

India - Liechtenstein Relations

India and the Principality of Liechtenstein established diplomatic relations in 1993. The Ambassador of India to Switzerland, resident in Berne, is concurrently accredited as Ambassador of India to the Principality of Liechtenstein. Despite its small size, Liechtenstein assumes importance on account of its membership of UN and other International Organisations as well as of European Economic Area (EEA) and EFTA (Switzerland, Norway and Iceland). The EEA forms a single market for the free movement of persons, goods, services and capital through three of the four member states of the EFTA and all EU member states, altogether encompassing 30 countries and over 500 million people.

High level visits

In the first ever high level official visit from either side, H.S.H. Hereditary Prince Alois of Liechtenstein, accompanied by his spouse HRH Princess Sophie and 11-member official delegation, including the Minister for Foreign Affairs, Education, and Culture and 10-member business delegation visited India from 14-20 November, 2010 at the invitation of Hon'ble Vice-President of India. During the visit, Prince Alois met President Smt. Pratibha Patil, Vice-President Shri Mohammad Hamid Ansari, Finance Minister Shri Pranab Mukherjee, UPA Chairperson Smt. Sonia Gandhi, Leader of Opposition Smt. Sushma Swaraj and Minister of State, MEA Smt. Preneet Kaur. The delegation visited the India International Trade Fair in Delhi. Prince Hans Adam II had toured India a few years ago on a private visit. Along with Prince Alois Prince Hans Adam II again paid a private visit to India from October 13-19, 2013 in connection with various business meetings of M/s Savannah Seeds Pvt. Ltd., Gurgaon.

The Minister of State for External Affairs, General (Dr.) Vijay Kumar Singh (Retd), visited Principality of Liechtenstein, in a first ever Ministerial visit from India to Liechtenstein on 18-19 April 2016. He met Mr. Thomas Zwiefelhofer, Deputy Prime Minister and Minister for Home Affairs, Justice and Economic Affairs of Liechtenstein on 18 April 2016 and Ms. Aurelia Frick, Minister of Foreign Affairs, Education and Cultural Affairs on 19 April 2016. He paid a Courtesy call on His Serene Highness Hereditary Prince Alois of the Principality of Liechtenstein, at Vaduz Castle on 19 April 2016. Talks were held on ways to strengthen and diversify bilateral relations between the two countries.

Economic and Commercial

Bilateral trade, which rose to almost US\$ 5 million in 2008-2009, has been dipping in recent years. As per the data from the Deptt. of Commerce, GOI, bilateral trade was US\$ 1.09 million from April-Dec. 2015-16. The % change in trade was (-) 0.5%. India's exports were US\$ 0.27 million while the imports were US\$ 0.82 million. The total bilateral trade during 2014-15 was US\$ 1.36 million, exports from India at US\$ 0.19 million and imports at US\$ 1.17 million. The trade figures of the last four years are given below as per Liechtenstein's data, in the year 2009, the direct trade volume between India and Liechtenstein amounted to 30 million USD, without counting indirect exports via Switzerland. Direct exports from Liechtenstein to India accounted for Appx. 26.23 million USD; direct imports from India into Liechtenstein amounted to about 3.64 million USD in 2009:

(In Million US\$)

Year	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17 (Apr-Sept)
India's Exports	0.16	0.14	0.27	0.32	0.19	0.26	0.13
India's Imports	0.22	0.64	0.85	0.47	1.17	0.38	0.17
Total Trade	0.38	0.78	1.12	0.79	1.36	0.64	0.30
% Growth	-	101.3	44.5	(-) 30.6	74.5		

The main items of India's exports are metal alloys and articles thereof, stones, machine tools, mechanical seals, basmati rice, petroleum products, etc. The main items of India's imports are mechanical appliances and parts thereof, electrical machinery and equipment, dies pigments and other coloring matters, glass and glassware, medical surgical and other precision instruments and articles made up of aluminum and other base metals.

As per RBI's data, the FDI inflow from Liechtenstein amounts to US\$ 9.5 million from April 2000 to June, 2015. Several Liechtenstein companies like LGT Group, Hilti, Ivoclar and Umicore Materials AG, have their presence in India, employing over 8000 people.

LGT Group is the largest Private Banking and Asset Management Group in the world that is wholly-owned by the Princely Family of Liechtenstein with assets under management at 125.7 CHF billions at the end of June 2015. Prince Philipp the second son of Prince Franz Joseph II and younger sibling of the Reigning Prince is the Chairman of the board of trustees of the LGT Group. The Reigning Prince's second son Prince Maximilian and younger brother of Prince Alois work as CEO and president of the LGT Group.

Savannah Seeds Pvt. Ltd. is a Indian subsidiary of LGT group headquartered at Gurgaon. Incorporated in October 2010, Savannah is a leading technology-based rice company focused on developing hybrid rice with high yields and value added traits. LGT Venture Philanthropy (LGT VP) is the philanthropic investor arm of LGT Group. LGT VP has funded at least seven organizations/ social enterprises in India. Funding has ranged from grants and loans to equity investments. These are- Mumbai-based charitable trust, Aangan Trust works is to improve state-run children homes in India; Pune-based social enterprise, Driptech helps farmers through its innovative and cost-effective drip irrigation technology; Mumbai-based charitable trust, Educate Girls works towards improving girls' education; Delhi-based social enterprise, Green Oil's mission is to regenerate wastelands through planting Jatropha and convert organic waste into renewable energy and natural fertilizer; Patna-based social enterprise, Husk Power Systems pioneered a gasifier-based mini electric distribution system powered by discarded rice husks and provides off-grid electricity to villagers; Pune-based social enterprise, Mann Deshi's mission is to empower poor rural women to achieve sustainable livelihoods through education and microfinance; and Operation Asha is a registered NGO active in India for treatments of tuberculosis patients.

M/s HILTI Corporation, is a Liechtenstein company that develops, manufactures and markets products for the construction, building maintenance and mining industries. It has representation in around 120 countries worldwide, including India. Hilti Manufacturing India Private Limited is a Hilti subsidiary based in Gujarat produces diamond tools and cutting disks. It acquired in 2008 Bhukhanvala Diamond Systems Private Ltd. Headquartered in Schaan in the Principality of Liechtenstein, Hilti's sales were 4.5 billion Swiss francs in 2014 and employed some 22,000 worldwide.

Ivoclar Vivadent (India) Private Limited is a wholly owned subsidiary of Ivoclar Vivadent AG, a Schaan, Liechtenstein based company, offering a comprehensive range of innovative products and systems in dental field. The overall sales revenues of the Ivoclar Vivadent Group amounted to 761 million Swiss francs in 2014.

Umicore is a global materials technology and recycling group, with more than 14,000 employees in 38 countries and a turnover of Euro 8.8 billion. Its Indian subsidiaries are Umicore Autocat India Pvt. Ltd.; Umicore Anandeya India Private Ltd.; and Umicore India Private Ltd.

Oerlikon Blazers is the leading global supplier of PVD coatings and other surface technologies which greatly improve the performance and service lives of precision components as well as metalworking and plastics processing tools. The product of Oerlikon Blazers is marketed under the brand name BALNIT. The company also develops coating processes manufacturers and markets coating systems and turnkey production lines and offers contract coating services through its dynamically growing network in Europe, the American and Asia, including India. Their Indian operational centres are in Pune, Gurgaon, Bangalore, Kanchipuram and Jamshedpur.

Swarovski is another Liechtenstein based International company mainly manufacturing and trading in Swarovski branded crystal/jewellery products. Swarovski has made its foothold in India and has exclusive outlets in 12 to 15 Indian cities, and many points of sales in various shopping malls. Swarovski has plans to expand its activities in retails as well as real estate market.

Neutrik is an international corporation headquartered in Liechtenstein. They are a technology firm manufacturing innovative electrical and electronic interconnection products and systems for the audio industry. Neutrik group consists of strategically placed subsidiaries in the United States, Switzerland, France, Japan, China and Germany. They have a network of exclusive distributors worldwide, including India.

Liechtenstein is one of the four members of the EFTA, a group with which India has commenced negotiations for an India-EFTA bilateral Trade and Investment Agreement (TIA). An Indian delegation led by Shri Rajiv Kher, Additional Secretary in the Ministry of Commerce, visited Vaduz, Liechtenstein from 23-24 January 2012, to attend Chief Negotiators' Meeting of India-EFTA TEPA Negotiations.

Liechtenstein, one of India's important partner nations in fighting overseas tax abuse and black money. The Liechtenstein FIU (Financial Intelligence Unit) had the opportunity to support India in establishing an FIU of its own and to second its admission into the Egmont Group in the year 2007. On March 28, 2013, India and Liechtenstein signed the Tax Information Exchange Agreement (TIEA) in Berne. After ratification by both sides, the Agreement entered into force on January 20, 2014. India is probing cases of alleged black money stashed by Indians in LGT Bank. The LGT list containing 26 names was received by India in 2008 from Germany. The Government has made public names of 18 Trusts/individuals against whom proceedings have been initiated.

Culture, People to People

A very successful 'India Week' was organized in Liechtenstein by India Club, Vaduz (Liechtenstein) in collaboration with the Embassy of India, Berne, and under the patronage of Ms. Aurelia Frick, Minister of Foreign Affairs, Education and Cultural Affairs of the Principality of Liechtenstein, from 17-22 May 2016. The week-long events highlighted the rich cultural heritage and business potential of India through workshops on Yoga, Kuchpudi Dance performance by the renowned Kuchipudi Dance exponents Drs. Raja and Radha Reddy, eco-tourism in Himalayas, screening of Bollywood movies, and the European Green India Summit (EUGIS'16) showcasing the potential of Green and renewable energy and eco-friendly business in India.

India Club Liechtenstein organized an India festival in Vaduz and its suburb from 24-28 March, 2015 with the support of Indian Embassy in Bern, ICCR, Govt. of Liechtenstein and other local institutions. As part of the festival, an art exhibition and workshop, seminar on tourism and culture, yoga classes, a business round table on 'Make-in-India' and a Kathak dance show were held. The festival was inaugurated by the Ambassador along with Mr. Kerstin Appel, Secretary of Ministry of Culture of Liechtenstein on 24 March, 2015. ICCR had sponsored a 10-member Kathak Dance troupe, led by Smt. Aruna Kelkar from Pune based "Niritya Bharti Academy" which held a show and a Kathak workshop in Triesen (Liechtenstein) on 27 & 28 March, 2015. The Kathak show was also attended by the Liechtenstein Minister for Foreign Affairs, International Cooperation and Culture, Dr. (Mrs.) Aurelia Frick. The Liechtenstein Minister also attended the yoga classes. All the shows/programme were well attended and appreciated. The cultural performance by a troupe sponsored by ICCR was well received in Balzers on June 9, 2011. The first-ever Indian Film Festival was inaugurated by Hon'ble Minister for Foreign Affairs and Culture Mrs. Aurelia Frick on 16 November, 2011 in Vaduz. The festival showcased popular Indian films for a week.

The 1st International Day of Yoga (IDY) was celebrated on 21 June, 2015 with great gusto and enthusiasm at the Culture Centre, Gasometer, Liechtenstein with about 30 participants. The print and visual media covered the event in their regular news-bulletins.

There are about 5 Indians based in Liechtenstein due to the requirement that a foreigner needs to have either a Swiss or Liechtensteinian spouse for a residence permit. There could be about 50-60 Indians working in Liechtenstein but staying either in Austria or Switzerland.

Useful Resources:

<http://www.regierung.li/en/home/> - Website of the Government of Liechtenstein

<http://www.liechtenstein.li/en/> - Information on Liechtenstein

<http://www.countryfacts.com/liechtenstein/government/> - Country facts on Liechtenstein

<http://www.tourismus.li/de/> - Liechtenstein Tourism

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