

TRADEWINDS



AZERBAIJAN

India's trade/investment interests:

Polyster, Textiles and Garments, Pharmaceuticals, Black tea, Meat, Gems & Jewelry, Food Processing Machinery, Power and industrial equipment, Pesticides and insecticides, Granite and marble, inorganic chemicals, tea machinery, and Oil & Gas sector, potential investment destination.



CANADA

Bombardier opens new Bombay hub as India aviation soars

Bombardier Aerospace inaugurated a regional support office in Bombay boosting its presence in a market forecast to take delivery of 250 business jets over the next ten years. This is the company's fifth regional service office to open outside of North America in the past three years. It also plans to open similar facilities for business aircraft in Dubai and Shanghai by the end of the year. India is one of the fastest growing aviation markets in the world, with about \$80 billion likely to be spent on new aircraft over the next ten years and \$30 billion on airport infrastructure, according to figures from the Investment Commission of India. *Source: Toronto Sun*

Visa-on-arrival scheme a runaway success

The visa-on-arrival scheme extended to five countries over a period of one year has proved to be a runaway success with as many as 1,793 visas issued so far. The most number of tourists have come from Singapore, followed by Finland and New Zealand. According to Tourism minister Kumari Selja the introduction of the scheme had already sent a positive signal about India's intention to welcome foreign tourists. 18 countries have been granted the facility of long-term visa by India. Between January-March 2010, the number of

visas issued to tourists coming from Singapore was 642, Finland 466 and New Zealand 378. About 298 tourists availed of the visa on arrival facility from Japan but only nine from Luxembourg. The maximum number of visas were issued from Delhi (957) followed by Mumbai (418), Chennai (342) and Kolkata (76). The scheme has contributed to an increasing number of foreign tourist arrivals to India in the last month adding forex earnings of more than Rs 5,500 crore in March this year. *Source: Times of India*

Canada Pension Plan in first India-focused fund

The Canada Pension Plan Investment Board (CPPIB), one of the country's most active global investors, announced plans to invest in its first India-focused fund, committing up to \$100 million. CPPIB, which helped lead some of the world's largest private equity deals last year, said it committed to a fund that will invest across corporate sectors, called Multiples Alternate Asset Management. The fund would make long-term growth investments in mid-sized Indian companies, management led buyouts, and spinoffs of divisions from large Indian groups. The Multiples fund was set up about a year ago and has a target size of \$450 million. Multiples will be the first India-focused fund to be backed by CPPIB. The CPPIB was involved in three of the top five global private equity deals of 2009, including the largest leveraged buyout of the year - the \$4 billion acquisition by CPPIB and U.S. private equity firm TPG of IMS Health Inc RX.N, a prescription drug sales data provider. CPPIB was also part of a consortium of buyers that agreed to buy a majority stake in Skype Technologies from eBay for about \$1.9 billion. *Source: Reuters*

iseemedia ties up with Indiatimes Mail to offer 'Blackberry-like' SMS Email Service

Feature phones will now offer user experience comparable with smartphones, following a recent tie-up between Indiatimes Mail and iseemedia Inc., a leading provider of messaging and content handling technologies. The strategic partnership between both companies involves the integration of its ground-breaking iseemail(TM) software with IndiaTimes Mail. The integra-

tion allows Indiatimes Mail users to easily migrate their web email activities to their mobile phones through iseemedia's agreements with Tata Teleservices Ltd. and Reliance Communications, two leading wireless service operators in India. Indiatimes is one of the largest value-added services (VAS) providers to the telecom industry in India. Times Internet Limited, (TIL), is the Internet venture of India's largest media house - the Times Group. TIL made a foray into the Internet with a mission to create world-class Web products and services. iseemedia Inc. is a software development company focused on the commercialization of a Service Delivery Platform (iseemail(TM)) for delivering Blackberry-like email services to the mass market.



FRANCE

India's Investment Interests

Major trading agreements proposed/finalised. Impact of these on trade - France is one of the members of the European Union (EU) and is a party to agreements entered into by EU. Hence, it is governed by agreements entered into by EU. India has proposed a Labour Mobility Partnership Agreement (LMPA) with France similar to the one proposed with the EU.

French government to drop carbon tax

Prime Minister Fillon indicated that the government is set to drop plans for a carbon tax backtracking from its earlier proposal to go it alone. Mr. Fillon said the tax should come into force across the European Union to avoid denting the competitiveness of French firms.



GREECE

India's investment interests

Over 40 years, the "Posidonia Exhibition" has grown with Greek shipping to become the world's most

prestigious trade shipping event which will be held this year for the 22nd time in Greece, from 7th to 11th of June, at the Hellenikon Exhibition Centre. Traditional and emerging maritime markets from Asia look set to firm their grip on world shipping through an all-time record participation at Posidonia 2010. "The recent spate of new-building orders from Greek ship-owners is a tangible sign of recovery and has reignited the interest of Asia's traditional shipbuilding superpowers Korea, Japan and China, who will field their biggest ever participation at Posidonia this year," said Theodore Vokos, Project Manager, Posidonia Exhibitions S.A., the organisers of the biennial event. "India's ascendance as a world shipbuilding force is another contributing factor to Asia's undisputed leadership in the shipbuilding industry. The country's first ever national Pavilion at Posidonia serves as a reminder of India's great ambitions and aspirations to be perceived as a key shipbuilding nation and services provider to the international maritime scene," according to Mr. Vokos. India will make its Posidonia debut with a 300 sqm Pavilion of the Shipyards Association of India. All aspects of the Far East maritime industries will be present spanning machinery, equipment, paints/coatings and registers. Large-scale stands will also be occupied by the Korean Register, Class NK, the Indian Register and China Classification Society, as well as shipping companies such as Daeyang Shipping of Korea, Senda Shipping and Golden Harvest Shipping of China. Organisers expect to welcome more than 1,700 exhibitors from 80 countries and some 20,000 trade visitors are expected to attend the exhibition. As always, it will be strongly attended by the Greek ship-owners, as well as the owners from most other maritime nations. Posidonia 2010 is sponsored by the Ministry of Economy, Competitiveness and Shipping, the Municipality of Piraeus, the Hellenic Chamber of Shipping, the Union of Greek Shipowners, the Greek Shipping Co-operation Committee, the Hellenic ShortseaShipowners Association, the Association of Greek Passenger Shipping Companies and the Union of Marine Enterprises. New for 2010 will be Posidonia Golfplay at the Glyfada Golf Club of Athens (opposite the exhibition centre). www.posidonia-events.gr



SERBIA

Foreign Trade with India

India-Serbia bilateral trade from January to the month of March 2010 amounted to US\$ 23.76 million of which US\$ 21.98 million were exports from India and US\$ 1.78 million imports into India. Main items of exports from India from January to March 2010 were pharmaceuticals and chemical products (USD 5.08 million), textile yarn, garments & footwear (USD 4.68 million) coffee tea and food products (USD 1.91 million), motor vehicles, tractors & equipments (USD 1.13 million), magnetic media for recording (USD 0.76 million). Main items of export from Serbia were products of iron & steel (USD 1.18 million), machine parts (USD 405 thousand), industrial pumps (USD 81 thousand), footwear & garments (USD 77 thousand), knives & blades industrial (USD 13 thousand).

License for exporting fish to the EU

Serbia has received a license to export fish products to the European Union. This license will enable "Serbia to achieve the potentials it has in the area of fishing and place a number of fish products on the European market.

Serbian export of alcohol and cigarettes larger than import

Serbia exported more alcohol and cigarettes than it imported. A huge expansion of export of liquors and tobacco happened in the last three years. The surplus in liquor and tobacco trade reached USD 221 million in previous three years, with the stable increasing tendencies: from USD 17 million in 2007 to USD 71 million in 2008 and USD 132 million in 2009. However, the problem remains that Serbia still did not protect a single alcohol beverage as its own brand product, regardless of the huge potential for producing all types of brandies.

India's investment interests / Future Auctions and Tenders

Majdanpek Jewelry at the auction in June. Privatization Agency announced that the chattels and real es-

tates of Majdanpek Jewelry would be offered at the public competition on May 21 at the starting price of USD 6.4 million. A part of the selling price of USD 4.2 million consists of material stockpile, small inventory, unfinished production and finished products.

State to auction of airline company.

Because of the failure to find a strategic partner for JAT Airways, the Serbian Government passed a decision to found a new national airline company, instead of the present Jat Airways, which was declared not capable of operating with profit. The new company will be founded with a minimal financial stake, and it will take over from Jat Airways the sectors that could be interesting to potential private investors. The new company will be relieved of the financial debt from JAT Airways. After the new company is founded, a tender for its share capital increase will be announced. As the Serbian company has a EU open-sky agreement this should be very interesting for attracting of potential partners.

Telekom Tender later this year.

The Government announced its decision to sell 40% stake in the state held Telekom Serbia in an international tender. The state's ownership is 80% while 20% is held by Greek company OTE.

City of Nis offers locations to investors.

The City of Nis published an announcement for the lease of land on several locations, for development of business and residential buildings. The investors have been offered undeveloped construction land at a location in the center of the city, as well as three locations in the Duvaniste suburb, two construction plots in the Sever industrial zone, and one in the nearby village of Donje Medjurovo.

Airport privatization after increase in stocks price.

Belgrade Airport deputy CEO Velimir Radosavljevic stated that the plan of the government was that privatization of the public company will be considered when the airport's stock prices increase. The government's current plan is 15% of the airport's stocks to be allocated to the citizens, 2-2.5% to be allocated to the employees and former employees and approximately 15% of the company to be offered at the stock market. ■

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