Europe India Chamber of Commerce

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Speakers at EICC conference to address range of trade, investment and economic issues

EICC Trade and Investment Conference, a first-of-its-kind on the eve of the EU-India Summit, to be held on 9 December 2010 in Brussels will discuss wide range of EU-India trade, investment and economic issues. The High Level Conference "Building a New Paradigm for EU-India Relations through Enhancing Trade and Investment" in the European Parliament is being organized in partnership with EUROCHAMBRES and will be attended by 150 prominent business leaders and executives from across Europe and India. The Conference will be addressed by India's Trade and Commerce Minister Mr. Anand Sharma and EU Trade Commissioner Mr. Karel De Gucht. India's Ambassador to Belgium Dr. Jaimini Bhagwati will also address the event. Distinguished speakers from Europe, among others, include Mr. Alessandro Barberis, President of EUROCHAMBRES; Mr. Philippe de Buck, Director General of BUSINESSEUROPE, Mr. Philippe Vlerick, President of BICC&I. Mr. Geoffrey Van Orden, MEP and Hon. Chairman of the EICC will welcome and give introductory remarks. The Conference is being organized in partnership with EUROCHAMBRES.

The Conference is taking place at a time of extraordinary challenges posed by the global financial and economic crisis. Europe's economy is struggling through the biggest crisis it has seen since the creation of the single market in 1992 and subsequently unified currency now used by 16 European countries. In this context Conference will hear views of experts and participants and exchange ideas on the broader aspect of the trade related issues such as regulatory and legal framework, taxation policies, tariff, custom policies and suggest how EU and Indian business can enhance their cooperation. This event will serve as a key platform offering an unparalleled access to a full spectrum of industry leaders, business executives, policy makers and representatives of the European Commission to share their views. The Session "Realising Potentials: New Paradigm in Facilitating Trade and Investment between the EU and India" will be chaired by Mr. Sanjay Dalmia. Chairman, Dalmia Group of Companies Ms. Micol Martinelli, Senior Advisor of EUROCHAMBRES will make a Special Presentation on European Business and Technology Centre (EBTC) operating in India and how Indian and European companies can take advantage of the technical assistance offered by the Centre (the programme is supported by the European Commission). On market access issues in India, Mr. Dilip Mehta, CEO of Rosyblue group will share his views while on market access issues in the EU Mr. Rajdeep Sahrawat, General Manager, Corporate Affairs of Tata Consultancy Services will offer his perspective. Mr. Dileep Patil, CEO of CG Power will share his vision on enhancing EU-India business relations. The Session "Identifying Factors: Changes Needed in Investment Policies to Enhance Trade and Capital Flows between the EU and India" will be chaired by Mr. Ravi Mehrotra, CBE Chairman Foresight Limited. While Mr. Laurens Narraina, Partner of PwC will speak on the Indian tax policy towards foreign inward investment from an European perspective, Dr. Daniel Sharma, Partner and Co-Head India Group Continental Europe of DLA Piper will speak on the recent developments and challenges in the Indo-European cross-border M&A. Mr. Philippe Péters, Partner of NautaDutilh will share his views on regulatory aspect of the intellectual property including REACH, and Mr. Thierry Charon, Partner of Loyens & Loeff will speak on the strategic importance of legal issues connected with EU Imports and Customs. Several European policy makers and business leaders will share their views on "Developing Policy and Institutional Framework for addressing barriers to Trade and Investment: Stakes for EU and India". This session will see Mr. Nirj Deva, MEP and Dr. Ajit Shetty, Vice President of Johnson & Johnson sharing their vision and perspective. Representatives of three major chambers in India; CII, FICCI and ASSOCHAM will also address the conference. The Conference is being organized in association with Belgo Indian Chamber of Commerce and Industry and the Chamber will send some top 20 business leaders from Belgium who have business interest in India.

Indian Prime Minister to address Eleventh EU - India Business Summit

India's Prime Minister Dr. Manmohan Singh will address the Eleventh EU-India Business Summit in Brussels on 10 December. The summit on "EU-India Partnership Opportunities for Sustainable

Development" is being organized by the Federation of Belgian Enterprises (FEB/VBO) in association with Confederation of Indian Industry (CII) and the Federation of Indian Chambers of Commerce and Industry (FICCI). The Business Europe is partnering the business summit which will focus on opportunities in business collaboration on areas such as Clean Technologies in Energy and Transport and Infrastructure. During the Political Leaders Plenary Session, in addition to India's Prime Minister Dr. Singh, President of the European Council Mr. Herman Van Rompuy will also address the Summit. India's Trade Minister Mr. Anand Sharma and EU Trade Commissioner Mr. Karel De Gucht have also been invited to speak. The Summit is being held under the Belgian Presidency of the EU. The summit will be attended by a large business delegation of more than 200 European and Indian business leaders. The EICC is actively supporting the Summit and several of its representatives will attend. Dr. R K Pachauri, Chairman of the Intergovernmental panel on Climate Change will deliver the key note address. The Business Summit aims to redefine the importance of sustainable development through addressing the issues connected with the overall development strategies. An important element of the Summit is the CEOs Round Table to be addressed by Mr. Phiroz Vandrevala, Executive Director of the Board and Head Global Corporate affairs of TCS, and Mr. Philip Vlerick, CEO, Vlerick Group.

The issues covered at this session are aimed at enhancing trade and investment between EU and India. As EU and India are currently engaged in the free trade negotiations, the FTA issues will come up for some discussion. Issues that will come up are how to exploit the potential of India and EU markets in the various sectors globally for mutual advantage of both continents. Business leaders, senior members from the industry, senior ministers, government officials, think tanks and policy makers from different parts of India and the European Union have met on this forum year after year to identify steps to make the process of partnership fruitful. These summits have provided opportunity for deliberations, networking, and exchange of ideas amongst the participants from India and the EU. Past summits have played a crucial role to help raise issues to augment bilateral trade relations and investment between India and the EU nations. In order to take full advantage of new opportunities and to strengthen bilateral ties, economic relationship needs to be taken to a higher level. In this context, the CEO Round Table will be an excellent means. Online registration can be done through the link http://euindia.summitsfeb.be/registration .

EICC Board of Directors to meet on 8 December in Brussels

The board of directors meeting of the Chamber will be held in Brussels on December 8, 2010. The board will ratify the appointment of Mr. Geoffrey Van Orden MEP as the Honorary Chairman of the EICC. The meeting is being held on the eve of the EICC Conference on 9 December and the EU-India Business Summit on 10 December in Brussels. The meeting will take stock of the developments since June 2010 when the EICC had its last AGM and Board Meeting on 29 May in Brussels. The meting will discuss the current plan and future challenges. It will also discuss the preparation of the Small Business Conference during Vibrant Gujarat 2011, which the Chamber is partnering with Commonwealth Business Council and CII. The meeting will also be attended by newly appointed Members of the Advisory Board and will offer an opportunity for board members to get more involved in the overall direction of the Chamber.

India likely to sign labour mobility pacts with France, Holland

India is looking at clinching broader labour mobility agreements with some European nations, having signed social security agreements with many Western countries. These agreements will provide for greater flexibility in movement of labour to and from India. The pacts will cover several areas such as market surveys in labour shortages, shared information on capacity building and developing joint certification standards for skilled workers. The labour mobility agreement will cover movement of labour in both directions. With India becoming increasingly important on the global stage, there will be many more people coming to work in India as well. Therefore in an effort to ensure orderly migration to and fro, India and European Union are engaged in the negotiation on signing a labour mobility pact which envisages exchange of information relating diverse fields of employment. A model framework for labour mobility with the European Union will provide the guidelines for all future agreements with member countries. The labour mobility partnership agreement between India and Denmark was signed last year with the aim of facilitating economic migration of workers from India to meet the growing demand for skilled and trained workers in the Danish economy and to prevent illegal migration and the smuggling of people. The understanding provides for cooperation between the two countries on labour market expansion, employment facilitation and exchange of information, promoting direct contact between the employers in

Denmark and skilled workers in India and protection and welfare of workers under the labour laws and other relevant laws of the host country. It also provides for constitution of a joint working group of both the countries, to study employment opportunities and suggest means for enhancing cooperation between the countries. The objectives of the agreement would be to facilitate safe and legal migration by promoting orderly migration of workers from India to meet the growing demand for skilled and trained workers in European economy and to prevent illegal migration and the smuggling of people for financial benefits. The proposed agreement will provide cooperation between the two continents concerning the branches - labour market expansion, employment facilitation, organized entry and orderly migration and exchange of information and cooperation in introducing best practices for mutual benefit of labour and employment for qualified workers within their national objectives and the relevant laws.

India's pharma industry set to quadruple by 2020

The Indian pharmaceuticals market looks poised to grow to $55 billion by 2020, according to McKinsey & Company report - “India Pharma 2020: Propelling access and acceptance, realizing true potential”. This will be a quadrupling of the market from the $12.6 billion the industry made in 2009. The report states that the pharma market has the further potential to reach $70 billion by 2020 if aggressive growth efforts are embraced. “The scale and complexity of the market is increasing as India is moving towards the global top tier,” says McKinsey & Company. Acknowledging existing discontinuities in global pharmaceuticals markets, the report says it is the BRIC countries, including India that will lead growth in the coming decade. Acknowledging existing discontinuities in global pharmaceuticals markets, the report says it is the BRIC countries, including India, that will lead growth in the coming decade. The other countries in the BRIC bloc are Brazil, Russia and China. The Indian pharmaceutical industry has been growing at 13-14 per cent in the past five years, a significant increase over the nine per cent growth witnessed between 2000 and 2005. According to the report, five new opportunities will capture 45 per cent of the market by 2020, growing from the $3-billion industry today to $14-18 billion in 2020. These are patented products, consumer healthcare, biologics, vaccines and public health. Metro and Tier-1 markets, which have been growing at 14-15 per cent in the last five years, will drive growth in the industry. They account for 60 per cent of the Indian pharmaceuticals market today and look set to continue growing to a market size of $33 billion by 2020. This will be the result of rapid urbanization and the expansion of medical infrastructure. Rural markets, on the other hand, will constitute 25 per cent by 2020, up from 20 per cent currently, while Tier-2 markets will decline from the present share of 20 per cent to 15 per cent. “Access in rural and Tier-2 markets are an issue,” said the report. “Traditional commercial models are not going to work. The industry needs to look to newer approaches to enhance healthcare and drugs.” Epidemiological factors such as an increased patient pool by 2020, increasing accessibility to drugs due to an increase in investment in medical infrastructure, a greater acceptance of new medicines and greater affordability are the drivers of this growth. Affordability will result in half of the forecasted growth, with rising incomes and increasing insurance coverage lowering the cost of drugs. Increases in income will result in an additional 73 million people in middle and upper class segments, while 650 million people will have health insurance by 2020. While private insurance will grow by 15 per cent by 2020, the majority of people will be provided insurance through government-sponsored schemes which focus on the ‘bottom of the pyramid’ segment of society. The report points to the discontinuous development in the broader healthcare sector, combined with the changing structure of the business itself due to significant changes in the leaders of the industry. Four of the leaders in the pharma market today, including the market leader, are new participants. The flux is also being caused by shifts away from traditional sources of growth in favor of news ones. Identifying changes organisations in the pharmaceuticals industry will have to make to adapt to the upcoming changes, the report places importance of the building of large brands through brand portfolio managements. A shift away from traditional business models is also suggested, with companies being advised to import talent from outside the industry and encouraging more risk-taking. The government will also have to take an active role to ensure the potential of the industry is realised. McKinsey suggests raising spending on healthcare to three per cent of GDP, increasing investments in rural and Tier-2 healthcare infrastructure, adopting measures to contain healthcare costs and increasing the number of doctors in the system as policy measures to aid the industry.

Nokia “invents” itself; takes rural road for growth

Last month hundreds of farmers near Jhansi, an agricultural center in central India, received a succinct but potent text message on their cellphones: the current average wholesale price for 100 kilograms of tomatoes was 600 rupees ($13.26). In a country where just 7 percent of the population has access to the Internet, such real-time market data is so valuable that the farmers are willing to pay $1.35 a month for the information. What is unusual about the service is the company selling it: Nokia, the Finnish cellphone maker, which unlike its rivals — Samsung, LG, Apple, Research In Motion and Sony Ericsson — is focusing on some of the world's poorest consumers. Since 2009, 6.3 million people have signed up to pay Nokia for commodity data in India, China and Indonesia. Nokia plans to announce that it is expanding the program, called Life Tools, part of its mobile services business, to Nigeria. With 152 million residents, Nigeria is Africa's most populous country. But, Nokia says, only 29 percent of the Nigerian population owns a cellphone, although other figures place the level higher because some phones are shared. While media coverage of the mobile industry tends to focus on the fast-growing and lucrative smartphone market, 77 percent of all cellphones sold in the third quarter were simpler models, capable of little more than text messaging. Two-thirds of the globe's 4.6 billion mobile phone users live in emerging markets, where Nokia is the market leader with a 34 percent share, according to Strategy Analytics. By selling valuable price data at a relatively low cost, Nokia is blending commercial and humanitarian goals to attract the next generation of upwardly mobile phone users. In India, China and Indonesia, Nokia has entered into commercial partnerships with agricultural extension and weather agencies, which collate, edit, package and translate weather, market news and pricing data in more than 13 local languages. In Nigeria, Nokia plans to work with Nimet, the Nigerian meteorological agency, and Namin, the Nigerian agricultural market information system, on its service, which will cost 250 Nigerian naira, or $1.75 a month. For an additional $1.40 a month, Nigerian mobile users can receive daily texts, with graphics, on health and disease news, English language training or entertainment and sports news. Believe it or not, Nokia has been doing business in India since the mid-1990s. On the occasion of their 15th anniversary, Nokia is kicking off Project Ujjwal, ("ujjwal" meaning "light" in Hindi) an initiative to get a mobile in every single household in five villages in the northern Indian state of Uttar Pradesh. Nokia will partner with the Datamation Foundation, a local NGO dedicated to using technology to improve the lives of marginalized Indians. Within four years of the start of the telecom boom, the $54.15-billion Nokia has a whopping 60 per cent share of the Indian market. Despite this growth, mobile penetration in India is still less than 15 per cent, so Nokia feels privileged that it really is helping to connect people

India Inc's M&A deal tally touches $42.76 billion

India Inc's shopping spree for October remained unabated with 46 merger and acquisition transactions (M&A) worth over USD 530 million taking place during the period and the year-to-date deal touching a whopping USD 42.76 billion in value terms. So far this year corporate India has announced 546 M&A deals worth USD 42,759 million - the highest in the last two years both in terms of value as well as number of deals. Outbound deals, wherein Indian companies acquired businesses outside India, were the flavour of the month as deals worth USD 390 million were struck in this space. The total value of inbound deals where foreign companies acquired Indian businesses amounted to USD 100 million. The total value of domestic deals in October 2010 was USD 40 million. The major merger and acquisition deals in October include Fortis Healthcare's acquisition of Quality HealthCare for USD 195 million, followed by Venkateshwara Hatcheries' takeover of Blackburn Rovers for USD 68.09 million. The top five M&A deals accounted for 78 per cent of the total M&A deal value, Grant Thornton said. A sector wise analysis shows that Pharma, healthcare and biotech sector attracted the maximum deals as five transactions were struck in this space amounting to USD 250 million. This was followed by banking and financial services (USD 68.39 million) and IT and ITeS (USD 56.22 million). Meanwhile, the total value of M&A, PE (Private Equity) and QIP (Qualified Institutional Placement) deals in October stood at USD 1.88 billion. While PE deals amounted to USD 310 million through 26 transactions, there were 10 Qualified Institutional Placements (QIP) valued at USD 1.04 billion during the period under review. The primary market was also very active in October as 19 initial public offers valued at USD 1.22 billion were raised taking the total amount raised through IPO route during the January-October period to USD 3.10 billion.

Kemrock & DSM sign MOU for manufacturing of specialty Resins in India

Kemrock Industries and Exports Ltd, a Gujarat based manufacturer of reinforced polymer composites, has formed a joint venture with a Switzerland-based DSM Composite Resins AG to manufacture unsaturated polyester and vinyl ester specialty resins in India. With this alliance, DSM, one of the leading composite resins providers in the world, will strengthen its presence in India along with leveraging its technological knowledge and global customer relationships, while Kemrock will fortify its expertise in composite manufacturing and align it to global standards. "Both partners will utilize and leverage each other's strengths to provide specialized resin solutions to the fast growing Indian market," Kemrock said in a statement. DSM Composite Resins is a part of DSM Resins. The company is the largest producer of structural resins in Europe and a technology leader in resins for the composites industry. The company is expanding globally, especially in China and India, targeting high added-value segments. Established in 1981, Kemrock Industries and Exports Ltd manufactures and exports FRP/ GRP Composite products for major industrial sectors such as chemical processing, oil & gas, metals & mining, water & waste water treatment, infrastructure, construction, pharmaceuticals, food & beverage, pulp & paper, electronics, railways, aerospace, marine, defence, wind energy, telecommunications, etc. A leader in the field of FRP/GRP composites in India, Kemrock delivers standard as well as customized solutions that are ideal replacements for conventional materials particularly those prone to corrosion. The state-of-the-art facility located close to Vadodara in the western part of India provides high-quality engineered advanced composite solutions and reliable services, complying with customer specifications, as also the national and international standards. Oriented towards continuous improvement, the company operates using principles of Total Integrated Management, ensuring complete customer satisfaction. Dedicated to single point responsibility it encompasses conceptual design, prototype development, testing, manufacturing, logistic support, installation and comprehensive after sales service. The company's product range comprises of gratings, poles, pipes, scaffolding (access system), pultruded profiles, windmill blades & nacelle covers, railway interiors & exteriors, SMC/ FRP Doors, telecom towers and many more. DSM has annual net sales of about €8 billion and employs some 22,700 people worldwide. The company is headquartered in the Netherlands, with locations on five continents. DSM is listed on Euronext Amsterdam. Over 100 Indian companies have a global base in Switzerland.

India to top in migrant remittances with $55 billion inflows in 2010

Overseas Indians are expected to remit a record $55 billion into the country in 2010, out of the total migrant remittances to developing countries that are expected to reach a record $325 billion (up from $307 billion in 2009) by the end of this year, a World Bank report said. India is also expected to remain the top receiver of overseas remittances in 2010 with inflows of $55 billion against $51 billion expected to flow into China. Worldwide, remittance flows are expected to reach $440 billion by the end of this year, the World Bank said in its latest Migration and Remittances Factbook 2011 report. Remittance flows remained resilient during the recent global financial crisis and were steady despite the pangs of financial reconstruction in the developed world, the report said. The World Bank estimates remittances to developing countries to rise further in 2011 and 2012 as the global economy recovers from the financial crisis and possibly exceed $370 billion in two years' time. "Remittances are a vital source of financial support that directly increases the income of migrants' families," said the World Bank. "Remittances lead to more investments in health, education, and small business. With better tracking of migration and remittance trends, policy makers can make informed decisions to protect and leverage this massive capital inflow which is triple the size of official aid flows," report said. Worldwide, the top recipient countries in 2010 are India, China, Mexico, the Philippines, and France while the top remitting countries in 2009 were the United States, Saudi Arabia, Switzerland, Russia, and Germany. Top 10 remittance receiving countries are: India $55 billion, China $51 billion, Mexico $23 billion, Philippines $21 billion, France $16 billion, Germany $12 billion, Bangladesh $11 billion, Belgium $10 billion, Spain $10 billion, Nigeria $10 billion. While high-income developed countries remain the main source of remittance flows, migration among developing countries is larger than that from developing countries to high-income countries in the Organisation for Economic Cooperation and Development (OECD) grouping. The World Bank study noted significant variation across developing regions, with larger-than-expected falls in remittances to Europe and Central Asia, Latin America and the Caribbean, the Middle East and North Africa, and Sub-Saharan Africa regions in 2009. Remittance flows to South Asia in 2009 grew more than expected, and those to East Asia and the Pacific rose modestly, the report said.

New customs rules allow developing countries more benefits from trade with the EU

The European Commission on 18 November adopted a regulation revising rules of origin for products imported under the Generalised System of Preferences (GSP). This regulation relaxes and simplifies rules and procedures for developing countries wishing to access the EU's preferential trade arrangements, while ensuring the necessary controls are in place to prevent fraud. Rules of origin are used to determine whether imported goods really originate in countries covered by the EU's preferential trade arrangements, thereby making them eligible for a preferential customs tariff. The current rules of origin, which date back to the 1970s, have been criticized for being too complex, too stringent and out-of-date. The Regulation adopted by the Commission will considerably simplify the rules of origin so that they are easier for developing countries to understand and to comply with. The new rules take into account the specificities of different sectors of production and particular processing requirements, amongst other things. In addition, special provisions are included for Least Developed Countries (LDCs) which would allow them to claim origin for many more goods which are processed in their territories, even if the primary materials do not originate there. For instance, an operator in Zambia that produces and exports plastics to the EU will benefit from the new rules of origin, because even with up to 70% of foreign input the exported plastics can still be considered as originating from Zambia. These new rules should greatly benefit the industries and economies of the world's poorest countries. The proposal also puts forward a new procedure for demonstrating proof of origin, which places more responsibility on the operators. From 2017, the current system of certification of origin carried out by the third country authorities will be replaced by statements of origin made out directly by exporters registered via an electronic system. This will allow the authorities of the exporting country to re-focus their resources on better controls against fraud and abuse, while reducing red-tape for businesses. The GSP is a preferential trade arrangement which gives preferential tariff treatment (i.e. reduced or zero import duty) to imports from developing countries. It is a unilateral arrangement (i.e. granted autonomously by the European Union, and not reciprocal). It includes the so-called "Everything But Arms" (EBA) arrangements, which grants duty- and quota-free access to all goods except arms originating in the least developed countries (LDCs).

European Commission sets out strategy to strengthen EU data protection rules

What happens to your personal data when you board a plane, open a bank account, or share photos online? How is this data used and by whom? How do you permanently delete profile information on social networking websites? Can you transfer your contacts and photos to another service? Controlling your information, having access to your data, being able to modify or delete it – these are essential rights that have to be guaranteed in today's digital world. To address these issues, the European Commission last month set out a strategy on how to protect individuals' data in all policy areas, including law enforcement, while reducing red tape for business and guaranteeing the free circulation of data within the EU. This policy review will be used by the Commission with the results of a public consultation to revise the EU's 1995 Data Protection Directive. The Commission will then propose legislation in 2011.The strategy announced in Brussels on 4 November sets out proposals on how to modernize the EU framework for data protection rules through a series of key goals. EU data protection rules aim to protect the fundamental rights and freedoms of natural persons, and in particular the right to data protection, as well as the free flow of data. This general Data Protection Directive has been complemented by other legal instruments, such as the e-Privacy Directive for the communications sector. There are also specific rules for the protection of personal data in police and judicial cooperation in criminal matters. The right to the protection of personal data is explicitly recognized in Article 8 of the EU's Charter of Fundamental Rights and in the Lisbon Treaty. The Treaty provides the legal basis for rules on data protection for all activities within the scope of EU law under Article 16. The 1995 Data Protection Directive set a milestone in the European Union's history of protecting personal data. It aims to protect people's fundamental rights and freedoms – in particular the right to data protection – as well as ensuring the free flow of data within the Single Market. While the Directive's core principles remain valid, modern technology and globalization pose new challenges to data protection. These changes have led to questions on whether the existing EU data protection legislation can still fully and effectively be relied on or whether a reform is needed. Following changes brought by the Lisbon Treaty, the EU can now adopt comprehensive rules on data protection covering all EU policies, including police and judicial cooperation in criminal matters. Under the review, data retained for law enforcement purposes should also be covered by the new legislative framework.
