



Business Meeting with Hon'ble Benjamin (FUAD) Ben-Eliezer, Minister of Industry, Trade & Labor of Israel, and The Accompanying Business Delegation

Darbar Hall, Hotel Taj Palace, New Delhi 11, January 2010

Speech by Mr K K Bajoria, Chairman, Indian Israel JBC

- **His Excellency Hon'ble Benjamin (Fuad) Ben-Eliezer**, Minister of Industry, Trade & Labor of Israel
 - **His Excellency Mr Mark Sofer**, Ambassador of Israel in India
 - **Mr. Sumanta Chaudhuri**, Lt. Secretary, Ministry of Commerce
 - **Mr Avi Hefetz**, Director General, Israel Export & International Cooperation Institute.
 - **Distinguished Delegates**
 - **Ladies & Gentlemen**
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- I am delighted to welcome all of you this morning on behalf of Federation of Indian Chamber of Commerce and Industry, the leading apex Business Chamber of India and myself this morning. We are privileged to have His Excellency Hon'ble Benjamin (Fuad) Ben-Eliezer with us today.
 - We are confident that this initiative would fetch good results for both the countries and would provide fresh momentum to business flows between India and Israel.
 - Israel and India are leaders of the newly emerging knowledge era. During 2007-08, our Exports to Israel touched US \$ 1,603.69 million, registering a growth of 21.46 % as compared to 2006-07, when the growth rate was just 9.90 %. Imports from Israel during 2007-08 were US \$ 1,427.98 million, as compared to US \$ 1,078.85 million reflecting an increase of 32.36 %. Our Exports to Israel during 2008-09 (Apr-Dec) were US \$ 1,153.04 million, the Imports were US \$ 1,713.85 million, and the Total Trade with Israel during 2008-09 (Apr-Dec) stood at US \$ 2866.89 million.
 - In terms of Israel's trade partner countries, India is at the tenth place and the third largest trade partner in Asia. FICCI appreciates, that India has been identified by the Israeli Government as one of the three target markets for focused trade effort. While diamonds constitute major part of the bilateral trade, India's exports to Israel in other areas have increased over the years. Major exports from India to Israel are textiles, chemicals, rubber and plastics, machinery, base metals, prepared foodstuffs and transport equipment. Major items exported by Israel were diamonds, machinery, telecom equipment, software products and services, chemical products, optical, medical and other equipment.
 - According to figures available from the Department of Industrial Policy & Promotion (Government of India), FDI inflows from Israel to India from April 2000 to May 2009 totaled US\$ 23.35 million placing it at 39th rank. While the initial business thrust was in diamonds, followed by Agriculture, Information & Communication Technology, Biotechnology and Pharmaceuticals, there is a new interest from Israeli companies in Real Estate, Infrastructure and Financial services. In recent years, Indian companies have started investing in Israel. Some of the recent Indian investments have been in the areas of irrigation equipment manufacturing, tyre manufacturing, pharmaceuticals, digital marketing etc.

- India can be an investment destination for Israel besides offering an export base for Israeli companies in India for items like Diamonds, Automobiles, Chemicals, Textiles, Recombinant Pharma products, IT.
- Israel is the leading country in the development of technology and is well ahead of many countries in Agriculture. Companies from Israel have to their credit several innovations in critical areas of water conservation and management, biotechnology, food processing and dairying among many others. These technological innovations, despite Israel's geographical limitations, place it well ahead of other countries in agricultural output. Agriculture in Israel contributes almost 2% of the nation's GDP and plays a vital role as a major food supplier to the local market while being an important component of Israeli exports.
- The emerging investment opportunities in Agri Business in India are in the following areas:
 - Creation of entire Agri Cold Chain, new Agricultural marketing Infrastructure, Warehouses, Refrigerated Transport systems, etc
 - Agri research and development
 - Quality extension services
 - Weather and Crop Insurance
 - Water Management
 - Horticulture and Floriculture
 - Food Processing
 - Product development for global markets
- Research & Development is another key area for cooperation between the two nations. India and Israel have long been working on the cutting edge of research and development in advanced technologies and have shown remarkable ability to adopt and improvise technologies to overcome the challenges in various areas such as agriculture, communication, defence, health, space, etc. Both countries have put emphasis on developing knowledge-based economies to compete globally. The ground appears to be ready for joint R&D work leading to commercialization of products and processes for not just the markets of two countries but also for international markets. I would like to mention here FICCI's Initiative on Technology Commercialisation & Entrepreneurship

FICCI has initiated two different programmes to bring innovative Indian technologies into global market space:

- 1. DST Lockheed Martin India Innovation Growth Programme**
- 2. FICCI-DRDO Accelerated Technology Assessment and Commercialization**

- I consider this visit of yours as very important for both of our countries, and hope that your visit along with this big Delegation will bear fruits and bring about better and stronger business ties between our countries.
- Excellency, your address today would enlighten the gathering and set the ball rolling for discussion as also help in identifying the issues of mutual concern as also chart out a blueprint for the future, for enhancing our bilateral trade.

Thank you