

Business Standard

Direct flight between Cyprus, India is our priority: Cyprus minister

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In order to boost tourism between Cyprus and India, our country is focusing on having a direct flight between the two nations, Yiorgos Lakkotrypīs, Minister for Energy, Commerce, Industry and Tourism of Cyprus, said on Thursday.

"India is a vast country with a lot of potential for outbound and inbound visitation and establishing direct flight is of crucial importance," Yiorgos told IANS in an interview on the sidelines of the 3rd India-Europe 29 Business Forum.

"We have been working very closely with countries outside European Union to be able to attract tourists from there. Most notably, we are working with Russia in similar fashion and we can work with India as well."

Speaking on the country's leadership position in shipping management, the Minister said, "Cyprus has been the centre of ship management for years. It has one of the largest fleets in Europe and the world. That is exactly because of its location in the middle of the eastern Mediterranean sea.

"It is the last landmass you encounter when you enter Suez canal and the first one when you come out of it. Because of this strategic location, it has been chosen by the multinationals for managing their ships and also our legal and corporate framework enables that extensively," he added.

Giving his perspective on the double taxation avoidance agreement (DTAA) between the two nations, Yiorgos said, "It is an agreement which exactly makes the whole investment environment much more predictable in both the countries."

"It is one of fifty DTAA's that Cyprus has with nations and certainly India, rising economic power, is one of the most critical one that we have signed."

India and Cyprus on November 18 signed revised double taxation avoidance agreement (DTAA) which replaces the existing agreement signed in June 1994 with Cyprus.

He said that for trade relations to work it has to be both ways, you cannot create imbalances between two countries.

The bilateral trade between the nations is \$100 million and is very small in relation to overall Indian trade. There is a lot of room for growth in all the sectors, he added.

Speaking on ways to increase bilateral trade, the Minister said that it depends on forums like this and the inter-governmental relationship.

"As a government we need to sit down and make our plans. I feel that my visit during this past week in New Delhi and also the prospects that are opening up ahead of us will make this possible."

In the last financial year bilateral trade between the two nations has grown 40 per cent.

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