

INDIA- LUXEMBOURG BILATERAL BRIEF

India and Luxembourg enjoy warm and friendly relations characterized by a high degree of mutual understanding and cooperation at bilateral and multilateral levels. The diplomatic relations between India and Luxembourg were established in 1948. Luxembourg opened its Embassy in New Delhi in February 2002 which is one of its five embassies in Asia. Luxembourg also has Honorary Consuls in Mumbai, Chennai, Kolkata and Bengaluru.

Virtual Summit between the Prime Ministers (Nov 2020) - On 19 Nov, 2020, both the PMs held a virtual bilateral summit to discuss the entire spectrum of the bilateral relations and to strengthen the India -Luxembourg cooperation in the post-COVID world. Following agreements were signed:

- MoU between India International Exchange and Luxembourg Stock Exchange
- MoU between State Bank of India and Luxembourg Stock Exchange
- MoU between Invest India and Luxinnovation

As announced during the Summit, Luxembourg joined the International Solar Alliance in February, 2021. An MoU between SEBI and Luxembourg Regulator CSSF was signed in June 2021. The Summit also institutionalized holding of regular bilateral consultations between the Ministry of External Affairs of India and the Ministry of Foreign and European Affairs of Luxembourg. The first Foreign Office Consultations between India and Luxembourg were held on 12 November 2021 in Luxembourg. An inter-regulatory cooperation agreement MoU between Commission de Surveillance du Secteur Financier (CSSF), Luxembourg and International Financial Services Centres Authority (IFSCA) has been signed on 6th January 2022. An MoU between India and Luxembourg on cooperation in the exploration and uses of outer space for peaceful purpose has been signed in February 2022.

During the virtual Summit, the Prime Minister of Luxembourg H.E. Mr. Xavier Bettel suggested that a Luxembourgish company – B Medical System with niche and state-of-art technology in the domain of cold chain vaccine refrigeration is interested to Make in India. The embassy facilitated the company for a trip to India. Within a short span of five months, in the midst of the Covid 19 pandemic, the company has set up manufacturing operations in Mumbai in April 2021. The second manufacturing facility for B Medicals system in Mundra, Gujarat was inaugurated in January 2022. This is the company's first manufacturing set up outside of Luxembourg.

HIGH-LEVEL VISITS FROM INDIA

Minister of External Affairs Smt. Sushma Swaraj visited Luxembourg from 19-20 June 2018. It was the first ever visit to Luxembourg by an External Affairs Minister. During the visit, EAM called on the Grand Duke of Luxembourg and the Prime Minister of Luxembourg. EAM held talks with her counterpart, Mr. Jean Asselborn, Minister of Foreign and European Affairs.

Minister of State for External Affairs Gen. (Retd) Dr. V. K. Singh led the Indian delegation to the 12th Asia- Europe Foreign Ministers' Meeting in Luxembourg from November 4-7, 2015.

During the visit, Hon'ble Minister of State called on Luxembourgian Foreign Minister, Mr. Jean Asselborn.

Minister for Environment, Forest and Climate Change Shri Prakash Javadekar visited Luxembourg to attend the Major Economies Forum from July 18-19, 2015.

Hon'ble Speaker of Lok Sabha Smt. Meira Kumar led a high level Parliamentary Delegation to Luxembourg from June 10-13, 2010 and held bilateral consultations with the Prime Minister of Luxembourg Mr. Jean Claude Juncker.

President Dr. KR Narayanan had visited Luxembourg from 14-16 September, 1998.

HIGH-LEVEL VISITS FROM LUXEMBOURG

Foreign Minister Jean Asselborn visited India from 26-27 April, 2022 for the Raisina Dialogue. This was FM Asselborn's fifth visit to India. He had earlier visited India in January 2020 and had a bilateral meeting with External Affairs Minister of India, Dr. S. Jaishankar on 28 January 2020 in New Delhi. He had paid an official visit to India in March 2015 during which he had bilateral consultations with Hon'ble External Affairs Minister. He had earlier visited India in February 2007 in his capacity as the Deputy Prime Minister and Foreign Minister of Luxembourg.

Finance Minister of Luxembourg Mr. Pierre Gramegna visited Mumbai on 25- 26 June 2018 to participate in the 3rd Annual Meeting of the Board of Governors of the Asian Infrastructure Investment Bank (AIIB). During his visit, he also met Minister of Finance Shri Piyush Goyal.

Luxembourg's Minister for Sustainable Development and Infrastructure, Mr. Francois Bausch, visited India on 11-16 November 2017 to participate in the International Road Federation (IRF) World Road meeting.

Foreign Ministers and Ministers for Foreign Trade & Investment of Luxembourg have regularly visited India with business delegations. Deputy Prime Minister and Minister of Economy of Luxembourg, Mr. Etienne Schneider, led an economic delegation to India (New Delhi & Mumbai) from February 29 – March 4, 2016. Luxembourg's former Minister of Economy and Foreign Trade, Mr. Jeannot Krecke led an economic delegation to India in April 2007 and from 9-14 January 2010. Luxembourg's former Minister of Budget and Treasury, Mr. Luc Frieden paid a visit to India in January 2007. Mr. Georges Wohlfart, Secretary of State for Foreign Affairs and Foreign Trade visited India in October 1995, May 1996 and April 1997.

Grand Duke Henri had led an economic delegation to India in May 1995 when he was the Crown Prince. The then Grand Duke HRH Jean (father of the incumbent Grand Duke Henri) visited India in March 1983 along with the Grand Duchess, as the Chairman of the International Olympic Association.

The then Luxembourgian Prime Minister Mr. Jean Claude Juncker had visited India in January 1999.

The President of the Chamber of Deputies of Luxembourg Mr. Laurent Mosar led a Parliamentary delegation to India from 28 February - 2 March 2012.

OTHER HIGH-LEVEL INTERACTIONS

Minister for Foreign and European Affairs, Mr. Jean Asselborn, met Minister of State for External Affairs, Shri. V. Muraleedharan on 16 December 2019 on the sidelines of the ASEM Foreign Minister's Meeting in Madrid and discussed India-Luxembourg bilateral relations.

Finance Minister Shri Arun Jaitley held bilateral meetings with Minister of Finance of Luxembourg, Mr. Pierre Gramegna on the sidelines of the G-20 Finance Ministers and Central Bank Governors' annual Meeting on April 16, 2016 in Washington D.C. and in Ankara in 2015.

MULTILATERAL COOPERATION

Luxembourg has been supportive of India in the UN and acknowledges India's contribution to the functioning of UN. During the State visit of Rashtrapati Shri K.R. Narayanan in 1998, Luxembourg confirmed its support to India's bid for a permanent membership to the UN Security Council. In this context, Luxembourg co-sponsored the G-4 resolution in the UNGA in 2005. Luxembourg's support for India's claim for permanent membership of UNSC has been reiterated by the Luxembourgian leaders during several bilateral interactions. India and Luxembourg have been supportive of each other's candidature for the UNSC non-permanent membership on a reciprocal basis. Luxembourg supported India's non-permanent membership to the UNSC for the period 2011-12 which India reciprocated by supporting Luxembourg's successful bid for the period of 2013-14.

India and Luxembourg have supported each other's candidatures to the UN Human Rights Council (UNHRC) on a reciprocal basis. India was re-elected for the UNHRC term 2015-17 and Luxembourg had supported India's candidature for the UNHRC for the 2015-17 term. Luxembourg and India have both been elected to the UN Human Rights Council (UNHRC) for 2022-24.

Luxembourg had opposed embargoes against India in the aftermath of the nuclear tests of 1998. As a Member State of the Nuclear Suppliers Group, Luxembourg supported India-US Nuclear Agreement for peaceful purposes in 2008 and was willing to go along with India's membership of the NSG. Luxembourg supported India's membership of the MTCR regime.

ECONOMIC AND COMMERCIAL RELATIONS

Trade and investment comprise important element of India-Luxembourg relations. India and Luxembourg have a Double Taxation Avoidance Treaty (DTAA), a Social Security Agreement, and a Civil Aviation Agreement, that lays the fundamental basis for enhanced bilateral economic and trade cooperation.

Bilateral Trade: Total Trade with Luxembourg (April 2021 - February 2022) - totaled US\$ 72.88 mn of which India's Export (April 2021 - February 2022) was worth US\$ 13.16 mn and India's Import (April 2021 - February 2022) totaled US\$ 59.71 mn. FDI flows from

Luxembourg to India from April 2000 to December 2021 stood at US\$ 3.666 billion making it the **15th largest investor in India**.

The India-Belgium-Luxembourg-Economic Union Joint Commission (India-BLEU JCM) established in 1997 is the main forum for economic and commercial issues with Luxembourg and Belgium. The 17th India-Belgium-Luxembourg-EU Joint Commission (India-BLEU JCM) was held on 16th September 2021 in virtual mode. Comprehensive discussions on a range of issues including bilateral trade, investment and economic cooperation were held on the occasion.

Luxembourg being one of the world's most important financial centers, Indian companies raise capital by issuing Global Depositary Receipts (GDRs) at the Luxembourg Stock Exchange. Lux GDRs India' Index was launched in the Luxembourg Stock Exchange on January 1, 2009. There are over 250 Indian issuers at Luxembourg Stock Exchange. Besides, Luxembourg based investment funds hold substantial banking and asset management marketshare in portfolio investments in India.

LuxSE is one of the leading exchange for debt listings from Indian issuers outside their home market. Since 2008, with the first Masala bond listing at Luxembourg Stock Exchange, the number of INR denominated debt securities has been increasing steadily. The MoU signed between India INX & Luxembourg Stock Exchange in Nov 2020 provides issuers and investors an opportunity to list and trade green bonds on India INX platform "GSM Green" with opportunity to dual list with Luxembourg Stock Exchange. It may be noted that Luxembourg Stock Exchange is the largest green bond listing platform with exceptional governance standards. On 22 Nov 2021, the first dual listing of SBI's green bonds worth USD 650 million was enabled through this MoU on the Securities Official List of the Luxembourg Stock Exchange. On 1st June, 2022, a green bond issued by the Indian company Power Finance Corporation worth EUR 300 million, which was already listed on India INX, was registered on LuxSE's Securities Official List and displayed on the Luxembourg Green Exchange (LGX), the world's leading platform for sustainable securities.

India and Luxembourg have a longstanding cooperation in the Steel sector. Luxembourg Company Paul Wurth has been in India for the last two decades and playing an important role in upgrading the steel sector in India in collaboration with SAIL, TISCO, Jindal Steel, etc. In this regard, a Memorandum of Understanding was signed on May 7, 2010, between Steel Authority of India (SAIL), the Centre for Engineering & Technology (CET) and Paul Wurth, Luxembourg. MECON (Indian PSU) has a Memorandum of Understanding (MoU) with Paul Wurth S.A. Luxembourg to co-operate in the field of Coke Oven batteries, Coke Ovenmachines, Stamp Charging machines, Coke Dry Quenching (CDQ) Plant, Coal Chemical Plant (By- Product Plant) for the projects in India and in other countries. Union Minister of Steel, Chaudhary Birender Singh visited Luxembourg in August 2016 and held meetings with Paul Wurth and Arcelor Mittal.

Other Luxembourg based companies having business in India are: *Arcelor Mittal, B Medicals System, John Zink Hamworthy Combustion, Ceratizit, Amer- Sil Ketex, IEE, Traxys, Tractel Secalt,*

Rotarex, Hitech, Bernanrd Massard, Bejimac, Boson Energy (involved in Clean Ganga Mission), Solar Cleano etc.

Some prominent Indian companies in Luxembourg are: *TCS, Wipro, Infosys, Tech Mahindra, Syncordis, Damco Solutions, Quantum Business Advisory etc.*

Cooperation in space: On 7 November 2020, 4 nanosatellites of the Luxembourg headquartered Kleos Space SA were successfully put into orbit through the PSLV C49 mission of ISRO.

Culture: The Gandhi statue in Luxembourg's Municipal Park is a work of art created by the Indian modernist artist Amar Nath Sehgal (1922-2007), who lived between India and Luxembourg for two decades. To mark the 150th birth anniversary of Mahatma Gandhi, a special stamp was also released by Luxembourg. India and Luxembourg are also working together for the joint release of a special commemorative postage stamp to mark the 100th Birth Anniversary of artist and sculptor Amarnath Sehgal in 2022.

INDIAN COMMUNITY IN LUXEMBOURG

In 2011 the Indian community in Luxembourg numbered around 569; by 2021, it has grown to 3354. Since 2018, the Indian diaspora in Luxembourg has grown by more than 20%. Many diaspora members work in IT and other service sectors. Number of PIOs/OCI card holders is around 550. Indian students (around 80) have also started coming to Luxembourg for research and post-doctoral studies. The Indian Association Luxembourg (IAL) was established in 1991, as a non-profit cultural organization to promote social interaction, encouraging understanding and acceptance of Indian culture in Luxembourg.

In March 2009, an Indian Business Chamber of Luxembourg (IBCL) was constituted to promote commercial relations between India and Luxembourg. The Chamber facilitates business activities and assists Indian companies in the setting up of business ventures in Luxembourg.

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