investors in India*]. And, about 90 investment funds domiciled in Luxembourg are specifically targeting the Indian market. Mr Vice Prime Minister, while it is true that India is a huge country, Luxembourg too is no small player.

Mr Vice Prime Minister,

Today the airwaves are full 24x7. But I remember the days when Luxembourg's RTL was the rage in Europe. I am delighted that its subsidiary called Fremantle Media is very successful in the Indian market.

Moreover, in Chennai we have a hub for Luxembourg's all-cargo airline Cargolux. This operation should provide a huge leverage for the free-zone being opened soon in Luxembourg.

It also pleases me to see a good presence of Indian IT companies and IT professionals in Luxembourg. Indeed, as one drives in to Luxembourg from Brussels, it is a proud moment to see the TCS sign high up above the highway.

Mr Vice Prime Minister,

I understand that your Government has been in touch with diamond merchants from Antwerp. As Ambassador of India to Belgium, I should have mixed feelings on this but I am happy to encourage the growth of the diamond business between India and the EU.

I had visited the Diamond Area in Antwerp some three decades back. The only bank located there was a well known Dutch bank. Visiting the area a few weeks back, I was delighted to see four Indian banks present in the small diamond zone in Antwerp. And, a fifth one is to open soon.

I am sure an increased presence of diamond traders will see the presence of Indian banks in Luxembourg too.

Distinguished Guests,

India is the third largest economy in the world and at USD 4.7 trillion in PPP terms is larger than any in Europe. At the same time we have huge development imperatives and the need to hugely grow our economy. India's cost competitiveness, low labour costs coupled with a huge market and massive demand for infrastructure investments should provide a major catalyst for boosting our bilateral engagement

It is, however, important to remember that India is a very competitive market, competitive not only in terms of price but also technology. It is imperative that cutting edge technology is offered along with competitive pricing. The reason I say so is because several other parts of the world are now also in a position to provide state of the art technology and have the most competitive prices to add to their offer.

In 2010 there was a highly successful economic Mission from Luxembourg to India. Another high level visit has been proposed for October this year. These high level contacts and economic Missions have added hugely to our bilateral ties.

I wish IBCL all the best for the future. I visualise the Chamber becoming stronger and strengthening economic ties between India and Luxembourg.

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