

# Transmission projects: mechanism for bidding

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EU urged to enhance investment in India's energy sector



**ENERGETIC COOPERATION:** European Union Commissioner for Energy, Andris Piebalgs (centre), with the FICCI Secretary General, Amit Mitra (left), and Union Power Minister, Sushil Kumar Shinde (right), during the First India-EU Business Conference on Energy in New Delhi on Thursday. — PHOTO: RAJEEV BHATT

Special Correspondent

**NEW DELHI:** The Centre will soon have an institutional mechanism in place for selection of power transmission project developers through tariff-based competitive bidding, Union Power Minister, Sushil Kumar Shinde, said here on Thursday.

"Through this mechanism, specific transmission projects will be formulated and investors, both private and public, will be asked to compete for development of these projects," he said while delivering his keynote address at the first India-EU business conference on energy.

Such a policy framework, Mr. Shinde said, was necessary to attract private capital as the country would require an investment of about \$100 billion in generation, transmission and distribution projects during the Eleventh Plan period (2007-12).

India and the European

## • Areas listed for cooperation

• Ample scope for private enterprises in the distribution segment

• Business-to business contact will facilitate higher investment

Union, Mr. Shinde said, should substantially increase cooperation in the field of energy and while urging the EU to enhance investment in the sector, he assured it that the Government would remove all irritants that come in the way.

Listing several areas such as wind energy and electricity based on biomass, he said the two sides could gain substantially through mutual cooperation. In particular, the gains through cooperation would be in areas

such as improving energy efficiencies, research in the field of renewables, clean coal and carbon sequestration technologies, he said.

Turning to rural electrification, Mr. Shinde said: "There are also additional investment opportunities for setting up of stand-alone systems in rural areas," and pointed out that no licence was required for establishing a composite scheme of generation and distribution in notified rural areas. For private sector enterprises, there was ample scope in the distribution segment too, he said.

Another significant area for investment opportunities, Mr. Shinde said, was captive coal mining for specific end-use such as power, cement and steel. He hoped that business-to-business contact between India and the EU, such as the present conference, would facilitate higher investment and provision of

services. "If there are any barriers or irritants coming in this process, we are willing to examine the same," he said.

In his address, the EU Energy Commissioner, Andris Piebalgs, said the concerns of the EU and India on the energy front were similar such as security of supplies, competition and sustainability. He stressed on the need for having a market mechanism in place as he felt that it was a pre-requisite for attracting larger investments into the energy sector.

Mr. Piebalgs is on a visit to India to participate in the India-EU energy panel meeting on Friday. The panel, set up after the India-EU summit in 2004 and meeting for the second time, is expected to have discussions on renewables and clean coal technologies as also India's participation in the international thermonuclear experimental reactor project.

# India, U.K. to hold more naval exercises

"Recent exercises in Mumbai a success"

Staff Reporter

*India*  
*India*

**ALAPPUZHA:** The strategic relationship between the navies of India and the United Kingdom will acquire a new dimension in the coming days with the two navies deciding to conduct more joint exercises and mutual visit of warships in the coming days, chief of the Royal Navy of the United Kingdom Admiral Sir Jonathan Band has said.

Speaking to reporters on-board a houseboat at Alappuzha, Sir Band said the recently concluded joint exercise by Indian and British navies at Mumbai was a great success. He said he had held discussions on strengthening and extending the cooperation between the two navies with the top brass of the Indian Navy and the discussions were a great success.

Sir Band said both the navies needed to hold joint operations in the future to give more strategic depth to the relationship. Lauding the modernisation programme of the Indian Navy, he said the Indian Navy needed such a programme in view of the country emerging as a powerful nation. The Indian Navy is a very professional one and the acquisition of aircraft carriers would definitely strengthen the striking capacity of the Indian Navy, Sir Band said.

Sir Band said the British Prime Minister Tony Blair and

• Discussions held between India and U.K. to strengthen cooperation

• Sir Band lauds modernisation programme of Indian Navy

Prime Minister Manmohan Singh were extending all out support for strengthening the relationships between the two navies.

Commenting on the life standards in Kerala, Sir Band said he was amazed by the presence of a large number of schools in the State. He said the people of the State looked very contented and pleasant and there was a peaceful atmosphere in the State. The backwaters and the greenery of the State are simply marvellous, opined Sir Band.

He said he also visited a traditional toddy shop of the state.

Sir Band along with his wife boarded the Rainbow Cruises around 11 a.m. at Alappuzha. He was received in the boat by Jose Mathew, managing director of the cruises and directors Joji Mathew and Cijo Alex. Sir Band and his team cruised through Kuttanad for about four hours. Sir Band was accompanied by his wife Sarah Band. The commanding officer of INS Venduruthy, Commodore Abraham Lukose also accompanied Sir Band.

# Indo-French relationship 'moving into its best phase'

We were the first to support India's bid for a U.N. seat: envoy

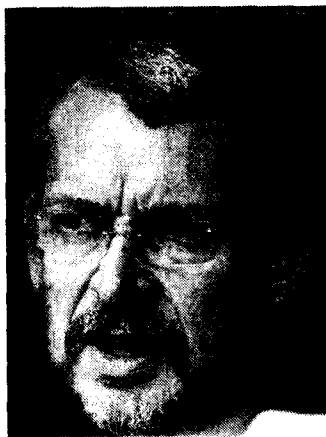
R. Chandrakanth

**BANGALORE:** Buoyed by the response of French companies participating in the Bangalore Bio (an international biotechnology event), the Ambassador of France in India, Dominique Girard, believes that the "seminal change" that is taking place in Indo-French relations will impact the two nations in a positive manner. Nearly 20 companies are participating now from almost negligible presence in the previous editions of the Bangalore Bio.

In an interview to *The Hindu*, Mr. Girard said Indo-French relationship "is moving into its best phase" with French companies realising the potential of India and wanting to expand on that; with the French government being highly supportive of India's nuclear energy programmes and also of its (India) bid for a permanent seat in the U.N. Security Council, besides the increased educational and cultural exchanges that are taking place.

## Vast human resource base

With the opening up of the economy here, India's image as a destination for investment and trade has "clearly changed," though the processes could be hastened up. The bottlenecks such as "delayed decision-making" and infrastructure hassles are being addressed over here, but not at the same pace as China is doing it. However, he reiterates that "India's appeal will



Dominique Girard

grow very much because of its flexibility." As of now, France is looking at the vast human resource base here, but hopes that the manufacturing sector will find its strength.

The synergies that the two countries are experiencing should catapult the trade, to begin with. "There are reports that in the next 10 years, the trade is expected to double. I believe this is grossly underestimated." France is ranked fourth among the exporting countries of the world and will continue to engage with emerging markets and India figures in France's list of five top countries for trade — U.S., Russia, China and Japan being the others.

Pinning hopes on the growing European Union, Mr. Girard says that it will have a "multiplying effect" benefiting India. Agreeing that trade-wise India is still not yet "big" for France, it

should improve in sectors such as aeronautics, biotechnology, luxury retail trade, etc., besides traditional sectors. "Almost 250 orders for aircraft from EADS (European Aeronautic Defence and Space company) in one year is something phenomenal."

## Joint venture

Mr. Girard mentions the inkling of a joint venture between EADS and Hindustan Aeronautics Limited in aircraft development and maintenance. Not just EADS, but companies such as Alcatel, Thomson, Saint Gobain, etc., are expanding their presence. As for Indian companies having problems of market access in France, he clarifies that efforts are on to make the process smoother for which purpose the Invest in France Agency (IFA), set up two years ago, is acting as a facilitator and providing market information.

On the issue of nuclear energy programmes of India "we completely supported India to have access to nuclear technology in the international market."

## Student exchanges

Not limiting to political and economic issues, France, he says, is opening up its educational and scientific institutions for collaborative efforts. A new scheme is going to be in place which would allow registration of Indian students in universities. "We are looking at more student exchanges, double degree programmes, scholarships, etc."

09 JUN 2006

THE HINDU

# India seeks German investment

India  
Business  
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Press Trust of India

HANOVER, April 24: Inviting German investment into India, the Prime Minister, Dr Manmohan Singh today said his government will create an enabling environment conducive to such a step.

Inaugurating the Indo-German Business Summit here along with the German Chancellor, Ms Angela Merkel, he said India's economy is "strong and robust" and the country was confident of sustaining high economic performance and growth rate and raising it to the eight per cent to 10 per cent bracket.

"I believe 65 per cent of German manufacturing companies already have a presence in India and another 30 per cent plan to come there. This is a good augury for expanded cooperation between us in future," Dr Singh told a gathering here of top German business leaders.

"To newcomers, I wish to say, that a warm welcome will await them in India. Our government will create enabling environment conducive to risk-taking, adventurism and enterprise which have been long associated with German industry," he said.

Speaking on the occasion, Ms Merkel said the Prime Minister had told her during the bilateral talks yesterday that how welcome German companies were in India.

She said all German companies, including small, medium and big should avail of this opportunity.

She pointed out that India had enormous potential and was witnessing

rapid economic growth. "It is important to make India a partner," she said adding "we are running open doors to business communities and others. We should step through these and take advantage."

Noting that India and Germany have strategic partnership, Ms Merkel said the two countries can cooperate in the energy sector.

She said energy security was a matter of discussion at the international level. She talked about open market and said protectionism has to be done away with for achieving growth.

"We will do more than we can. Indian companies are welcome to do business here," she said.

# Call for greater Indo-German ties

Statesman News Service

NEW DELHI, April 24: India's presence as a partner country at the ongoing Hanover trade fair marks the renewal of its strong and robust relations with Germany, the commerce and industry minister, Mr Kamal Nath, today said calling for a big push to expanding the economic dimension of Indo-German relations.

The foundation of mutually beneficial commercial relations between the two countries lay in leveraging both the countries' inherent manufacturing strengths, he said addressing the second session of the Indo-German business summit at the Hanover fair, which was inaugurated last evening by Prime Minister, Dr Manmohan Singh, and the

German Chancellor, Ms Angela Merkel, an official communique from Hanover said.

"The strongest endorsement of India's emerging potential as the next global manufacturing champion comes from the fact that today approximately 80 per cent of all German investors present in India are manufacturing firms - all of them world leaders in their field - mostly from the electronics and electrical sectors, chemicals & mechanical engineering and auto components," the commerce minister said. "Daimler Chrysler, Siemens, Bayer, BASF, Robert Bosch, Allianz, Thyssen Krupp and SAP are few of them," he added.

The relationship, he noted, was about to enter a new phase as Indian companies

with new-found confidence in their competitive strengths were also increasingly looking at Germany as a base for value-added operations.

The potential areas of Indo-German cooperation outlined by Mr Kamal Nath include telecom, engineering, environmental technology, chemicals, pharmaceuticals and food processing, besides renewable sources of energy where India could benefit in particular from German expertise in wind energy technology. "Closer state-to-state relations between the Indian and German provinces would help in providing a boost to our economic ties," he said, in a reference to the participation of several Indian states in the Hanover Fair including Jharkhand, Karnataka, Orissa and West

Bengal.

Small and medium enterprises (SMEs) from the two countries could cooperate in particular in the fields of auto-components, machine and hand tools, toys and pharmaceuticals, he said. Further, with increasing concern about environmental sustainability, "there is a huge opportunity for strengthening Indo-German 'green business' relations in the areas of dye and dye intermediaries, textiles, chemicals and waste utilisation technologies", he stressed.

Mr Nath sought the cooperation and support of Germany - India's largest trading partner in Europe along with the UK and Belgium - in settling the issues of various NTBs that Indian exporters had been facing in the EU.

25 APR 2006

THE STATESMAN

# India-EU trade programme

Statesman News Service

**NEW DELHI, May 25:** India and the European Union (EU) have launched a Euro 13.350 million, EU-India trade and investment development programme (TIDP), seeking to enlarge trade and investment between the two sides. The programme has been launched as a joint endeavour of the commerce and industry ministry and the EU through its delegation here.

Announcing this here today at a workshop organised by the Overall Technical Assistance Team (OTAD) of the EU, in cooperation with the Confederation of the Food Trade and Industry of the Federation of Indian Chambers of Commerce and Industry (Ficci), the

EC delegation head of operations, Mr Etienne Claeys, said there were great opportunities for both the EU and India to increase trade and investment, either way.

Though export from India to the EU accounted for 22 per cent of the country's total export and import from EU for 17 per cent during last year, yet from the point of view of the EU, these formed only 1.5 per cent of EU's global trade and less the 0.2 per cent of the EU's total investments abroad, he elaborated.

The workshop discussed the overall scope of the TIDP with particular focus on the programme component dealing with augmenting export of food and agricultural products from India to the EU. A number of leading

exporters of food and agricultural products from India to the EU participated.

The TIDP seeks to address some of the major obstacles bedeviling trade and investment between the EU and India. The export of food and agricultural products to the EU are constrained by the often-repeated EU objection of these products not conforming to the sanitary and phytosanitary measures prescribed by the EU.

The programme seeks to strengthen the food testing laboratories of the EIC in Kolkata, Mumbai, Chennai, Cochin, Kollam, Porbandar and Veraval at a total investment of Euro 3 million. Besides, Euro 2.74 million will be spent in exposing three inspecting agencies and the private

sector to the best practices obtaining in the EU through study tours and training within and outside the country.

To meet the claim of several foreign investors about lack of IPR protection in India, the programme is taking up not only training of IPO officials but also reach out to various segments of the economy highlighting various aspects of the IPRs. Training of customs officials in best practices is another key objective. These measures are expected to further strengthen the confidence of foreign investors in India.

The TIDP has accordingly been designed to focus on providing technical assistance and exchanging information and experience in the

areas of sanitary and phytosanitary (SPS) measures, intellectual property rights (IPR), trade and investment facilitation and customs practices.

The TIDP is expected to be completed before 31 December 2007. Consultants selected on the basis of global tender are implementing the various components of the programme.

To promote investments both ways, it is intended to establish investment facilitation desks in New Delhi and a few selected locations in the country. Also, a trade portal giving up-to-date information on trade and investment policies of India and the EU members would be created. Both these measures are expected to create an atmosphere for enhanced investment both ways.

26 MAY 2006

THE STATESMAN

# Germany cautiously positive on nuclear cooperation

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Will watch progress in U.S. Congress and in IAEA and then decide

N. Ram

**HANNOVER:** Germany's Chancellor Angela Merkel sounded a positive but qualified note on the prospects of the Nuclear Suppliers' Group opening the tap of civilian nuclear cooperation for India at the initiative of the Bush administration. This followed a discussion in Hannover with Prime Minister Manmohan Singh, who said earlier that getting Germany's support in the NSG for civilian nuclear cooperation was high on the agenda of his visit. "I have the overall impression that we are on a successful or a positive path," Dr. Merkel noted in response to a question. "We acknowledge that the Indian side has fixed a lot more aspects than was the case earlier."

What Dr. Merkel had to say in her opening remarks and in response to pointed questions on civilian nuclear cooperation with India was, in effect, this. Germany was watching with interest and in a positive way the progress of the Indo-U.S. deal on civilian nuclear cooperation in the U.S. Congress. Its own cooperation in this field was contingent on the deal having successful passage through the U.S. Congress, and on India and the International Atomic Energy Agency settling the necessary safeguards arrangements. After the agreement went through, Germany could cooperate with India, especially by supplying secure nuclear reactors. Dr. Merkel made it clear that the German Government would act in line with the international community on this issue. While the Chancellor sounded more positive than earlier official statements suggested on Germany's position, within the NSG, on civilian nuclear cooperation with India, it may be significant that the Germany-India Joint Statement issued on Sunday on the occasion of the Prime Minister's visit makes no reference at all to the subject. Even if allowance is made for the fact that the draft of the joint statement was prepared before the Manmohan-Merkel meeting in Hannover, the silence on civilian nuclear cooperation in a formal statement indicates a cautious and caveated stand on an issue that is likely to divide German domestic political opinion.



**STEPPING UP TIES:** German Chancellor Angela Merkel with Prime Minister Manmohan Singh during the press conference after their bilateral talks in Hannover on Sunday. The two leaders will open the Hannover Fair later. - PHOTO: REUTERS (MORE REPORTS ON PAGE 12)

24 APR 2006

# "The sky is the limit for Indo-German relationship"

Bernd Mutzelburg is Germany's new envoy in India. In an interview to *The Hindu*, the Ambassador, a former foreign and security policy adviser to the German Chancellor, spoke on a range of issues, including Berlin's attitude towards the Indo-U.S. nuclear deal. Excerpts:

Amit Baruah

## On Prime Minister Manmohan Singh's upcoming visit to Germany:

We really want to give substance to the strategic partnership the two sides agreed upon in the year 2000. We have, in the meantime, been able to make quite some headway in all the important fields. But, of course, I think we need these kinds of state visits in order to give a further impetus to the issues as they emerge.

The Prime Minister will also be coming to Germany in order to participate in the Hannover fair, which is the largest industrial fair in the world. He will be accompanied by a delegation of Indian businessmen. By the very nature of this visit, a very strong emphasis will be on our economic relationship.

It is true that the trade relationship has grown much faster than we had all anticipated. In October 2004, when Chancellor [Gerhard] Schroeder was here, Prime Minister Manmohan Singh and he agreed on the objective of doubling our bilateral trade within the next five years.

In 2004, we had had a trade volume of about 4.5 billion Euros; the doubling would mean 9 billion [Euros] by 2009. As a matter of fact, we are already reaching this year 7.2 billion [Euros].

The growth rate has been in the range of nearly 22 per cent from last year. This means we'll be able to achieve this target much earlier than anticipated.

I think we have not yet reached the [full] potential of [bilateral] cooperation ... obviously; the sky is the limit for this relationship.

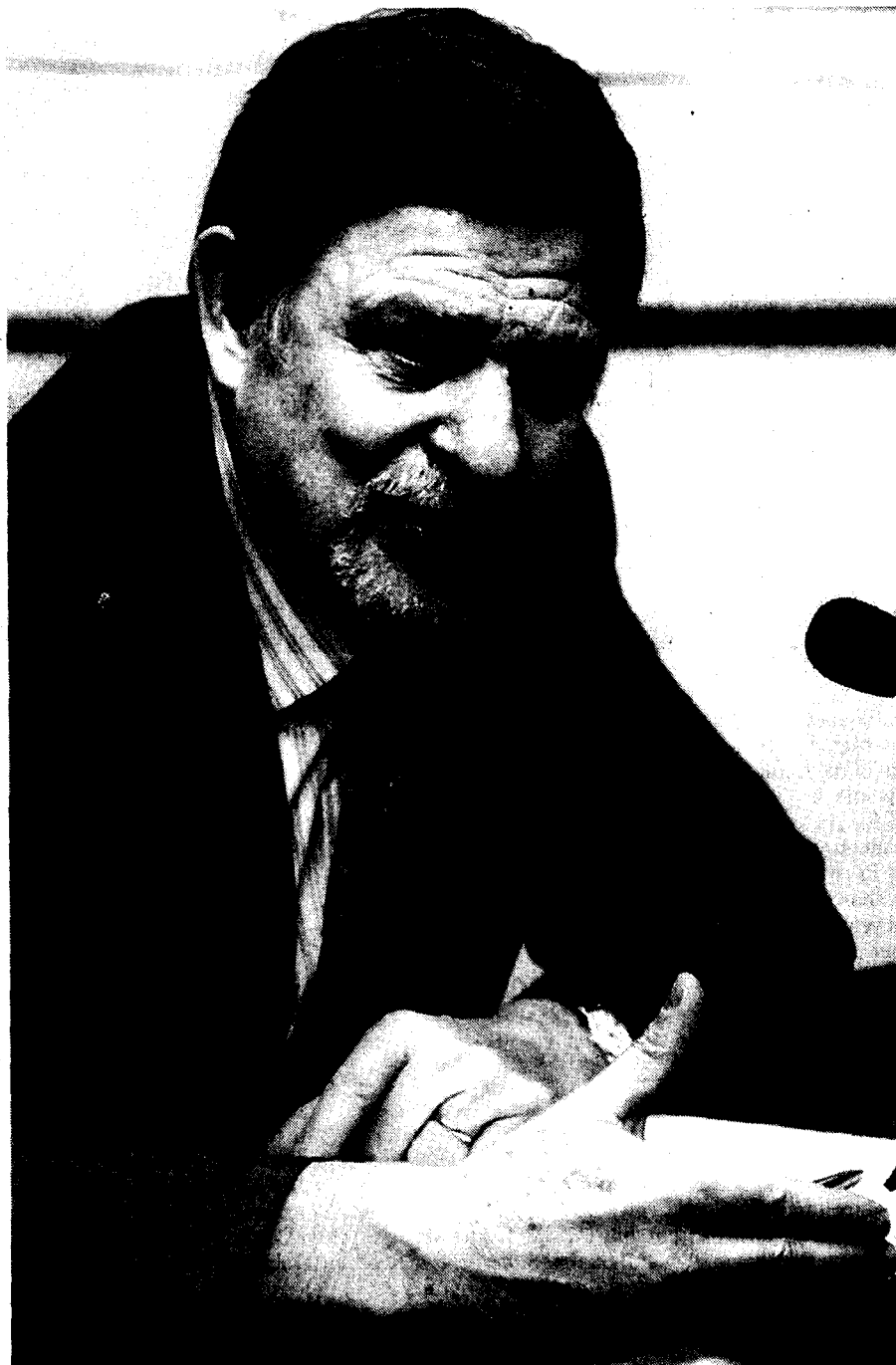
## On the German position on lifting curbs against India at the Nuclear Suppliers' Group (NSG) given their strategic partnership:

We understand and appreciate India's energy needs. For us, I think, it is totally acceptable that in order to cope with the energy needs [of] a dynamically growing industry; India will need an energy mix, which will also, of course, include nuclear energy. So, we can very well understand the Indian side negotiating this [civilian nuclear] deal [with the United States].

On the other hand, if you look at Germany, you see a country, which after the horrors of [the] two World Wars, has always been among the most avid promoters of international disarmament and arms control.

We look at this [Indo-U.S.] deal not only with a view for what does it do for peaceful uses of energy, but also whether it will strengthen the nuclear non-proliferation arrangements or will it weaken it.

I would say there are a number of very positive developments in this deal, which lead to the conclusion that it will strengthen the nuclear non-proliferation regime ... it cannot be overlooked that we still have a number of questions directed at India, which we hope we can discuss in a constructive manner in the strategic dialogue forum which we are in the process of establishing. Questions, for example, that have to do with the Iranian issue ... the issue of double standards.



Bernd Mutzelburg: "There are a number of very positive developments in the Indo-U.S. civilian nuclear deal." - PHOTO: SPECIAL ARRANGEMENT

## On what he means by double standards on the Iranian issue:

Our Foreign Minister [Frank-Walter Steinmeier] has expressed reservations about the timing of this deal. He said we are just trying now to get Iran to renounce the enrichment of uranium in Iran while at the same time we are allowing India, which is not a member of the NPT [Nuclear Non-Proliferation Treaty], to continue enriching nuclear fuel and so forth.

At the same time, everybody in Germany understands, the Foreign Minister more so than anyone else, that you cannot make a comparison between India and Iran, not only because one is [a] partner to the NPT and the other one is not, but also because India

has a proven record of being a reliable and responsible state as far as [non-] proliferation is concerned.

## On whether support for India's case at the NSG is an open issue:

We are more open than you just described it. I think we appreciate the positive steps involved in this nuclear deal. But, of course, we would hope that India would continue to grow into a revised, repaired, an adjusted NPT regime. It cannot be the same one as exists right now; obviously, India is in a category, which was not foreseen by the NPT ...

## On whether this implies reopening the NPT:

I think for the time being this is not feasi-

ble because of a number of reasons. What I'm saying is as long as we have a Treaty to which more than 180 states adhere to, we should not get rid of this Treaty before we have something that is better than the old Treaty. Let's work on improving what we have.

We have all realised that the old Treaty does contain a number of deficits, loopholes, and is obviously not a perfect global system. So, let's try to perfect it; which can only be, given the present situation, a long-term objective.

But we would like to see and I see it now already ... in which India is growing more and more into the same status, which other nuclear weapons states have, with the same rights, with the same obligations. That is a process, which we would like to support. Therefore, we are not going to reject the [civilian nuclear] deal [with the U.S.] ...

You have a situation now that the majority within the NSG says, and they do have a point, let's wait until [the U.S.] Congress has approved the deal before we position ourselves ... we want in particular not only to see whether it is being ratified, but also how it is being ratified.

## On the possibility of India and Germany cooperating in the defence field:

Most definitely so. We have supplied India with submarines some years ago. We regret very much we could not become partners in the present Scorpene [French submarine] deal where, I might be forgiven as the German ambassador to say so, we certainly had a competitive product. But that is another matter.

We would be very much interested in defence cooperation, which would include cooperation in the export of German arms and equipment to India with adequate offsetting component.

You might have heard that we are in the process of negotiating an agreement on cooperation in defence matters. We aren't yet fully sure whether we will be able to conclude it on time [for the Prime Minister's visit].

This has nothing to do with substantive considerations, but only because we received the last draft very, very late ...

## On whether the G-4 has lost the opportunity to enter the United Nations Security Council as permanent members for the moment:

I would agree with you that the momentum has, undoubtedly, been reduced not because of India and Germany, but because of other states. It would be illusionary to claim otherwise. The issue is not going to go away because the Security Council is not representative of the international system of the 21st Century.

## On the current, civil war or near-civil war type, situation in Iraq and how the rest of the world should deal with such a big mess:

If I had a recipe, I would only be too glad to share it with you. I am afraid the issue has become more and more difficult, but, of course, in politics you must never give up hope. What I see now is that the Iraqi people are paying the price for the mess ...

John - Europe  
10-11  
19/9



# Luxembourg Trade Minister's assurance

HD-17  
30/3

## Mittal's nationality not an issue in Arcelor takeover bid

Special Correspondent

**NEW DELHI:** Luxembourg has assured India that the opposition to Mittal Steel's bid for acquiring the European owned Arcelor company has nothing to do with nationality but is only about the shareholders. This assurance was given by Luxembourg Trade Minister Jeannot Krecke at a meeting here on Wednesday with Commerce and Industry Minister Kamal Nath, who ex-

pressed concern over the possible discrimination against Indian nationals in such corporate takeover bids.

Mr. Kamal Nath told Mr. Krecke that some statements had emerged from some European countries against takeovers and mergers which had raised certain concerns among industry in India.

"He assured me that it is not the issue of India but the reaction is as shareholders," he said,

referring to the fact that Luxembourg is a shareholder in Arcelor along with France and Spain.

Briefing newsmen on the meeting, Mr. Kamal Nath said the Luxembourg Minister felt the reaction should not be construed as being due to the nationality of the person making the bid.

As for the Indian support to Laxmi Mittal's takeover bid, he said it was not the issue of Mittal but of national treatment.

30 MAR 2006

THE HINDU

# মিত্তলকে ঠেকানোর প্রচেষ্টায় ভারত চিন্তিত

নয়াদিল্লি, ২৯ মার্চ: মিত্তলের আর্সেলের অধিগ্রহণ ঘিরে যে বিতর্ক দানা বেঁধেছে, তা নিয়ে ভারত চিন্তিত। ভারতের কাছে এই সমস্যা নিছক ব্যক্তিগত উদ্যোগ পেরিয়ে ভারতীয়দের প্রতি বৈষম্যকে ঘিরে। ভারতের বাণিজ্যমন্ত্রী কমল নাথ বলেছেন, “আর্সেলের অধিগ্রহণে মিত্তলের উদ্যোগ ভারতের জাতীয় সম্মানের বিষয়। এটা কোনও ব্যক্তির দেওয়া প্রস্তাব বলেই যে ভারত সমর্থন করছে তা নয়।” ইউরোপে বসবাসকারী ভারতীয়রা সংস্থা অধিগ্রহণের ক্ষেত্রে বৈষম্যের স্বীকার হচ্ছেন বলে আশঙ্কা জানিয়েছেন নাথ। তবে ভারত সফররত লুক্সেমবুর্গের অর্থনীতি ও বৈদেশিক বাণিজ্যমন্ত্রী জেনট ক্রেক কমল নাথকে আশ্বস্ত করতে চেয়েছেন এই বলে যে, ভারতের বা মিত্তলের ক্ষেত্রে এই বৈষম্য প্রাসঙ্গিক নয়। ‘ভুল বোঝাবুঝি’ দূর করতে ভারতে এসে তিনি বলেন, মিত্তলকে ঠেকাতে আইনি ব্যবস্থাও নিচ্ছে না লুক্সেমবুর্গ। বরং নতুন আইন মিত্তলের পক্ষে সুবিধাজনকই হবে।

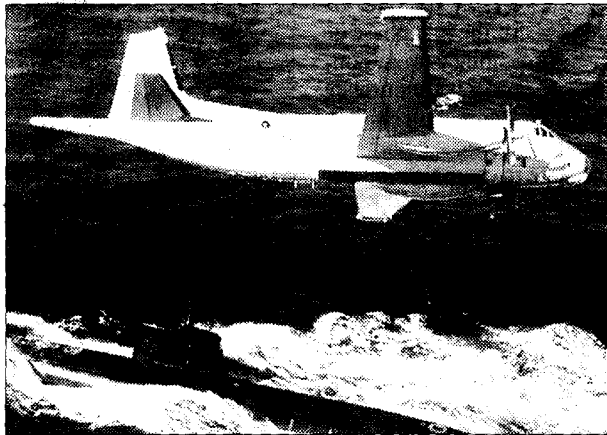
কমল নাথ বুধবার জানান, “ক্রেক আমাকে ভরসা দিয়ে বলেছেন, জাতিগত বিষয় মিত্তলের প্রস্তাবের ক্ষেত্রে বিবেচ্য নয়। লুক্সেমবুর্গ সরকার আর্সেলরের শেয়ারহোল্ডার হিসাবেই প্রতিক্রিয়া জানাচ্ছে, মিত্তল কোন দেশের মানুষ, তা বিবেচনা করে নয়। তবে ক্রেকের সঙ্গে বৈঠকে নাথ বলেন, “ইউরোপের কোনও কোনও রাষ্ট্র থেকে এমন কিছু মন্তব্য শোনা গিয়েছে, যা থেকে ভারতীয় শিক্ষামূলক শক্তিতে ওই সব

মন্তব্য থেকে স্পষ্ট, সংস্থা অধিগ্রহণ বা সংযুক্তির ক্ষেত্রে ভারতীয়দের প্রাধান্য বরদাস্ত করতে চান না ইউরোপীয়রা।

লুক্সেমবুর্গ সরকারও বিশ্বের বৃহত্তম ইস্পাত উৎপাদক মিত্তল স্টিলের আর্সেলের অধিগ্রহণ প্রস্তাব ঠেকাতে উদ্যোগী হয়েছে। তবে চূড়ান্ত সিদ্ধান্ত শেয়ারহোল্ডারদের। আর্সেলরের ৫.৬ শতাংশ শেয়ারহোল্ডার হিসাবেই তারা প্রস্তাবটি ঠেকাতে চাইছে বলে জানিয়েছেন ক্রেক। তিনি এই দিন ভারতের অর্থমন্ত্রী পি চিদম্বরমের সঙ্গেও দেখা করেছেন।

লুক্সেমবুর্গ সংস্থা অধিগ্রহণ সংক্রান্ত আইন বদলের লক্ষ্যে মে মাসে যে বিল আনছে, তা ভারতীয়দের ঠেকানোর লক্ষ্যে নয় বলে জানান কমল নাথ। ক্রেকের কথার জের টেনে তিনি বলেন, “এটি ইউরোপীয় ইউনিয়নের একটি আইন, যা ছিল পূর্বনির্ধারিত।” লুক্সেমবুর্গের মন্ত্রী বলেছেন, “প্রস্তাবিত আইনটিতে এমন একটি ধারা রাখা হবে, যাতে সংস্থা অধিগ্রহণ বা সংযুক্তির ক্ষেত্রে সরকারের আর কোনও ভূমিকা না থাকে। তবে মিত্তল এই প্রস্তাবে পরাস্ত হলে এক বছরের আগে তিনি নতুন করে প্রস্তাব দাখিল করতে পারবেন না। ক্রেক প্রসঙ্গত উল্লেখ করেন, জে পি মরগ্যান আর্সেলরের মূল্যায়ন করছে। ভারতের সঙ্গে দ্বৈত কর বাতিল সংক্রান্ত চুক্তির প্রয়োজনীয়তার উপর এ দিনও গুরুত্ব দেন ক্রেক। কমল নাথও এই চুক্তির পক্ষে। তিনি বলেন, এ ধরনের চুক্তি দ্বিপাক্ষিক লম্বির পথ সুগম করবে। — পি টি আই

# Indo-French joint air exercise takes off today



An Atlantique hunter aircraft flies over an Agosta submarine

## SHIVAROOR

NEW DELHI, MARCH 26

IN AUGUST 1999, Indian MiG-21 fighters shot down a Pakistani Atlantique-I submarine hunter aircraft in the North Arabian Sea after it penetrated the international border.

While the hostile encounter lasted just 18 minutes—hardly time to collect data on the aircraft—seven years on, the IAF and the Navy will now be getting on better terms with what remains the core of Pakistan's maritime surveillance strength.

Starting Monday, a contingent of IAF Jaguar maritime strike jets and Canberra surveillance aircraft will soar into an electronic-warfare drenched environment against French Atlantique-II aircraft operating from Goa as part of the eighth Indo-French Varuna joint exercise.

With 10 days to get a feel of the Atlantique at an exercise that's on until April 7, the force will also gain crucial flying hours with the aircraft for the first time ever. The Pakistan Navy is in the process of beefing up its American P-3 Orion fleet, but still largely depends on the Atlantique for maritime reconnaissance.

The Atlantique, operated by France, Pakistan, Germany, Italy and the Nether-

lands, can carry 2.5 tons of weapons, including guided bombs, torpedoes, depth charges and mines.

Apart from the IAF battle contingent, a Naval spokesperson said the Indian side would field aircraft carrier INS *Viraat*, submarine INS *Shankul* and three Indian-built warships—the destroyer INS *Mumbai*, and two missile frigates INS *Gomati* and *Betwa*.

The French task force includes the *Charles de Gaulle* aircraft carrier, destroyers *Cassard* and *Montcalm*, nuclear submarine *Saphir* and an embedded Royal Navy frigate HMS *Lancaster*.

The operational profile of the exercise for the first time includes coordinated air defence missile-firing from the two aircraft carriers and cross-deck operations. Apart from these, the exercise will see the two sides perform fleet air defence, intermediate and advanced anti-submarine warfare, maritime interdiction, board and seize operations and dissimilar air combat.

In fact, in its report to the government on the interception, the IAF had noted, "The Atlantique had earlier been declared hostile after it had been identified, as the Atlantique falls into the hostile category as per established procedure."

# Exporters to EU face problems: survey

Stateman News Service

NEW DELHI, March 19. — Indian exporters to European Union are finding it increasingly difficult to comply with EU's product and process standards, according to a survey carried out by Ficci. In some cases the cost of complying with EU standards could be as high as 65 per cent of the production cost of the good, the survey revealed.

Exporters of wide variety of products like grapes, chillies, machinery, textiles, garments, switch-gears, refrigerators, mango, papaya, pineapple and chemicals say high cost of certificates for complying with EU standards and lack

of availability of certifying agencies in the country to issue such certificates was making it difficult for them to export to EU.

Submitting its recommendations to the commerce and industry ministry, Ficci has requested the government to take up the issue at the India-EU high level talks group set up recently.

The Ficci survey shows that for agricultural items, especially fruits, Indian exporters need to have a number of certificates like EurepGap Certificate, British Retailers Consortium (BRC) Certificate, Fumigation Certificate, Codex HACCP Certification, Kosher Certification, ISO 9001

Exporters of wide variety of products like grapes, machinery, textiles, garments, etc say high cost of certificates for complying with EU standards was making it difficult for them to export to EU

Certification, and Natur's Choice Certification.

Enumerating the cost involved, Ficci said the cost of EurepGap Certificate comes to Rs 1 lakh per farmer, the cost of BRC Certificate is ₹4,500 and the cost of Kosher Certificate is ₹3,500. Besides this, testing analysis cost for maximum residue level (MRL) for pesticides is close to ₹200

per parameter. As it is evident, all these costs are high not only for small exporters but even for the large size exporters.

In addition to the high cost of complying with standards, Indian exporters of agricultural products were finding it difficult to export to the EU because of categorization of India as GBR-II country, delay in approval by EU agencies for Indian processing units of egg and milk products and frequent changes in MRL levels by EU.

Ficci said EU's categorization of India as a GBR-II country (BSE unlikely that domestic cattle are infected with BSE agent) was hampering our exports of

animal products to EU. The delay in re-determining the status of India as GBR-I (no risk of BSE) country by EU was affecting exports, the Ficci survey pointed out.

The survey also pointed out that to comply with some EU standards, Indian exporters would have to make fresh investment to the tune of \$2 million to change in their process of production. In the case of refrigerators, to comply with EU standards of refrigerant and foaming agent, the Ficci survey pointed out that it will require an investment of \$2 million by an Indian exporter, only to manufacture product according to EU standards.

1 8 MAR 2006

TOO HOT TO HANDLE

# Cartoon row keeps Danish PM out of India

India - Foreign - 18/3

**NILOVA Roy Chaudhury**  
New Delhi, March 17

INDIA HAS diplomatically warned off Denmark's Prime Minister, Anders Fogh Rasmussen, from visiting the country "around the end of this month", saying the controversy over the cartoons of the Prophet Muhammad would consume the visit.

Denmark had proposed the visit to India before a controversy had broken over the cartoons. Once Indians too joined the protests, Copenhagen decided it would be unwise to go ahead with the visit.

It became easier to call off the

visit because it had not actually been announced, sources said. Copenhagen sent word that the Danish PM would not come now but would do so at a more mutually convenient point of time. The Indian embassy in Denmark would work on fresh dates.

Denmark has faced a barrage of international criticism for being insensitive to Islamic sentiments by allowing the controversial cartoons to be published in a local newspaper, the *Jyllands Posten*, last September. Though the Danish government expressed regret over the deaths of people, it claimed it had no con-

trol over the freedom of the press. The Indian government, too, had criticised the publication of the cartoons as an insensitive act that deliberately hurt the religious sentiments of a community.

Rasmussen had been involved in another controversy in 2002 when, during the India-European Union summit, he chose to be critical of Indian policy and human rights in Jammu and Kashmir at a joint press conference in Copenhagen with former Prime Minister Atal Bihari Vajpayee. He publicly made amendments the next day.



Anders Fogh Rasmussen

# India, Finland to cooperate in shipping and port sectors

15/3  
9/2/06  
13/3/06

## Assistance sought to set up National Maritime University in India

Special Correspondent

**NEW DELHI:** India and Finland have agreed to explore areas of cooperation in the fields of highway as well as shipping and port sector. The decision follows a meeting between Prime Minister of Finland Matti Vanhanen and Union Minister of Shipping, Road Transport and Highways T. R. Baalu here on Monday. Ms. Susanna Huovinen, Minister of Transport and Communications of Finland, was also present.

Mr. Baalu informed the visiting leaders about the ambitious National Highway Development Programme (NHDP) and the Government's decision to take up all future

Ministry to create investment-friendly policies. He suggested mutual cooperation in the area of ship building, saying that the advanced technology of Finland in this area would help the Indian ship building industry.

The Finnish Prime Minister highlighted the recent growth trends of investments in India and explored opportunities for investors to participate in road and port development programmes of India.

The two sides agreed that there is a need for authorities to establish close coordination for understanding their respective areas of strength, capability and achievements in technology pertaining to highway and port sec-

tor. The two sides also agreed to explore the possibility of forming joint ventures in cargo handling equipment and cooperate in the areas of inland water transport and maritime training.

Mr. Baalu sought Finnish assistance in setting up the proposed National Maritime University in the country.

The Minister also informed that an India-EU Agreement in Maritime Service was due for finalisation after discussion with the European Union authorities.

The two sides also discussed the progress made on the Asian Highway Network Project, which proposes to join some Asian countries with Europe through Iran and Russia.

### • Finnish leaders apprised of National Highway Development Programme

### • Participate in Indian port development projects, Finnish investors told

highway upgradation programmes through public-private partnerships (PPP).

He shared with them the decision about the formulation of the National Maritime Development Programme, involving an investment of about \$ 22 billion in ports, shipping, shipyard and inland waterways. The Minister also discussed steps taken by the

15 MAR 2006

15 MAR 2006

THE HINDU

## পরমাণু চুক্তি ফ্রান্সের সঙ্গেও

দিল্লি, ২০ ফেব্রুয়ারি (সংবাদসংস্থা)—  
অসামরিক ক্ষেত্রে পারমাণু শক্তি ব্যবহারের  
প্রযুক্তি উন্নয়ন-সহ ৯টি দ্বিপাক্ষিক চুক্তি  
সই করল ভারত ও ফ্রান্স। সোমবার  
প্রধানমন্ত্রী মনমোহন সিং এবং ফ্রান্সের  
প্রেসিডেন্ট জাক শিরাকের মধ্যে  
আনুষ্ঠানিক আলোচনার পর চুক্তিগুলো  
স্বাক্ষরিত হয় দিল্লিতে। অসামরিক ক্ষেত্রে  
পরমাণু প্রযুক্তি ব্যবহার নিয়ে মার্কিন  
যুক্তরাষ্ট্রের সঙ্গেও প্রায় একই রকম চুক্তি  
হতে চলেছে। মার্কিন প্রেসিডেন্ট জর্জ  
বুশের ভারত সফরে ওই চুক্তি স্বাক্ষরিত  
হওয়ার কথা। মার্কিন বিদেশ মন্ত্রকের  
আন্তর সেক্রেটারি নিকোলাস বার্নস্  
সোমবার বলেছেন, গত বছর ১৮  
জুলাইয়ের দু'দেশের যৌথ ঘোষণার পর  
চুক্তি স্বাক্ষরিত হওয়ার কাজ ৯০ শতাংশ  
এগিয়েছে। মার্কিন যুক্তরাষ্ট্রের সঙ্গে পরমাণু  
বিষয়ক চুক্তি স্বাক্ষরিত হওয়ার আগে  
ফ্রান্সের সঙ্গে চুক্তির আলাদা তাৎপর্য  
আছে, মানতে রাজি নয় ভারতের বিদেশ  
মন্ত্রক। দু'দেশে প্রতিরক্ষা ক্ষেত্রেও চুক্তি  
স্বাক্ষরিত হয়েছে আজ। মহাকাশ গবেষণা,  
বাণিজ্য, শিক্ষা, পর্যটন, পরিবেশ ও  
অসামরিক বিমান পরিবহন ক্ষেত্রেও  
দ্বিপাক্ষিক চুক্তি হয়েছে। চুক্তি অনুযায়ী  
ফ্রান্সের এয়ারবাস ইন্ডাস্ট্রি থেকে ৪৩টি  
এয়ারবাস কিনবে ইন্ডিয়ান এয়ারলাইন্স।

21 FEB 2006

# মিত্তল সম্পর্কে কড়া মনোভাবই দেখালেন শিরাক

নিজস্ব সংবাদদাতা, নয়াদিল্লি, ২০ ফেব্রুয়ারি: লক্ষ্মীনারায়ণ মিত্তলের কাজটা যে ক্রমেই কঠিন হয়ে উঠছে, তার স্পষ্ট ইঙ্গিত মিত্তল ফ্রান্সের প্রেসিডেন্ট জাক শিরাকের কথায়। ভারত সফরে এসে ফ্রান্সের প্রেসিডেন্ট বৃকিয়ে দিলেন, আর্সেলের প্রসঙ্গে ফ্রান্সের মনোভাব বলানো না। বিশ্বের দ্বিতীয় বৃহত্তম ইস্পাত উৎপাদক সংস্থা আর্সেলের অধিগ্রহণ করে ইউরোপের ইস্পাতের বাজারে একাধিপত্য কায়েম করতে চান মিত্তল। তার সেই চেষ্টায় বড় বাধা হয়ে দাঁড়িয়েছে ফ্রান্স। ভারত সফররত ফরাসি প্রেসিডেন্ট আজ জানিয়েছেন, 'জোর করে' আর্সেলের নেওয়ার চেষ্টা চলছে।

আজ দিল্লিতে প্রধানমন্ত্রীর সঙ্গে শিরাকের বৈঠকের আগে মনমোহন সিংহের সঙ্গে দেখা করেন লক্ষ্মী মিত্তল। পরে শিরাকের সঙ্গে মনমোহনের বৈঠকের সময় আর্সেলের প্রসঙ্গটি ওঠে। যৌথ সাংবাদিক বৈঠকে শিরাক বলেন, "কোনও সংস্থার বিরুদ্ধে আমাদের নেতিবাচক মনোভাব নেওয়ার প্রশ্ন ওঠে না। কিন্তু নিয়ম মেনেই সব কিছু হবে। আদতে পরিস্থিতি এই যে, সাধারণ নিয়মকানুন অগ্রাহ করে, জোর করে দখল নেওয়ার চেষ্টা চলছে। এই ক্ষেত্রে আগে যথাযথ আলোচনাও করা হয়নি।"

খাদ প্রেসিডেন্টের অনুযোগ, তার অধিকারের রয়েছে। তিনি বলেন, "কেন যে নেওয়ার চেষ্টা চালানো হচ্ছে, সেই বিষয়ে আমাদের কিছুই জানানো হয়নি। এই কোম্পানির আদতে উদ্দেশ্য কী, সেই সম্পর্কেও আমাদের ধারণা পরিষ্কার নয়। সংস্থাটি তার কোনও পরিকল্পনাও আমাদের জানায়নি। ফলে নানা ধরনের আশঙ্কা করা হচ্ছে। তার নির্দিষ্ট কারণও আছে।"

বস্তুত, ভারতীয় বংশোদ্ভূত শিল্পপতি লক্ষ্মী মিত্তলের ইউরোপের ইস্পাত-সাম্রাজ্য দখলের স্বপ্নে জল তেলে দেওয়ার পক্ষে শিরাকের চিহ্নাঙ্কনা বক্তব্য যথেষ্ট। মিত্তল দিল্লির পক্ষে আর্সেলের অধিগ্রহণের পথ যে কুম্ভায়ত্তীর্ণ নয়, তার ইঙ্গিত অবশ্য গোষ্ঠীর কর্তাদের চিঠি লিখে বাণিজ্যমন্ত্রী কমলনাথ ইউরোপীয় গোষ্ঠীর কর্তাদের চিঠি লিখে মিত্তলের পক্ষে সওয়াল করলেও, কোনও ফল হয়নি। এমনকী, অধিগ্রহণের ফলে ও আর্সেলের কোনও শ্রমিক ছুটিই হবে না, লক্ষ্মী মিত্তলের এই প্রতিশ্রুতির পরেও পরিস্থিতি বদলায়নি।

ফ্রান্সের প্রেসিডেন্টের কথা থেকে স্পষ্ট, 'বিদেশি' বিনিয়োগের ক্ষেত্রে জাতীয় স্বার্থকে অগ্রাধিকার দিতে তাঁরা বিশুমাত্র বিধাগ্রস্ত নন। আজ, প্রধানমন্ত্রীর সঙ্গে বৈঠকের পরে অ্যাসোসিয়েম-ফিকি-সিআইআই

আয়োজিত বিজ্ঞান ভবনে বাণিজ্য সম্মেলনে বক্তৃতাতেও এমন ইঙ্গিত দিয়েছেন শিরাক। উন্নয়নশীল দেশগুলিতে 'আউটসোর্স' করার ক্ষেত্রে বহুজাতিক সংস্থাগুলির দায়িত্ব প্রসঙ্গে শিরাক বলেন, "যা কিছু করার, তা শ্রম আইন মেনেই করতে হবে। বিনিয়োগের ক্ষেত্রে মানবিক দিকটাও ভাবতে হবে।" এক কথায়, পুঞ্জির আবাহনই যে শেষ শর্ত নয়, তা জানাতে বিধা করেননি শিরাক।

ভারতের পক্ষে অবশ্য শিরাকের এই সফর বেশ কয়েকটি সুখের নিয়ে এসেছে। রাজনৈতিক ও অর্থনৈতিক, দুটি ক্ষেত্রেই বিজ্ঞানভবনে শিরাক জানিয়েছেন, রাষ্ট্রপুঞ্জের নিরাপত্তা পরিবাদের ভারতের অবশ্যই স্থায়ী আসন পাওয়া উচিত। বিমানসংস্থা ইউরোপের সঙ্গে এয়ারবাস ইন্ডাস্ট্রির একটি চুক্তিও সই হল আজ।

চুক্তি অনুযায়ী, এয়ারবাসের থেকে ৪৩টি বিমান কিনবে ইন্ডিয়ান এয়ারলাইন্স। এ বছরের শেষেই প্রথম বিমানটি উড়ে আসবে ভারতের মাটিতে। এ ছাড়াও, ফ্রান্সের বিখ্যাত ম্যানেজমেন্ট প্রতিষ্ঠান 'এসেক'-এর সঙ্গে একটি চুক্তি সই করল আমদানাদের আইআইএম। এর ফলে, আগামী দিনে দু'টি প্রতিষ্ঠানই নিজেদের মধ্যে ছাত্র ও শিক্ষক বিনিময় করবে।



# India, France sign accords

France ready to give nuclear power plants, fuel

India - Europe relations

Amit Baruah

**NEW DELHI:** Prime Minister Manmohan Singh promised on Monday that any civil nuclear facilities that became available in future to India through international cooperation would be subject to International Atomic Energy Agency (IAEA) safeguards.

Speaking days before the arrival of United States President George W. Bush in New Delhi, Dr. Singh asserted in the presence of French President Jacques Chirac that India was committed to "honouring the letter and spirit" of the July 18, 2005 joint statement that contained the civil nuclear agreement.

After extensive talks between Dr. Singh and Mr. Chirac, India and France issued a declaration on "development of nuclear energy for peaceful purposes," which held that future agreements, where applicable, would be subject to IAEA safeguards.

As per the declaration, France has expressed its willingness, subject to non-proliferation norms, to provide nuclear power plants and supply nuclear fuel to India in the future. The declaration also envisages that the two countries will engage in the training of scientists and joint research activities.

All these will be subject to the two countries reaching an agreement on civil nuclear cooperation in future that presumably will come after the Nuclear Suppliers' Group lifts curbs on India.

A total of nine agreements, including one on defence cooperation, were signed in the presence of the two leaders in Hyderabad House. The defence agreement established a "framework" for cooperation between the two countries.

Both Dr. Singh and Mr. Chirac took questions on the bid by Holland-based Mittal Steel to



**CLINCHING A DEAL:** Manmohan Singh with French President Jacques Chirac during their joint press conference after signing an agreement at Hyderabad House in New Delhi on Monday. - PHOTO: SHANKER CHAKRAVARTY

take over European steel maker, Arcelor, with the Prime Minister hoping that a "fair decision" acceptable to all stakeholders would be taken.

#### "Mittal's hostile bid"

The French President, however, asserted that Mr. L.N. Mittal's bid to take over Arcelor was a "hostile" one. Erroneously describing Mr. Mittal, who holds an Indian passport, as a British national, Mr. Chirac said he could not understand what the fuss was all about.

According to Mr. Chirac, no prior consultations had been

made before Mr. Mittal's bid to take over Arcelor was presented. Conceding that Mr. Mittal had a right to make his offer, he felt that Europeans also were within their rights to safeguard jobs.

Mr. Chirac observed he was not aware of the contents of the "hostile bid." Saying that Mr. Mittal was an Indian-born British national, he said he had nothing in principle against a "non-European" bidding for a European company.

On the civil nuclear issue, Mr. Chirac said he understood India's concerns and constraints. Asked whether France was sup-

porting India's stand on civil nuclear cooperation with future commercial deals in mind, he said this had nothing to do with France's economic interests. Of course, he hoped there would be greater cooperation between France and India in the civil nuclear field.

Mr. Chirac said French support for the Indian position on the nuclear issue flowed from moral principles.

India should be able to produce the nuclear energy it needed. This would also avoid India becoming a bigger producer of greenhouse gases.

# CHIRAC VISIT ■ Only future reactors obtained via international cooperation for safeguards: PM

## For now, India, France ink N-declaration

PRANAB DHAL SAMANTA  
NEW DELHI, FEBRUARY 20

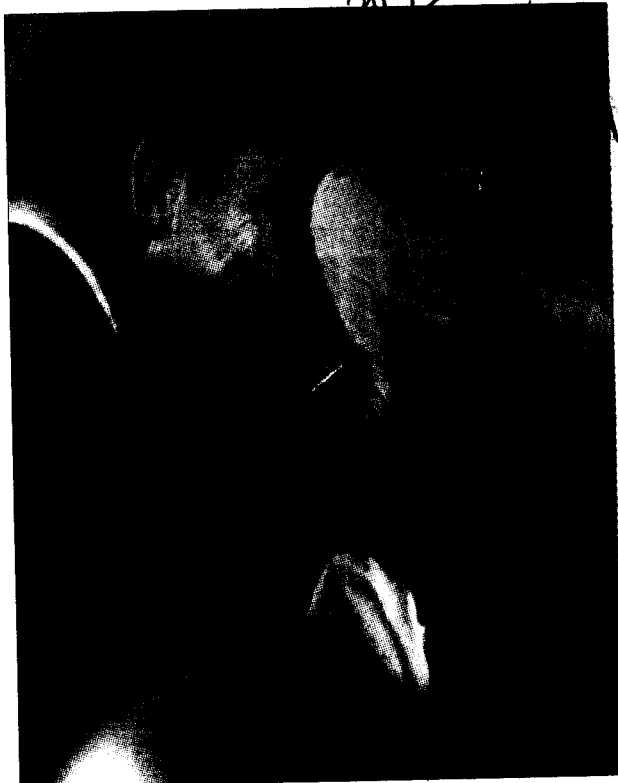
INDIA and France today stopped short of a formal agreement on civilian nuclear energy cooperation with the outcome of the Indo-US nuclear deal holding the key to realise this agreement at a later date.

The two countries signed a declaration instead, announcing their intent to reach such an agreement in the future. This, however, is on the condition that it will be in line with their respective "international commitments".

At a joint press conference with French President Jacques Chirac, Prime Minister Manmohan Singh made it clear that all future reactors obtained through international cooperation will be under safeguards. This clearly indicates that New Delhi does not plan to put all its future reactors under safeguards.

"I confirm that all facilities procured by India through international cooperation on civilian nuclear energy will of course be subjected to that (IAEA safeguards). I am talking about, if any facilities that may become available to India in future through international cooperation will be subjected to safeguards of IAEA," the PM said in response to a question.

Singh also made it clear that



President Chirac with PM in New Delhi. Anil Sharma

India was committed to honour in "letter and spirit" the July 18 Indo-US joint statement which requires India to voluntarily separate its civilian and military nuclear reactors and sign a safeguards agreement with the IAEA.

The future of the Indo-French agreement also hinges on the success of New Delhi's negotiations with Washington. France is clear that any coop-

### Airbus, IA sign deal

NEW DELHI: Airbus Industrie and Indian Airlines on Monday signed an agreement for purchase of 43 aircraft at a cost of two billion US dollars. The agreement was signed after talks between Prime Minister Manmohan Singh and President Jacques Chirac.

eration with India must be in line with French commitments to the Nuclear Suppliers Group. So, once the

CONTINUED ON PAGE 2

## India, France ink N-deal

Indo-US deal comes through, it will strengthen India's case for an exemption by the NSG.

India will also be looking for support from France in convincing the NSG when the time comes to push its case. Paris was keen that an agreement be signed during the visit, underlining Indian commitments, which would then make a better case before the NSG. Signalling that a future pact would augur well for French companies, India made it known it was open to the idea of these firms carrying out feasibility studies once NSG restrictions go.

The declaration also makes it clear that cooperation in the "future agreement" will be exclusively for peaceful purposes and covered by "appropriate safeguards agreements with the IAEA". Besides this, it enlists some areas of cooperation which the two sides are working on. These include:

- Basic and applied research
- Nuclear energy applications in various

sectors, including power generation

- Nuclear waste management and exchange as well as training of scientific and technical staff

- Joint research and development activities

"Our support to India is principled support... India must be allowed to achieve its necessary economic development without facing the stranglehold of economic and energy constraints," said Chirac.

He also made it clear that France was not driven by economic considerations while pursuing this agreement with India. This was appreciated by Singh who had an hour-long one-on-one meeting with Chirac. Both sides signed nine agreements, which includes a framework agreement on Defence cooperation. The most important aspect here is the formation of an armaments procurement group aimed at smoothening the decision making process and to explore possibilities of joint production in future.

# France to double trade with India in five years

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Investment support to infrastructure, urban planning

Special Correspondent

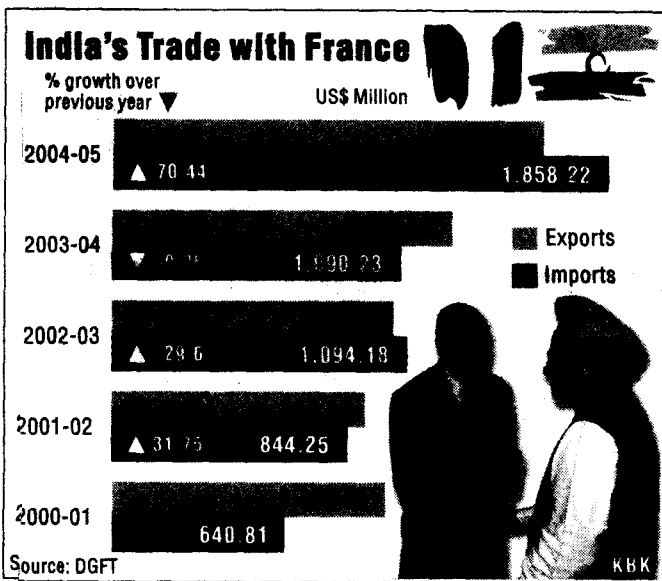
**NEW DELHI:** Hailing India as "one of the world's main engines of growth," French President Jacques Chirac announced on Monday that the two countries had decided to double their trade in the next five years and promised to help India — sixth largest consumer of energy globally — secure its energy requirements.

"With Prime Minister Manmohan Singh, we have decided to raise economic relations to the same level as our excellent political relations. We have, therefore, decided to double our trade in the course of next five years," Mr. Chirac said, addressing corporate leaders of the two countries at the Indo-French Economic Partnership Meet.

Noting that the aim may seem audacious, he asserted that it was realistic. "With a growth rate of 7 to 8 per cent, market of several hundreds of millions of consumers and a purchasing power multiplied by five in 25 years, India constitutes one of the world's main engines of growth, Mr. Chirac said.

## Help in energy sector

India, he said, had become a protagonist of the revolution in services, based on knowledge, which was at the heart of the new phase of globalisation. He even mentioned the names of large industrial houses and companies like the Tatas, the Birlas, Infosys, Bajaj, Wipro, Indian Oil Corporation and many others that served as the India's industrial base, adding that the companies were becoming global giants. Asserting that France has



- Cooperation in health and biotechnologies
- Call for respect for labour, environment standards

the capacity to be a major partner of India, the French President said his country would support India's infrastructure development plans and reputed companies from his country like Saint-Gobain or Lafarge were investing to supply the necessary materials.

He said the internationally recognised expertise of operators Veolia and Suez was also mobilised to contribute to the progress that India was expecting in urban planning and water and waste management. "In the

field of energy, our main operators and equipment manufacturers are ready to join in your effort to secure your energy requirements," he said.

Mr. Chirac said, "We must resolutely move forward with India, a big responsible country, in the reflection initiated by France back in 1998 and pursued by the U.S. We must reconcile the necessary changes in international rules governing civil technology transfers and rules of non-proliferation.

"The declaration that we have signed today translates our will to take our cooperation further. A cooperation in which Areva will be ready to play a full role when the time comes," he said.

He also referred to purchase of aircraft from France, cooperation in health and biotechnologies and other areas and said India would in future be one of

world centres for the manufacturing of the new vehicle, Logan, produced by Renault in cooperation with Mahindra.

IT services, tourism, banking and insurance besides agro-food business were some areas where there was scope for economic cooperation, he said, and called for partnerships between companies based on respect for standards in relation to labour law, environment, protection laws or simply human dignity.

Reiterating his stand on India being given its rightful place as a permanent member of the United Nations' Security Council, he said the world "needs the full participation of India in the reflections and actions to humanise and control globalisation."

## Need to deepen ties

Earlier, Union Commerce Minister Kamal said the bilateral trade did not reflect the potential that existed. There was a need to deepen economic ties to tap fully the opportunities that existed in the two countries in a mutually advantageous manner.

Similar sentiments were voiced by Saroj K. Poddar, Y. C. Daveswar and Anil K. Agarwal, presidents of FICCI, CII and ASSOCHAM, respectively, who made specific mentions about the areas where the two countries could cooperate to consolidate their economic ties.

Earlier, during the interaction between corporates from the two countries, the Confederation of Indian Industry and its French counterpart MEDEF decided to set up a permanent platform for aiding two-way flow of investments into strategic areas.

2006 THE HINDU

# India needs help with civilian nuclear power, says Chirac

Otherwise, the country will become a chimney for greenhouse gases

India - Europe  
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Special Correspondent

**NEW DELHI:** Visiting French President Jacques Chirac on Sunday presided over a Rs. 700 crore deal between Kingfisher Airlines and French company ATR for 15 aircraft. Kingfisher retained the option of purchasing 20 more aircraft in the future. It had earlier placed orders for 20 aircraft, with options for 15 more.

This is the second mega deal between the two countries. Late last year, India placed an order for six submarines at a cost of about Rs. 15,000 crores.

Mr. Chirac, who is accompanied by five Cabinet Ministers and about 30 senior representatives of French companies, opens his official engagement on Monday. He is expected to sign a declaration on the development of nuclear energy for peaceful purposes and an agreement on defence cooperation.

The French President arrived here from Thailand, where he said India needed to be helped in producing electricity from nuclear power. Otherwise, it would become a "chimney for greenhouse gases."

"If we don't help India produce electricity using nuclear power, we would let develop in India a chimney for greenhouse gases. The minimum we must do is to let India respond to its energy needs without becoming a major polluting nation," he was quoted as saying by AFP.

"I wish we could, within the non-proliferation framework and existing agreements, help India respond to this need."

Mr. Chirac has visited India twice before — as Prime Minister in 1976 and as President in January 1998. On both occasions, he was the chief guest at the Republic Day parade.

Apart from holding talks with Prime Minister Manmohan Singh, he will meet President A.P.J. Abdul Kalam, Vice-President Bhairon Singh Shekhawat,



**FOR SMOOTH RELATIONS:** French President Jacques Chirac with his wife Bernadette Chirac on arrival at the Air Force Station in Palam, New Delhi on Sunday.

— PHOTO: SHANKER CHAKRAVARTY

United Progressive Alliance Chairperson Sonia Gandhi and Leader of the Opposition L.K. Advani.

Antrix, the commercial arm of the Indian Space Research Organisation, will sign a contract

with EADS Astrium to jointly build a satellite for Eutelsat. A memorandum of understanding will be concluded between the Indian Institute of Management, Ahmedabad, and the École Supérieure des Sciences

Économiques et Commerciales. Another will be signed between the Bureau of Energy Efficiency and the Ministry of Power and the AEDEME (Agence de l'Environnement et de la Maitrise de l'Énergie).

# India, France "close" to nuclear deal, says Chirac

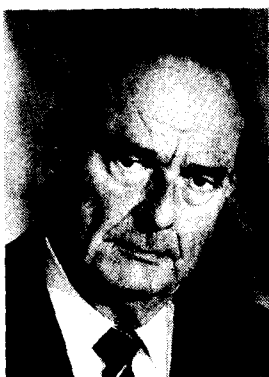
France for special status to India in Nuclear Suppliers Group

NEW DELHI: France is "close" to reaching an agreement with India on civil nuclear cooperation, but feels that "more work" is required on both sides, French President Jacques Chirac has said ahead of his visit here. Also, recognition of a special status for India in the Nuclear Suppliers Group (NSG) is a "priority" for France.

Mr. Chirac, who arrives here on February 19 on a three-day State visit, in an interview to *India Today* voiced Paris' support to India on modifying the NSG rules.

## "It is a Dutch company"

Asked about the controversy over the Arcelor case, he said the company willing to takeover the steel giant was a Dutch company, not an Indian one. "The problem has nothing to do with L.N. Mittal. It is a Dutch company, and Arcelor is a Luxembourg company. It has nothing to do with France and India." Observing that the French Government was a "stakeholder, not a shareholder," he said, "Given the circumstances of the case, it would appear that it is not in the best interest of the company." On the nuclear issue, he said France was the first



Jacques Chirac

country to argue in the favour of India, as a responsible power, gaining access to civilian technologies. The process of consultation initiated by France, since the U.S.-India declaration on July 18 last, "continues today with the support of the American administration and other major partners."

"Recognition of a special status for India with respect to the NSG is a priority for us. We are close to reaching an agreement, but more work is required on both sides."

## Multilateral issue

Asked why there was delay in the agreement since he considered India responsible, he said, "Because it is a multilateral

issue, France stands firmly alongside India, a responsible power, in this question of modifying rules of the NSG. It is only if these modifications are allowed that we can reconcile our aim to cooperate in this area with the constraints imposed by our international undertakings. But before that, India must have a specific status with respect to the NSG to allow it access to the necessary technologies while respecting the principle of non-proliferation."

Mr. Chirac said France had been trying for many years to persuade other members of the NSG. "The main person who had to be persuaded was Bush but if we have to move forward, we still have to make efforts in the NSG, and France is working on it."

## Second visit

Mr. Chirac, 73, who is undertaking his second visit to India as President after a gap of eight years, said the two countries had all the assets required to build a "special partnership in every possible field."

Asked whether the Clemenceau controversy could have been avoided, he said the French Administrative Court had ruled that the export of the war-

ship to India should be suspended. "I have decided that the ship should be brought back to France, and a final solution found for its dismantling."

## Economic ties

On bilateral economic ties, he said one of the purposes of his trip was to provide a boost to economic cooperation. Tariff and non-tariff barriers still hampered exports of certain French products such as wine.

Sectors such as distributive trades and financial services were still comparatively closed to foreign capital. "Progress in these fields would facilitate strengthening of our relations." The French President said he was "appalled" by what happened as a result of the publication of the offensive cartoons caricaturing Prophet Mohammad. "I am, of course, in favour of the freedom of the press, which is a pillar of democracy. But I am equally for respecting everyone's sensibilities."

On the Iran nuclear issue, he said France was in close consultation with India and all partners, and aimed at persuading Tehran to fully with its obligations of non-proliferation.

— PTI

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THE HINDU

# Mittal bid a commercial issue: EU

Stateman News Service

NEW DELHI, Feb. 14. — The takeover bid by Mittal Steel for its rival steel company Arcelor must be treated as a purely commercial deal and nothing more must be read into it, the European Union today said. "This is a merger and acquisition between two European companies," European Commission director-general (trade), Mr David O'Sullivan, said reacting to the controversy generated over the deal. "We don't think any other issue arises. As far as we are concerned it is a commercial deal."

Responding to queries at an interaction organised by the Federation of Indian Chambers of Commerce and Industry (Ficci), Mr O'Sullivan, however, felt the EU would be concerned if there were any violations of competition rules and the takeover created a monop-

## Steel tycoon may visit India

NEW DELHI, Feb. 14. — NRI steel tycoon Mr LN Mittal, facing stiff resistance against his bid to take over Luxembourg based steel plant Arcelor, is likely to be in India during the visit of French President Mr Jacques Chirac here next week in a bid to persuade India take up the issue with him. Against the background of commerce minister Mr Kamal Nath's supportive comments, official reaction today appeared subdued about the NRI's bold venture while a visiting top EU trade official said nationality in such issues was not relevant and decision should be taken on merit. — PT

ly kind of situation. The European Commissioner for Competition had come out strongly against the Netherlands-based Mittal Steel \$22.3-billion bid for Luxembourg-based Arcelor.

The bid has sparked objections from the governments of France, Luxembourg and Spain and from labour unions, who are worried about job losses. The issue is also likely to figure during French President, Mr Jacques Chirac's visit to India early next month.

Commerce minister Kamal Nath had earlier warned European governments against racist reactions to Mittal Steel's takeover bid for Arcelor.

Speaking on the state of play at the ongoing Doha Round of WTO negotiations, Mr O'Sullivan recognised the key role played by India and the EU in the negotiations. "We both made important contributions to advance negotiations at Hong Kong. We must continue to do so," he noted.

He said EU had the interests of farmers in developing countries high on its agenda and was particular in changing policies to benefit them. "We have made radical changes in agricultural policies to benefit the farmers in the developing countries. We have decided to shift more than 90 per cent of (agriculture) subsidies from the (trade distorting) amber box to the (non-trade distorting) green box," he elaborated.

He, however, maintained that since total elimination of subsidies would entail huge losses for European farmers, it was a politically sensitive subject. "We can sell (subsidy reduction) to our constituents only if we can show there is a huge global benefit for them," he said.

On non-agriculture market access (NAMA), Mr O'Sullivan said the EU was keen to make a move, but not excessive.



The secretary general of Ficci, Mr Amit Mitra (R), presents a bouquet of flowers to Mr David O'Sullivan, director general — trade, European Commission, in New Delhi on Tuesday. — AFP

# UK for India-EU free trade agreement *5-9*

*9-12-05*  
*6-11-05*  
**Statesman News Service & FTI**

NEW DELHI, Jan. 16. — The UK today mooted an India-European Union Free Trade Agreement, which New Delhi said it was willing to look at. "UK has suggested an India-EU FTA... We are open to all ideas that enhance our trade engagement," Union commerce minister Mr Kamal Nath told reporters after a meeting with the visiting UK trade minister, Mr Ian Pearson. He said India's trade engagement globally was increasing and all means that could lead to further enhancement could be looked at.

Mr Pearson raised the issue of access to their banks and equal treatment in India as also high customs duties on wines and spirits with Mr Nath.

A lot of work remains to be done, post-Hong Kong, if the ongoing Doha Round of the World Trade Organisation (WTO) negotiations are to successfully conclude by the projected end date of December 2006, Mr Nath and Mr Pearson agreed today.

Mr Nath emphasised in particular India's interests in addressing the issue

of tariff peaks and tariff escalation in developed markets in the non-agricultural market access (NAMA) negotiations as these adversely affected exports of value-added products from India.

The two ministers underlined the need to further strengthen bilateral trade and economic cooperation between India and Britain, especially in the services sector on a mutually beneficial basis. The UK is India's largest trading partner in the European Union (EU) with Indo-UK trade estimated at \$7 billion during 2004-05.

It was indicated during the discussions that the second meeting of the India-UK Joint Economic and Trade Commission (Jetco) would take place in London later this month, where detailed substantive measures would be discussed for increasing the scope of bilateral trade and investment between the two countries.

Later during an interaction with the business delegation accompanying Mr Pearson, both the sides underlined the untapped potential for further boosting trade and economies between India and Britain.