

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 three Honorary Consulates in Mumbai, Chennai and Kolkata.

HIGH-LEVEL VISITS FROM INDIA

External Affairs Minister, 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 His Royal Highness Henri Albert Gabriel Félix Marie Guillaume and H.E. Mr. Xavier Bettel, the Prime Minister of Luxembourg. EAM held talks with her counterpart, Mr. Jean Asselborn, Minister of Foreign and European Affairs to review India-Luxembourg bilateral relations and discuss regional and global issues. During the visit, EAM also interacted with the Indian community at the Grand Duke Jean Museum of Modern Art (MUDAM) in Luxembourg.

Recent high Level visits from India to Luxembourg include those of Minister of State for External Affairs Gen. (Retd) Dr. V. K. Singh who 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.

HIGH-LEVEL VISITS FROM LUXEMBOURG

Minister of Foreign & European Affairs of the Grand Duchy of Luxembourg Mr. Jean Asselborn visited India in January 2020 and had a bilateral meeting with External Affairs Minister of India, Dr. Subrahmanyam Jaishankar on 28 January 2020 in New Delhi.

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, especially since the turn of the new millennium.

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.

Minister for Foreign and European Affairs, Mr. Jean Asselborn, paid an official visit to India in March 2015 during which he had bilateral consultations with Hon'ble External Affairs Minister. Mr. Asselborn had earlier visited India in February 2007 in his capacity as the Deputy Prime Minister and Foreign Minister of Luxembourg. The then Luxembourgian Prime Minister Mr. Jean Claude Juncker had visited India in January 1999.

A Parliamentary delegation led by the Chair of the Lower House of the Luxembourgian Parliament (Chamber of Deputies) Mr. Laurent Mosar visited India in March, 2012. 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.

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 H.E. 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.

Indian and Luxembourg have supported each other's candidatures to the UN Human Rights Council (UNHRC) on a reciprocal basis. India was reelected for the UNHRC term 2015-17.

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. Luxembourg had supported India's candidature for ITLOS, UNESCO, Wassenaar Arrangement and IMO.

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.

The bilateral trade between India-Luxembourg in the year 2018-19 was USD 161.98 million (€147.18 million). India's exports to Luxembourg mainly consisted of engineering products, textiles and garments and chemicals while India mainly imported engineering goods, base metals, chemicals, etc. The major items of India's imports from Luxembourg are engineering goods, base metals, Plastics and articles.

Foreign Direct Investment flows from Luxembourg to India between April 2000 and June 2019 were about USD 2.84 billion (€2.58 billion), making it the 16th 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. A delegation led by Ms. Sylvie Lucas, Secretary General, Ministry of Foreign Affairs, Luxembourg, visited India for the 16th India-Belgium-Luxembourg-EU Joint Commission (India-BLEU JCM) held in New Delhi on 17 September 2019. 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 market share in portfolio investments in India. Total market capitalisation of Indian GDRs listed in Luxembourg is over Euro 12.78 billion (USD 14.32 billion).

75 Indian issuers have chosen LuxSE to list their debt securities on an international market. This makes LuxSE 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.

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 Oven machines, 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, John Zink International, Eratizit, Kuggor, Tractel Secalt, Amer Sil, AS Avocats, Motor Development International, Melange Sarl, Accumalux.

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Mumbai is now the Indian hub for Luxembourg's all-cargo airline Cargolux. Many Indian freight forwarders work with Cargolux to route their European exports (garments, shoes, machinery, original spare parts for European car makers, etc.).

INDIAN COMMUNITY IN LUXEMBOURG

The Indian Diaspora in Luxembourg numbers around 1400. Nearly 500 are Indian passport holders while others have acquired various nationalities, including Luxembourg. Nearly 500 Indian citizens live in Luxembourg and work in IT and other service sectors. Indian students also have 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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