

INDIA- LUXEMBOURG BILATERAL RELATIONS

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. Luxembourg also has Honorary Consuls in Mumbai, Chennai, Kolkata and Bengaluru. The two sides celebrated 75 years of diplomatic relations in 2023.

2. **Virtual Summit between the Prime Ministers:** On 19 November 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

3. 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 2nd India-Luxembourg Foreign Office Consultations were held on 9 April 2024 in New Delhi. 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) was signed on 06 January 2022 and was exchanged on 29 July 2022 in the presence of Hon'ble PM of India.

4. During the virtual Summit, the then 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. Within a short span of five months, in the midst of the Covid 19 pandemic, the company 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. In July 2022, the company also opened its office in New Delhi.

High-Level Visits from India

5. Then 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 His Royal Highness Grand Duke of Luxembourg and the Prime Minister of Luxembourg. EAM held talks with her counterpart, Mr. Jean Asselborn, then Minister of Foreign and European Affairs.

6. Then 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 04-07 November 2015. During the visit, Hon'ble Minister of State called on then Luxembourgian Foreign Minister, Mr. Jean Asselborn.

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

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

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

High-Level Visits from Luxembourg

10. The then Foreign Minister Mr. Jean Asselborn visited India from 26-27 April 2022 for the Raisina Dialogue. This was the then FM Asselborn's fifth visit to India. He had earlier visited India in January 2020. Then he met External Affairs Minister, Dr. Jaishankar, on 28 January 2020 during which both sides discussed ways to further strengthen bilateral and multilateral cooperation. *(Mr. Asselborn had earlier visited India in February 2007; November 2013 – for ASEM Ministerial and March 2015).*

11. Then 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 the then Minister of Finance Shri Piyush Goyal.

12. Luxembourg's then 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.

13. Then Deputy Prime Minister and Minister of Economy of Luxembourg, Mr. Etienne Schneider, led an economic delegation to India (New Delhi & Mumbai) from 29 February –04 March 2016.

14. Luxembourg's former Minister of Economy and Foreign Trade, Mr. Jeannot Krecke led an economic delegation to India in April 2007 and from 09-14 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.

15. His Royal Highness 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 HRH 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.

16. The President of the Chamber of Deputies of Luxembourg Mr. Laurent Mosar led a Parliamentary delegation to India from 28 February - 02 March 2012.

Other High-Level Interactions

17. 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.

18. Former Finance Minister Shri Arun Jaitley held bilateral meetings with the then 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.

19. A 5-member delegation of International Financial Services Centres Authority (IFSCA), GIFT City including its Chairperson Shri. K. Rajaraman visited Luxembourg between 26 and 27 February 2024 and held meetings with various financial services agencies/regulators/fund managers.

Multilateral Cooperation

20. 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.

Economic And Commercial Relations

21. 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.

22. **Bilateral Trade:** Total trade with Luxembourg (2023) totaled EUR 118.6 million of which India's export (2023) was worth EUR 40.3 million and India's import (2023) totaled EUR 78.3 million. FDI flows from Luxembourg to India from April 2000 to September 2023 stood at USD 4.734 billion making it the 15th largest investor in India.

23. 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 18th India-Belgium-Luxembourg-EU Joint Commission (India-BLEU JCM) was held in April 2024 in New Delhi. Comprehensive discussions on a range of issues including bilateral trade, investment and economic cooperation were held on the occasion.

24. 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 in 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.

25. LuxSE is one of the leading exchanges 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 November 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 November 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 01 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).

26. 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 MoU was signed in May 2010, between Steel Authority of India (SAIL), the Centre for Engineering & Technology (CET) and Paul Wurth, Luxembourg. MECON (Indian PSU) has a 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. Then Union Minister of Steel, Shri Chaudhary Birender Singh visited Luxembourg in August 2016 and held meetings with Paul Wurth and Arcelor Mittal.

27. 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, Bejmac, Boson Energy (involved in Clean Ganga Mission), Solar Cleano etc.*

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

Cooperation in Space Sector

29. On 07 November 2020, 4 nanosatellites of the Luxembourg headquartered Kleos Space SA were successfully put into orbit through the PSLV C49 mission of ISRO. An MoU between India and Luxembourg on cooperation in the exploration and uses of outer space for peaceful purpose was signed in February 2022.

Culture

30. 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 have also undertaken joint release of a special commemorative postage stamp to mark the 100th Birth Anniversary of artist and sculptor Amarnath Sehgal as well as 75 years of India-Luxembourg diplomatic ties on 14 March 2023.

Higher Education and Research

31. Luxembourg Institute of Health (LIH) and Luxembourg Centre for Systems Biomedicine (LSCB) have ongoing collaborations with Indian institutions in the field of life sciences. These include collaboration in the field of Parkinson's disease within the Luxembourg-German-Indian Alliance on Neurodegenerative Diseases and Therapeutics (Lux-GIANT) as well as in the field of Biomedicine with the National Brain Research Centre in India.

32. Further, Indian Institute of Information Technology Kottayam participated in the test phase of the high-performance computer MeluXina (operational since 2021), with a project in the field of AI.

Indian Community in Luxembourg

33. In 2011 the Indian community in Luxembourg numbered around 569; by 2023, it has grown to around 6000. Since 2018, the Indian diaspora in Luxembourg has grown by more than 20%. Many diaspora members work in IT and other service sectors. The number of PIOs/OCI card holders is around 550. Indian students 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.

34. 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.

April 2024