



सत्यमेव जयते

Consulate General of India

Frankfurt

Economic and Commercial

Newsletter

Volume # 4 Year 2021



1

IN THIS EDITION

Please click on the topic to read more

1 FROM THE DESK OF CONSUL GENERAL

2 DEVELOPMENTS IN GERMANY

3 DEVELOPMENTS IN INDIA

4 COMMERCIAL OUTREACH

FROM THE DESK OF CONSUL GENERAL



Dear friends,

It is my pleasure to present the April 2021 edition of the Commercial Newsletter of the Consulate General of India, Frankfurt.

The highlights of this month's newsletter include signing of an agreement between India and Germany in the field of protection of marine environment and participation of Prime Minister Shri Narendra Modi in the Leaders' Summit on Climate hosted by President Biden of the United States. Speaking on the occasion, PM Modi underlined that India's per capita carbon footprint is 60 percent lower than the global average.

Another important development was the announcement of Production Linked Incentive Scheme on White Goods under which White Goods shall be extended an incentive of 4% to 6% on incremental sales of goods manufactured in India for a period of five years to companies engaged in manufacturing of Air Conditioners and LED Lights.

Further, as part of the Consulate's outreach activities, a special session was organised in collaboration with the Confederation of Indian Industry in which Ms. Sharmila Kantha, Principal Consultant, CII and Ms. Lakshmi Lalita Mohan, Head and Representative of CII Germany briefed about the "India-Germany Business Cooperation Report" prepared by CII. The Consulate also announced the winners of the Start-up Challenge a unique initiative hosted by the Consulate to promote innovation and entrepreneurship among Indian scholars and post-graduate students.

We look forward to receiving your feedback on the newsletter which may be sent to us on com1.frankfurt@mea.gov.in.

Yours sincerely,
Amit Telang

The German government raises GDP growth forecasts

The German government raised its growth forecast to 3.5% from a previous estimate of 3% as it expects household spending to support the recovery once COVID-19 restrictions are lifted. Presenting the government's updated growth forecast, Economy Minister Peter Altmaier said Berlin expected gross domestic product to grow by 3.6% next year and the economy to reach its pre-pandemic level in 2022 at the latest.

Many leading institutes also revised their own estimates. The economic institutes now expect gross domestic product to grow by 3.7% this year, down from their previous forecast of 4.7% last autumn. But they raised their GDP estimate for 2022 to 3.9% from 2.7%, expecting household spending to rebound once coronavirus restrictions are lifted again.

Source: www.reuters.com

India and Germany sign agreement on 'Cities combating plastic entering the marine environment'

The Ministry of Housing and Urban Affairs (MoHUA), Government of India and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH India on behalf of the German Federal Ministry of Environment, Nature Conservation and Nuclear Safety signed an agreement on Technical Cooperation titled 'Cities Combating Plastic Entering the Marine Environment' at a virtual ceremony in New Delhi on 19th April 2021.

Shri Kamran Rizwi, Additional Secretary, MoHUA, Dr. Regina Dube, Director General, German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU), Dr. Antje Berger, First Secretary, Climate & Environment, Embassy of the Republic of Germany and Dr. Julie Reviere, Country Director GIZ India attended the event. The virtual event also saw representatives from the state governments of Uttar Pradesh, Kerala and Andaman & Nicobar Islands and from the implementing cities of Kanpur, Kochi and Port Blair.

This project is envisaged under the contours of the Joint Declaration of Intent regarding cooperation in the field of 'Prevention of Marine Litter' signed between Republic of India and Federal Republic of Germany in 2019. The project, aimed at enhancing practices to prevent plastic entering the marine environment, will be undertaken at the national level (at MoHUA), select states (Uttar Pradesh, Kerala and Andaman & Nicobar Islands) and in the cities of Kanpur, Kochi and Port Blair for a period of three and a half years.

Prime Minister Shri Narendra Modi participates in the Leaders' Summit on Climate



Prime Minister Shri Narendra Modi during Leaders' Summit on Climate

Prime Minister Shri Narendra Modi participated in the Leaders' Summit on Climate at the invitation of President of U.S.A. Mr. Joseph R. Biden, held virtually on 22-23 April 2021. Nearly 40 other world leaders participated in the Summit. The leaders exchanged views on climate change, enhancing climate actions, mobilising finance towards climate mitigation and adaptation, nature based solutions, climate security as well as technological innovations for clean energy.

Prime Minister Shri Narendra Modi announced the India-US Clean Energy Agenda 2030 Partnership to help mobilise investments, demonstrate clean technologies, and enable green collaborations.

Addressing the Leaders' Climate Summit, PM Modi said, " We in India are doing our part. Our ambitious renewable energy target of 450 gigawatt by 2030 shows our commitment". He also mentioned that the India's per capita carbon footprint is 60 percent lower than the global average.

Shri Piyush Goyal launches the Startup India Seed Fund Scheme

Minister of Railways, Commerce & Industry, Consumer Affairs and Food & Public Distribution Shri Piyush Goyal launched the Startup India Seed Fund Scheme (SISFS). The Fund aims to provide financial assistance to startups for proof of concept, prototype development, product trials, market entry, and commercialization. Rs. 945 Crore corpus will be divided over the next 4 years for providing seed funding to eligible startups through eligible incubators across India. The scheme is expected to support an estimated 3,600 startups through 300 incubators.

The online portal created by DPIIT, for the scheme, will allow incubators to apply for funds under it. An Experts Advisory Committee (EAC) has been created by DPIIT to execute and monitor the Startup India Seed Fund Scheme. Grants of upto Rs 5 Crores shall be provided to the eligible incubators selected by the EAC. The selected incubators shall provide grants of up to Rs 20 lakhs for validation of Proof of Concept, or prototype development, or product trials to startups. Furthermore, investments of up to Rs 50 lakhs shall be provided to the startups for market entry, commercialization, or scaling up through convertible debentures or debt-linked instruments. The detailed guidelines of the Startup India Seed Fund Scheme are provided on the Startup India portal (www.startupindia.gov.in).

Shri Piyush Goyal addresses the Ambassadors of the European Union Member States



Minister Shri Piyush Goyal addressing the ambassadors of the EU member states.

Minister of Railways, Commerce and Industry, Consumer Affairs and Food & Public Distribution, Shri Piyush Goyal said that India can prove to be the most natural ally for the European Union (EU) while addressing the ambassadors of the EU member states. He also said that Partnership of EU and India can emerge as a model of Good governance, Growth & Development.

Shri Goyal said that India & EU's 'Union of Diversity' shares values of Democracy & Rule of Law. They also share strong economic, socio-cultural, strategic and political ties. He said that India and EU are one of the world's largest markets. EU countries collectively are the largest trading partner for India, as well as one of the largest investors in India. India-EU import-export flows are balanced and complementary. India-EU collaboration in research and innovation has expanded significantly, and there is large scope of further enhancement of engagement.

He said that combination of India's manufacturing & EU's innovation capacity can be a game changer. Calling for Resilient India-EU relations, he said that India & EU should look at vast areas of Convergence. He said that India looks forward to advance the negotiations towards an agreement between India & EU on Investment facilitation & Protection for mutually beneficial outcome.

The Indian Government approved Production Linked Incentive Scheme for White Goods

The Indian Government approved the Production Linked Incentive (PLI) Scheme for White Goods (Air Conditioners and LED Lights) with a budgetary outlay of Rs. 6,238 crore.

The PLI Scheme for White Goods shall extend an incentive of 4% to 6% on incremental sales of goods manufactured in India for a period of five years to companies engaged in manufacturing of Air Conditioners and LED Lights. Different segments have been earmarked for different types of components separately to specifically target global investments into desired areas. Selection of companies for the Scheme shall be done so as to incentivize manufacturing of components or sub-assemblies which are not manufactured in India presently with sufficient capacity. Mere assembly of finished goods shall not be incentivized.

Companies meeting the pre-qualification criteria for different target segments will be eligible to participate in the Scheme. Incentives shall be open to companies making brown field or green field Investments. Thresholds of cumulative incremental investment and incremental sales of manufactured goods over the base year would have to be met for claiming incentives.

Start-Up Challenge

Start-Up Challenge, an initiative by CGI Frankfurt, saw enthusiastic participation from young & bright minds across Germany, during which they presented their innovative Start-up ideas. The final session of the Start-Up Challenge was held in Apr 2021, where the top five teams presented their ideas to judge, Mr. Mukul Dhyani, Senior VP & Business Head for Continental Europe at Tech Mahindra.

We are pleased to announce the winners of the Start-Up Challenge:



Consul General Dr. Amit Telang , Consul(Coord) Ms. Ruby Jaspreet with Ms. Sharmila Kantha, Principal Consultant, CII and Ms. Lakshmi Lalita Mohan, Head and Representative of CII Germany during an interactive session on the "India-Germany Business Cooperation Report" prepared by CII.

THANK YOU

<https://cgifrankfurt.gov.in/>

