

**PROTOCOL**  
**OF THE EIGHTH SESSION OF THE**  
**CYPRUS-INDIA JOINT COMMITTEE**  
**ON ECONOMIC, SCIENTIFIC, TECHNICAL**  
**AND INDUSTRIAL COOPERATION**

The Cyprus-India Joint Committee established in accordance with Article 7 of the Agreement for Economic, Scientific, Technical and Industrial Cooperation between the Government of the Republic of Cyprus and the Government of India which was signed on 13<sup>th</sup> April 1989, and amended on 6<sup>th</sup> October 2006, held its Eighth Session through Digital Video Conference (DVC) between New Delhi and Nicosia on 8<sup>th</sup> June, 2016.

The Cypriot delegation was headed by Mr. George Georghiou, Permanent Secretary, and Directorate General for European Programmes, Coordination and Development and the Indian Delegation was headed by Ms. Anita Praveen, Joint Secretary, Ministry of Commerce & Industry, Department of Commerce, Government of India. The members of the two Delegations are listed in Annexes I and II to the present Protocol.

The Agenda adopted by the Joint Committee is listed in Annex III.

The Eighth Session of the Joint Committee on Economic, Scientific, Technical and Industrial Cooperation (hereinafter referred to as Joint Committee) was held in a spirit of friendship and understanding and resulted in constructive exchange and outcomes. During the Session the two Delegations exchanged views and tried to identify ways to further develop, expand and diversify bilateral economic and other relations between the two countries.

The Joint Committee referred to the successful conduct of the Seventh Session Cyprus-India Joint Committee held in Nicosia on 27<sup>th</sup>-28<sup>th</sup> September, 2012.

**I. ECONOMIES OF THE TWO COUNTRIES**

The Heads of the two Delegations exchanged information on the state of the economies of their respective countries and reviewed briefly the recent developments as well as the potential for further growth. They also noted that large possibilities exist for increased cooperation in a number of fields between the two countries. The two Sides agreed that the global economic slowdown had negatively affected many countries and continued efforts are required for a positive outlook for the future. The two Sides shared the view that intensive mutual cooperation is required to promote bilateral trade and investment.

## **1. Domestic Economic Situation**

1.1 The Indian Side informed that amidst unusual slowdown in the international economic environment in recent times, the Indian economy has been stable. The government's agenda has been "reform to transform". India is poised to grow at 7 – 7.5 percent in 2016-17 in view of the recent initiatives taken by the Government of India like 'Make in India' initiative, 'Ease of Doing Business' and development of smart cities, etc.

1.2 The Indian Side highlighted the slew of high growth promoting measures initiated by the Government such as thrust on public investment; announcement of new Foreign Trade Policy (2015-20); sharp increase in outlay for roads and railways; clear road map on Goods and Services Tax (GST); promotion of FDI in selected sectors, including defense manufacturing and insurance; rationalization of subsidies; deregulation of diesel prices and finalization of natural gas pricing policy; 'Make in India' initiative and attendant investment and enabling measures; labour reforms; measures to ease land acquisition; financial inclusion, Digital India and Skill India initiatives.

## **2. Make in India**

2.1 The Indian Side informed about the 'Make in India' initiative to make India a global manufacturing hub. This is a major drive to foster innovation, enhance skill

development, protect intellectual property and build best-in-class manufacturing infrastructure. In 'Make in India' initiative, an effort has been made to facilitate, assist and hand-hold investors and ensure that they are able to establish and operationalise their industry and business in India without facing hurdles and systemic delays.

2.2. Twenty-five priority sectors have been identified for growth under the initiative, viz automobiles, auto components; aviation; biotechnology; chemicals; construction; defence manufacturing; electrical machinery; electronic systems; food processing; IT and BPM; leather; media and entertainment; mining; oil and gas; pharmaceuticals; ports; railways; renewable energy; roads and highways; space; textiles and garments; thermal power; tourism & hospitality and wellness.

### **3. Ease of doing Business**

3.1 Recently India has taken various steps to ease the business environment. The emphasis has been on simplification and rationalization of the existing rules and introduction of information technology to make governance more efficient, effective, simple and user-friendly. Some of the initiatives include filing of returns on-line, placing a check-list of required compliances on the web portal of Department of Industrial Policy & Promotion, etc. Further, the application process for Industrial Licence and Industrial Entrepreneur's Memorandum has been made easy by simplification of forms and making the process online 24X7.

3.2 The Cypriot Side informed that additional to the initiatives that the Indian Side presented and are expected to facilitate bilateral economic and business cooperation, the issue of the amendment of the Double Taxation Avoidance Agreement is also believed to be instrumental for the strengthening of the relations. To this effect, the Cyprus Side informed the Indian Side that it has accepted the proposal of India for amendments to the Double Tax Agreement. The Indian Side has welcomed the Cyprus position and extended an invitation for a visit of the Cyprus delegation to India, to hold discussions on all pending issues, aiming towards the finalization, signing and entry into force of the new agreement as well as to resolve all other pending issues.

3.3 The Committee urged the two Sides to find mutually convenient dates for the meeting to take place as soon as possible.

During the Session, the discussions covered the following areas:

## **II. BILATERAL TRADE AND ECONOMIC RELATIONS**

### **4. Trade**

4.1 The Committee reflected upon the state of the bilateral trade relations and noted that although the volume of bilateral trade has increased, there is still a large potential for improvement. It was agreed that efforts should be made by the two Sides to promote and expand trade exchanges between them.

4.2 The two Sides appreciated the importance of participation in international fairs and exhibitions organised in their respective countries, e.g. those organised by ITPO, CII, FICCI, ASSOCHAM, etc., with a view to further strengthen the cooperation that exists between their members. The two Sides emphasized the need for a greater B2B interaction to further the cause of increasing bilateral trade.

4.3 The two Sides noted with satisfaction that the exchange of business delegations and the organisation of seminars have intensified during the last few years. It was also noted that these activities create a favourable environment for the increase of bilateral trade and other bilateral economic activities.

4.4 India Trade Promotion Organisation (ITPO) organizes trade fairs with a special emphasis on the MSME sector which contributes around 37% of India's GDP. In this regard the Indian Side requested the Cypriot Side to recommend programmes such as visits of trade missions and participation in international fairs and exhibitions in the calendar of events, so that ITPO may organize Indian participation. The Indian Side stated that ITPO may coordinate with other Indian organizations actively involved in promoting business at Cyprus in order to increase trade volume between the two countries. ITPO is keen to invite business delegations from Cyprus for the lead fairs organized by ITPO such as India International Trade Fair (IITF), Aahar- The

International Food and Hospitality Fair, India International Leather Fair, India International Security Expo, Tex-styles India, etc.

4.5 The Cypriot Side highlighted the continuous efforts of Cypriot competent authorities to facilitate the contacts and networking for business people in the two countries in an effort to initiate contacts and promote business deals in trade and other economic activities. In the field of Services, India is an emerging market for Cyprus's services exports. The Ministry of Energy, Commerce, Industry and Tourism in its efforts to create awareness amongst Indian businessmen concerning the advantages that Cyprus can offer, organized in cooperation with the Cyprus Chamber of Commerce and Industry, business forums in 2010 and 2013. Another business forum is planned to take place in 2016 for the promotion of Cyprus as an international business centre. Cyprus's banking, accounting and legal services can be of great value to Indian companies and it can add a new dimension to the cooperation between Cyprus and India.

## **5. Economic and Industrial Cooperation**

5.1 The two Sides acknowledged the need to augment economic and industrial cooperation between the two countries, specifically in the areas of information technology, business incubators and high-tech units, clusters, pharmaceuticals, financial services and power generation.

5.2 The Indian Side appreciated that Cyprus is among the top ten countries investing in India. Keeping this in view, the Indian side highlighted that India offers tremendous investment opportunities in the areas of manufacturing, heavy machinery, infrastructure, agro-processing, renewable energy, Pharmaceuticals and knowledge intensive sectors like Bio-technology, ICT etc. The two Sides agreed to explore the investment opportunities in the two countries with a view to stepping up bilateral investment flows.

5.3 The Indian Side informed the Cypriot Side that 'Invest India' is the official Investment Promotion and Facilitation Agency of the Government of India, mandated to facilitate investments into India. It is envisaged to be the first point of reference for

potential investors. It is promoted by the Ministry of Commerce and Industry, Department of Industrial Policy & Promotion, Government of India in a joint venture with the State Governments in India and industry . 'Invest India' provides handholding to investors throughout the investment lifecycle from pre-investment decision-making to after-care. The Indian Side elucidated that the possible sectors in which Cypriot companies may invest in India include agro-processing, renewable energy, pharmaceuticals, tourism & hospitality and wellness, etc. 'Invest India' looks forward to provide all handholding and facilitation support required by investors from Cyprus for investment in India.

5.4 The Indian Side conveyed to the Cypriot Side that India is transforming its Capital Goods Sector. By 2025, India would need over US\$ 1 trillion on project investments. India offers excellent Returns on Investment (ROI) in project financing.

5.5 The Cypriot Side noted the importance of the enhancement of cooperation between the two countries since India constitutes a strategic priority market for promoting Cyprus as an attractive investment destination. The anticipated agreement on the Double Taxation Avoidance Agreement and the removal of Cyprus from the list of 'Notified Jurisdictions' may facilitate the private sector to participate in business efforts. The Cyprus Chambers of Commerce and Industry and the Cyprus- Indian Business Association have expressed their willingness to support a delegation to visit India, headed by the President of the Republic and organize a business forum, accompanied by B2B meetings between Cyprus and Indian business people. In addition the Cyprus Investment Promotion Agency expressed its willingness to sign an MoU with 'Invest India' which will outline the next steps in bilateral investment cooperation. The Indian Side welcomed the willingness of Cyprus Investment Promotion Agency to work with 'Invest India' and informed that 'Invest India' looks forward to signing such an MoU with Cyprus Investment Promotion Agency and working together for increasing bilateral investments.

## **6. Banking**

6.1 The two Sides noted that there is neither any Indian bank present in Cyprus, nor any bank from Cyprus has presence in India. However, it was noted that although

approval had been accorded by the Reserve Bank of India to Bank of Cyprus to open a Representative Office in India in December, 2012, the bank is yet to open the Representative Office. Accordingly, the Indian Side requested the Cypriot Side to expedite the opening of the Representative Office.

6.2 The Cypriot Side informed the Committee that no final decision has been taken by the Bank of Cyprus, on this issue. This decision would depend on the economic developments and especially on the developments in relation to the Double Taxation Avoidance Agreement and the removal of Cyprus from the list of 'Notified Jurisdictions', as well as on the authorization of the European Central Bank.

### **III. DEVELOPMENT OF COOPERATION IN OTHER FIELDS**

#### **7. Cooperation in the field of Energy**

7.1 The Indian Side stated that Powergrid Corporation, one of the leading transmission utilities in the world, with expertise in the field of EHV transmission, has expressed its willingness to cooperate with Cyprus in various domains of its expertise such as system planning and feasibility studies, environment and social studies, design and engineering, contract/procurement services, project management and construction supervision, capacity building and asset management (operation & maintenance). Further, Central Electricity Authority (CEA) has proposed to take forward the cooperation in the field of renewable energy in light of the fact that a capacity of 175 GW for renewable energy including 100 GW from solar energy is being targeted in India by 2022. The Indian Side further expressed willingness to cooperate with Cyprus in renewable energy by way of signing a MoU.

7.2. The Cypriot Side welcomed this proposal and expressed its readiness to consider a relevant draft of the MoU to be submitted by the Indian Side.

7.3 The two Sides noted that as Cyprus has advanced technology in Photo Voltaic sector, India may look at its adaptation to create new business opportunities in the value chain, including manufacturing of solar panels in India.

## **8. Cooperation in the Field of Tourism**

8.1 The Indian Side stated that there is no direct connectivity between India and Cyprus and the establishment of which would help the cause of increasing to and fro flow of tourists. The two Sides noted that for enhancing tourism, measures such as exchange of information/statistics, familiarisation tours, exchange of visits, training and joint venture investments could be taken up. The Indian Side informed the Cypriot Side that India allows 100% FDI in the Hotel sector on the automatic route.

8.2 The Cypriot Side agreed with the Indian Side's views and with the position that there is good potential for the development of tourist movement between the two countries. In an effort to facilitate this, the Cyprus Tourism Organization (CTO) is currently working with the High Commission of Cyprus to India for increasing the level of awareness in India about Cyprus as a destination through (a) familiarization trips to Cyprus for Indian travel agents and (b) cooperation with tour operators for joint marketing campaigns. In addition, CTO is considering the possibility of organizing road shows for the travel trade in all main cities of India in order to promote further Cyprus destination.

In order to support these efforts, the two Sides agreed to

- exchange information, experiences, statistical data/documentation concerning tourism
- exchange tourist promotional films and other related materials in order to inform the public and
- encourage contacts between the travel trade

## **9. Cooperation in Transport and Communications**

### **Air Transport**

9.1 The Indian Side informed that steps have been taken by the two Sides for the revision of Agreement on Air Services and inclusion of 4 mandatory clauses separately with Cyprus. Responding to Cypriot Side's proposal to hold bilateral negotiation in Cyprus in early 2016 to discuss the revision of the Agreement, the Indian Side proposed to hold discussions in New Delhi after June 2016.

9.2 The Cypriot Side undertook to examine the proposal upon receipt and reply to the Indian Side. The Cypriot Side believes that cooperation between the Aeronautical Authorities of Cyprus and India is essential as it will help to provide a modern legal framework and foster the development of air transport between the two countries.

### **Merchant Shipping**

9.3 The Indian Side informed that the Ministry of Shipping, Government of India have sought comments of the Cypriot Side on the draft agreement on merchant shipping between India and Cyprus.

9.4 The Cypriot Side informed that the Department of Merchant Shipping, as the competent department of the Ministry of Transport, Communication and Works has reacted on Indian's comments on the draft agreement in August 2015. It was agreed that the two competent Authorities will either contact each other through diplomatic channels for finalizing the text or, if needed, hold negotiations. The two Sides agreed that they will act for the signing of the agreement as soon as possible.

### **Telecommunication**

9.5 The Indian Side reiterated that Telecommunications Consultants India Limited (TCIL) is interested in competing for ICT projects in Cyprus. The two Sides reiterated their willingness to cooperate in the field of ICT sector development.

### **Postal Services**

9.6 The two Sides recognised that there is satisfactory cooperation in this area, governed by the Acts of Universal Postal Union, as Cyprus and India are currently

exchanging international letters, parcels and EMS. Department of Posts, Government of India had issued a joint stamp with Cyprus on 12<sup>th</sup> April, 2006 on the theme of Mankind (clothes and costumes), Folklore and Mythology (Folklore), Nati and Kouzal/Stamna dance.

9.7 Further, India would like to exchange ideas, information, knowledge & experience and develop cooperation in the fields of Human Resource Development, International Mails including eCommerce and Postal Technology. In addition, it is proposed to hold India-Cyprus joint stamp exhibition and also have India-Cyprus joint stamp release.

## **10. Cooperation in Agriculture**

10.1 The two Sides referred to the existing bilateral Agreement for cooperation in the field of agriculture and urged their respective Ministries to proceed with the conclusion of the Work Plan on the basis of the Agreement.

10.2 The Indian Side stated that the following areas may be covered for cooperation viz. exchange of horticulture cooperation, scientific data and technologies. The Indian Side expressed willingness to provide technical support through National Centre for Cold Chain Development (NCCD) in the field of post-harvest management of fruits and vegetable to minimize the losses. A new work plan may be executed by the two Sides in the areas of bio-fuel from crop residues and animal droppings, use of biomass for bio-fuel and energy production, rural agro-processing and value addition, spices crops, cashew and coconut, banana production and its planting material, micro irrigation, exchange of researchers, scientists and experts.

10.3 The Indian Side stated that expertise available at National Institute of Agricultural Extension Management (MANAGE) could be shared with Cyprus. The two Sides agreed to explore the possibility of a tie up between MANAGE and an appropriate institution in Cyprus for exchange of curriculum, faculty and student exchange programme and internship. The two Sides appreciated the need to exchange agriculture information and scientific publication, organising joint seminars,

workshops, symposium and use of exchange of information, especially ICT in agricultural extension.

10.4 The Indian Side further stated that there is scope for cooperation between the two countries with regard to knowledge sharing on poultry production systems, compliance with food safety issues (for poultry products) practice to minimize and contain antimicrobial resistance, to and fro visit of poultry scientists and exchange of experts in small ruminant unit from Department of Animal Husbandry & Dairying and its counterpart agency in Cyprus.

10.5 The Cypriot Side stated that the Cyprus Ministry of Agriculture, Rural Development and Environment agrees with the proposed thematic areas of cooperation indicated by the Indian Side. As a follow up they intend to explore with the competent organizations of the Ministry, the means and modalities for developing such cooperation. These will include prioritization of mutual concerns, identification of forms of cooperation including exchange of scientific data and expertise, dissemination of information and new technologies.

## **11. Cooperation in Pharmaceuticals**

11.1 The two Sides urged the JWG on Health and Medical Sciences to explore cooperation in manufacture and trade of pharmaceuticals, within the framework of the laws and regulations binding both countries, especially in the following areas:

- (a) Encourage the cooperation based on the mutual development of the database for enterprises which are economically active in the area of Health & Pharmaceutical Industry and their active pharmaceutical ingredients, and related exports;
- (b) Promote synergies and cooperation between enterprises in Cyprus and India which develop pharmaceutical products and their active pharmaceutical ingredients and health technologies for the creation of projects in the area of Health & Pharmaceutical Industry;

- (c) Promote the reinforcement of cooperation in the area of generic pharmaceutical products and their active pharmaceutical ingredients and also promote a closer cooperation regarding the requirements currently existing in drugs similar to biological drugs which have already been approved by the two countries like for cancerous or autoimmune disorders;
- (d) Organise and execute seminars, manifestos and conferences relevant to the Health & Pharmaceutical Industry and the development of generic pharmaceutical products; and
- (e) Develop a long term project for the establishment of factory/ies specialising in the production and supply of active pharmaceutical ingredients designated for generic pharmaceutical products

12. The two Sides agreed to hold the Ninth Session of the Joint Committee in New Delhi on a date to be mutually agreed through diplomatic channels.

13. Done and signed in Nicosia and New Delhi on 10<sup>th</sup> June 2016, in two originals in the English language, both texts being equally authentic.

<p>.....</p> <p><b>GEORGE GEORGHIOU</b>  <b>FOR THE GOVERNMENT OF</b>  <b>THE</b>  <b>REPUBLIC OF CYPRUS</b></p>	<p>.....</p> <p><b>ANITA PRAVEEN</b>  <b>JOINT SECRETARY</b>  <b>FOR THE GOVERNMENT</b>  <b>OF INDIA</b></p>
--	--

**Annex – I**

**8<sup>th</sup> Session of Cyprus-India Joint Economic Committee  
8<sup>th</sup> June, 2016 through DVC**

### **Cypriot Delegation**

1. George GEORGHIOU Chairman of the Cypriot part of the Cyprus-India Joint Committee on Economic, Scientific, Technical and Industrial Cooperation ,  
Permanent Secretary, Directorate General for European Programmes, Coordination and Development
2. Emmanuela LAMBRIANIDES Director for Coordination  
Directorate for Strategic Planning, Administration and Communication, Directorate General for European Programmes, Coordination and Development
3. Marios ANDREOU President, Cyprus-India Business Association
4. Natasa PILIDES Director General, Cyprus Investment Promotion Agency
5. Yiola MELANIDES Senior Coordination Officer, Directorate for Strategic Planning, Administration and Communication, Directorate General for European Programmes, Coordination and Development
6. Christos MOUSTRAS Tourist Officer A', Department of Marketing and Communications, Cyprus Tourism Organization
7. Eleni PITSILLIDOU Commerce and Industry Officer A', Ministry of Energy, Commerce, Industry and Tourism
8. Toula PATSALI Planning Officer A', Directorate for Strategic Planning, Administration and Communication, Directorate General for European Programmes, Coordination and Development
9. Alexandros IOANNIDES Officer, Department of International and Public Relations, Cyprus Chamber of Commerce and Industry
10. Maria ATHANASIADOU Industrial Extension Officer, Energy Service, Renewable Energy source and the Energy Efficiency, Ministry of Energy, Commerce, Industry and Tourism
11. George PARTASIDES Industrial Extension Officer, Energy Service, Renewable Energy source and the Energy Efficiency, Ministry of Energy, Commerce, Industry and Tourism

- |                     |  |
|---------------------|--|
| 12. George PHOKAS   | Industrial Extension Officer, Hydrocarbon Service, Ministry of Energy, Commerce, Industry and Tourism              |
| 13. Nikolaos MARKOU | Industrial Extension Officer, Hydrocarbon Service Ministry of Energy, Commerce, Industry and Tourism               |
| 14. Maria THEODOROU | Commerce and Industry Officer, Industry and Technology Service, Ministry of Energy, Commerce, Industry and Tourism |
| 15. Irene MITSINGA  | Commerce and Industry Officer, Industry and Technology Service, Ministry of Energy, Commerce, Industry and Tourism |
| 16. Pieros PIERI    | Attache, Dept. of Asia and Oceania<br>Political Affairs Division ,Ministry of Foreign Affairs                      |

**Annex - II**

**8<sup>th</sup> Session Cyprus-India Joint Economic Committee  
8<sup>th</sup> June, 2016 through DVC**

**Indian Delegation**

1. Ms. Anita Praveen, Joint Secretary, Department of Commerce - Co-chair
2. Dr. Ishita G.Tripathy, Director, D/o Commerce
3. Dr. S.S. Gupta, Sr. Development Officer, D/o Industrial Policy & Promotion
4. Mr. Suman Chatterjee, Deputy Secretary, Ministry of Power
5. Mr. P.K. Thomas, General Manager, TCIL, Department Telecommunication
6. Mr. D.N. Mathur, Consultant, Department of Pharmaceutical
7. Mr. Pavanesh Kumar Sharma, Under Secretary, Ministry of Shipping
8. Mr. Sabak Lal Department of Agriculture, Cooperation & Farmers' Welfare
9. Mr. S. V. Ramana, Under Secretary, Ministry of Civil Aviation
10. Mr. Joseph A T Barla, Under Secretary, D/o Commerce
11. Mr. Parveen Sharma, Under Secretary, D/o Commerce
12. Ms. Padmagandha Mishra, Assistant DG(IR), Department of Post
13. Mr. Rohit Sharma, Additional Director, FICCI
14. Mr. Gaurav Tripathi, Joint Director, ASSOCHAM
15. Mr. Rohan Badshah, Consultant, CII

## **Annex III**

# **AGENDA FOR THE EIGHTH SESSION OF THE INDIA - CYPRUS JOINT COMMITTEE ON ECONOMIC, SCIENTIFIC, TECHNICAL AND INDUSTRIAL COOPERATION THROUGH DVC BETWEEN NEW DELHI AND NICOSIA ON 8<sup>TH</sup> JUNE 2016**

## **I. ECONOMIES OF THE TWO COUNTRIES**

1. Domestic Economic Situation
2. Make in India
3. Ease of Doing Business

## **II. BILATERAL TRADE AND ECONOMIC RELATIONS**

4. Trade
5. Economic and Industrial Cooperation
6. Banking

## **III. DEVELOPMENT OF COOPERATION IN OTHER FIELDS**

7. Cooperation in the field of Energy
8. Cooperation in the field of Tourism
9. Cooperation in the field of Transport and Communications
10. Cooperation in the field of Agriculture, Animal Husbandry and Dairying
11. Cooperation in Pharmaceuticals

\*\*\*