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India stood firm on its stand at WTO meet, says Suresh Prabhu

KirtikaSuneja, The Economic times

New Delhi, January 5, 2018: India stood firm on basic principles of multilateralism at the WTO's ministerial meeting last month in Argentina and would continue to work with other members to promote rule-based global trade, Commerce Minister Suresh Prabhu said today.

he minister also said that the country's coalition partners extended their support not only for a permanent solution on the food security matter but also on other issues of interest of developing nations at the ministerial meet.

Prabhu said this in a statement in the RajyaSabha on India's stand at the ministerial meeting of the World Trade Organisation (WTO).

"India stood firm on its stand on the fundamental principles of the WTO including multilateralism, rule-based consensual decision making, an independent and credible dispute resolution and appellate process, the centrality of development and special and differential treatment for all developing countries," he added.

The talks at the WTO's 11th ministerial conference collapsed after the US went back on its commitment to find a permanent solution to the public food stock holding issue, a key matter for India.

The four-day conference in Argentina, which ended without a ministerial declaration or any substantive outcome, did manage to make some feeble progress on fisheries and e-commerce by agreeing to work programmes.

The minister said that in absence of a ministerial declaration, the existing mandates and decisions would remain valid and be carried forward.

"This ensures that the work will go forward and the WTO would continue to work on issues such as the permanent solution on public stock holding for food security purposes, agriculture subsidies and other issues," he said.

Prabhu said that India's public stock holding programme would continue to be protected due to the interim solution that the government negotiated in 2014, which is available in perpetuity.

Under the global trade norms, a WTO member country's food subsidy bill should not breach the limit of 10 per cent of the value of production based on the reference price of 1986-88.

Apprehending that full implementation of food security programme may result in breach of the WTO cap, India has been seeking amendments in the formula to calculate the food subsidy cap.

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Cabinet gives ex-post facto approval to India's stand at WTO

KirtikaSuneja, The Economic times

New Delhi, January 3, 2018: The Union Cabinet on Wednesday gave its ex-post facto approval to the stand adopted by India at the recently concluded ministerial meeting of the World Trade Organization (WTO) held in Argentina last month.

"The mandate exercised and approach adopted at the conference was aimed at protecting India's interests, priorities and concerns," the government said in an official statement.

The eleventh ministerial conference of WTO took place from December 10-13 in Buenos Aires but collapsed as the US reneged on its commitment to give a permanent solution to the food stockpiling issues of developing countries.

The government said that as there were wide differences among members, with a few members not supporting acknowledgment and reiteration of key underlying principles guiding the WTO and varied agreed mandates, ministers could not arrive at an agreed ministerial declaration.

The US' refusal to reaffirm multilateralism and the Doha development mandate in the outcome led to a breakdown in talks at the 164-nation WTO as several countries, including India, opposed the US position.

"India did not support the draft Ministerial Declaration as it excluded or failed to adequately cover important issues such as multilateralism, the Doha Development Agenda and special and differential treatment of developing countries," the government said.

In fisheries, India was able to push the commitment to 2019, to prohibit certain forms of subsidies that contribute to overcapacity and overfishing, and eliminate subsidies that contribute to illegal, unreported and unregulated (IUU) fishing.

In e-commerce, India managed to convince other countries to continue with the old work programme that links a two year continuation of the moratorium on e-commerce with the continuation of one on TRIPS and non-violation complaints.

Ministerial decisions on new issues like investment facilitation, MSMEs, gender and trade, which lacked a mandate or consensus, were not taken forward.

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Experts warn against UN issues creeping into WTO, diversion from core topics

KirtikaSuneja, The Economic times

New Delhi, January 1, 2018: Experts have cautioned India against issues such as fisheries, gender and small and medium enterprises being discussed in the World Trade Organization, seeing them as attempts to gain market access in the garb of inclusion to select groups.

A recent decision by a group of countries to promote financial inclusion for women traders and enhancing women entrepreneurs' participation in public procurement is one such issue that has caused alarm. Such matters are typically discussed at the United Nations and are part of the UN's sustainable development goals. Some countries are trying to sneak them into the WTO, experts said.

"The WTO preamble talks of raising standards of living and inclusivity as its inherent principle.

So, what is the need to bring in separate issues like gender in the discourse?" asked BiswajitDhar, a professor at Jawaharlal Nehru University.

While India is not against issues such as labour, gender and human rights, it is against rulemaking on these matters in global trade negotiations.

A group of countries is pushing for inclusion of women-led businesses especially MSMEs, seeking equal access and opportunities for women entrepreneurs.

They have asked for promotion of female entrepreneurship and trade and identification of barriers that limit women's participation in trade.

An expert on WTO issues said it is unfair to compare women in developing and least developed countries and their issues with those living in developed nations.

"You need equality among all 164 countries before bringing in gender equality.

Though gender issues is a great idea, it can distort trade," he said. The move is also seen as a camouflage for developed nations to enter developing countries' retail markets and indirectly push new issues in the ambit of the organisation.

The WTO has suddenly become sensitive to sustainable development goals when there is already an unfinished development agenda, another New Delhi-based expert on WTO issues said. More than 160 women's rights groups across the world have criticised the move, terming it a "pink herring".

"While gender is an issue that needs a lot of attention, it should not be taken up at a platform where market access is discussed," said TS Vishwanath, principal adviser at APJ-SLG Law Offices.

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US envoy pitches for FTA with India

Dipanjan Roy Chaudhury, The Economic Times

January 12, 2018: India can seize the opportunity to provide "alternative investment hub" for the American companies which are downgrading their operations in China, US Ambassador Kenneth Juster said on Thursday while he pitched for bilateral FTA as the next big-ticket item.

Delivering his first policy speech since taking over as Ambassador to India Juster identified five pillars to take Indo-US partnership forward -- Stronger defence ties; strategic economic relationship; energy & environment; inclusive development and cooperation in the region. The US envoy in particular emphasised on India's role in Indo-Pacific region and opportunities in economic partnership. "India needs to take a strategic view of the economic relationship, so a roadmap for FTA could be laid.

Pointing out that 'America First' and 'Make in India' are not incompatible, Juster said rather investing in each other's markets will be mutually beneficial. It will increase economic interactions and volume of trade, lead to collaboration on emerging technologies and create jobs in both countries, he noted. "But let me go further and suggest that it is time to put a strategic lens on our economic relationship, just as we have done with our defence relationship."

The speech was organised by Carnegie India - India chapter of noted US think tank.

Juster informed that a number of US companies have reported increasing difficulties in conducting business in the largest market in the region, China. "Accordingly, some companies are downgrading their operations there, while others are looking with great interest at alternative markets. India can

seize the strategic opportunity through trade and investment to become an alternative hub for US business in the Indo-Pacific region."

Bilateral trade has increased from approximately \$ 20 billion in 2001 to \$ 115 billion in 2016. The US envoy, however, expressed concerns about persistent trade deficits, including the one the US has with India. He said the US want to work with India to expeditiously resolve trade and investment disputes.

Referring to defence ties Juster said, "Perhaps in the next year we can announce some major agreements - fighter jets, advanced helicopters, unmanned ground vehicles and intelligence exchange." He in fact suggested taking Indo-US military cooperation to an entirely new level: reciprocally posting liaison officers at each other's operational/combat commands."

When asked about Sino-US ties, Juster noted, "We are interested in a constructive relationship. But if they engage in predatory economic policy and other things, there would be reactions."

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Great opportunities for India-ASEAN collaboration: Singapore minister

The Economic times

January 6, 2018: There are great opportunities for collaboration between India and ASEAN nations, including in the areas of infrastructure, innovation and start-ups and the digital economy, Singapore's Trade and Industry Minister S Iswaran said today.

He cited the Amaravati project, the proposed capital city of Andhra Pradesh, where planners from Singapore helped devise the master plan, as "an example of what we can do together", the Straits Times reported.

He was speaking at the two-day ASEAN-India PravasiBharatiya Divas (PBD) conference, which began today.

External Affairs Minister SushmaSwaraj also arrived here today for the summit.

The opportunity for collaboration partnership between India and the ASEAN is self-recognised, Iswaran told some 3,000 delegates at the two-day gathering.

"Both regions have strong growths, coming out of relatively modest pace but anchored by fundamentals whether in terms of demographic or the evolution of the economies and the needs of the population.

"What we see is the opportunity for continue investment in growth in both regions," he said.

Iswaran said that India and ASEAN nations have identified innovation as a priority, and they should study how to "build connectivity" so start-ups have access to markets in both regions.

He also highlighted the importance of the digital economy and e-commerce as another area of "common priority" as it serves as an enabling tool for small and medium enterprises to access markets that were once "out of their reach", the paper said.

The economic growth driving efforts in India are showing results, he said.

"We are seeing the results... of the efforts that are underway under the leadership of Prime Minister NarendraModi," Iswaran said.

"It means those who invest their time and efforts in developing deeper understanding of the (Indian) market and its nuances and variations are the ones for whom the awards will be greatest," said Israwan.

The ASEAN comprises of Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam.

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Identify new areas of nurturing India, Asean relations

Business Standard, SushmaSwaraj

January 14, 2017 : I am delighted to address you, at this fifth round table of the Asean-India Network of Think Tanks (AINTT). This fifth round table, is taking place at a very important juncture. In less than three weeks from now, India will host the Asean-India Commemorative Summit to mark the 25th anniversary of India-Asean relations. Your discussions today, are therefore, timely and opportune. It will provide useful inputs to our leaders, when they meet on January 25th in New Delhi for the Summit. It will be an honour and a prestige for us to host all the ten Asean Leaders as Guests of Honour for our Republic Day. Their presence in New Delhi on the Republic Day, will place India-Asean relations at centre stage, and at the heart of India's Act East Policy. I thank Foreign Minister of Indonesia H E RetnoMarsudi for her active support and participation at today's event. I also take this opportunity to congratulate H E Mr Lim Jock Hoi on his appointment as the Secretary General of Asean and thank him for his presence today. Friends, Think tanks generate new ideas, in formulating public policy. They make significant contributions, in shaping the future discourse of our leadership. The AINTT, as an initiative, has successfully enabled our academic and our strategic communities in the region, to come together, on a common platform for exchange of views. The last four rounds of the AINTT have made important contributions towards policy decisions by the

Governments of Asean countries and India to further strengthen Asean-India relations. I expect this round of the AINTT, to build upon its past work. Today, representatives of think tanks from India and Asean countries will deliberate on maritime security, trade and investment, education and cultural heritage. These are important markers in our engagement with South East Asia, in enhancing our strategic ties with Asean across 3 Cs. These 3Cs are Commerce, Connectivity and Culture. Both India and Asean countries are maritime nations, with a rich and glorious history of maritime trade. We have energised our ancient links in a contemporary setting, to become a driving force in Asia's resurgence. As a mature and responsible nation, one of India's foreign policy interests, is to evolve a regional architecture based on the twin principles of shared security, and shared prosperity. This was enunciated by our Prime Minister Shri Narendra Modi in 2015, in his vision of SAGAR. SAGAR stands for Security and Growth for All in the Region. It recognises the central role played by the seas and oceans around us in promoting sustainable economic progress in a secure and stable environment. The Indo Pacific region, is increasingly seen as a connectivity pathway - much of the world's trade passes through these oceans. These waters must not only get better connected, but remain free from traditional and non-traditional threats, that impede free movement of people, goods and ideas.

Respect for international law, notably UNCLOS, in ensuring this is, therefore imperative. Friends, A deeper economic integration with the dynamic Asean region, is an important aspect of our Act East Policy. Asean is India's 4th largest trading partner, accounting for 10.2 per cent of India's total trade. India is Asean's 7th largest trading partner. Trade is back on track and registered an 8 per cent increase in 2016-17, as compared to the previous year. Investment flows have also remained robust. It is our continuous attempt to promote dialogue among Asean and Indian business and trade associations, to further enhance bilateral trade and investment. The establishment of a Project Development Fund will encourage Indian companies to develop manufacturing hubs in CLMV countries. Our offer of a US\$1 billion Line of Credit is another important initiative to enhance physical and digital connectivity. In this context, I invite the scholars, academics and think tanks present here today to offer new ideas, for a greater integration of Asean Economic Community with India and identify collaborative opportunities in investment, trade and services sector. Promoting greater collaboration among educational institutions, will contribute towards investing in the future of our relationship, especially where it involves the youth of our countries. We continue to offer scholarships to students from the region, for pursuit of higher education in India. I invite you all to discuss modalities for setting up a network of Universities among Asean countries and India, to intensify our cooperation in the education sector. The revival of Nalanda University in Rajgir, renowned as a centre for learning and Buddhist studies in ancient times, is yet another attempt to energise our civilisation links. Our efforts are to recreate this knowledge hub. A Dharma Dhamma Conference will be organised next week, at the Nalanda University for which we have invited scholars from the entire region. We look forward to an active participation from the Asean countries at this Conference. While physical & digital connectivity initiatives are poised to seamlessly integrate us into a greater Indo-Asean community, our shared cultural heritage remains a strong emotional bond that already integrates us. We commenced our silver jubilee celebrations last year, with the second edition of the Conference on Cultural and Civilisational Links in January 2017. A potent symbol of our integration through the assimilation of our mythology and folklore, can be seen in the depiction of the epic, Ramayana. The various forms of *Ramayana* prevalent in the South East Asian region, be it *Ramakien* in Thailand, *PhaLakPha Lam* in Laos, *Yama Zatdaw* in Myanmar, *Kakawin Ramayana* in Indonesia or *Hikayat Seri Rama* in Malaysia, bear testimony to our historical connect. Various interpretations of *Ramayana* through performing arts are part of our shared tangible heritage. We will organise a Ramayana Festival in India, to showcase our cultural interpretations

of Ramayana across the Asean countries and India. The similarities of Mudra (hand gestures) in our dance forms across Asean and India, will also be showcased during this Festival. I urge the think tanks to strengthen consultations and suggest ways, to enhance maritime, commercial, educational and cultural cooperation. I look forward to new areas to be identified where both India and Asean can work together. With these words, I wish all success to the organisers for this event.

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New Vistas for India-China Economic and Trade Partnership

The Economic times

January 12, 2018: The 19th National Congress of the Communist Party of China concluded in October. In the meeting, Comrade Xi Jinping, General Secretary of the CPC Central Committee and President of the People's Republic of China (PRC), reviewed the achievements of the past 5 years and charted a new course for China's future political, economic, cultural and social development. Moreover, President Xi's report pointed out the right direction for developing China-India economic and trade relationship. In the future, following the principles of the 19th National Congress of the Communist Party of China, we will use three "keys" to unlock the potential of the inseparable, balanced and mutually beneficial China India economic and trade cooperation in the "new era".

First, build key relationships- to become trading partners based on equality and mutual benefit. As mentioned in the report of the 19th CPC National Congress, China remains firm in its commitment to building a community with a shared future for mankind and forging a new form of international relations featuring mutual respect, fairness, justice, and win-win cooperation. This is the principles China adheres to in attaining peaceful development and participating global governance. China and India are good neighbors, friends and trading partners. Since 2014, after President Xi visited India, the two leaders have met more than 10 times on various occasions, reached important consensus and charted the right direction for China-India economic and trade cooperation. In the BRICS Xiamen Summit this September, President Xi stressed the importance of "the dragon and elephant dancing together" and avoiding conflicts. Prime Minister Modi also emphasized that with good bilateral relationship, 1 plus 1 could equal 11. To achieve this, we should further our practical cooperation, utilize intergovernmental and inter-corporate cooperation mechanisms to improve our economic strength and competitiveness.

With the economic and trade mechanisms like JEG, SED and China-India Financial Dialogue playing more important roles, our strategic synergy will be enhanced, trade and investment will be facilitated, bilateral trade will be more balanced and massive project cooperation will be more active. All these will lead to a spectacular future for our economic development. Meanwhile, we should also strengthen our cooperation and coordination in WTO, RCEP and other multilateral mechanisms to promote

globalization and protect the overall interests of developing countries and foster more inclusive, equal and mutually beneficial economic and trade relations.

Second, focus on key issues- to build a more balanced trade structure. It is stressed in the 19th CPC National Congress that China would pursue open, innovative, and inclusive development that benefits all, that China would not close its door to the world but would only become more open. For a long time, the imbalanced trade between China and India has been a stubborn obstacle holding back our economic and trade relations. I'm very happy to see that with joint efforts from both sides, our trade volume may exceed 80 billion dollars this year, reaching a 5 year high. More importantly, China's import from India has increased more than 20% while export to India remains nearly the same.

In 2018, China will host the first China International Import Exposition. This is the first large scale import themed exposition and an innovation in international trade development. We welcome the Indian businesses to showcase Indian products in the event along with goods from all over the world. We believe this will open new channels for Indian goods entering Chinese families. We believe this will open new channels for Indian goods entering Chinese families. We will work on expanding our cross-border trade, import more agricultural products from India, and promote build-to-order business models. We hope to finish FTA to enhance the level and scale of our trade, increase our import from India, opening our market wider and achieve more balanced trade with India.

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India, UK joint economic, trade committee meet in London

The Economic times

New Delhi, January 6, 2018: Trade ministers of India and the UK would meet in London on January 11 as part of the Joint Economic and Trade Committee (JETCO) deliberation to boost bilateral commerce.

"Next India-UK Joint Economic and Trade Committee (JETCO) meeting, co-chaired by Commerce and Industry Minister Suresh Prabhu, to be held in London on January 11," the department of commerce said in a tweet.

In the last meeting, both sides reviewed the progress held in joint working groups on areas like smart cities and advanced manufacturing.

The bilateral trade between India and the UK dipped to USD 12.2 billion in 2016-17 as against USD 14 billion in the previous fiscal.

India received USD 24.9 billion foreign direct investment (FDI) from Britain between April 2000 to September 2017.

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India, U.K. hold trade talks in Brexit's shadow, eye FTA

Vidya Ram, The Hindu

London, January 11, 2018: Commerce and Industry Minister Suresh Prabhu held talks with his British counterpart, International Trade Secretary Liam Fox on Thursday, as the two countries look for opportunities to boost trade and investment, including via a potential Free Trade Agreement, as Britain prepares to leave the European Union.

As part of its efforts to strengthen trade, Britain's export credit agency U.K. Export Finance has doubled financial support for British firms that export to India.

The UKEF has now made £4.5 billion available to British companies exporting to India and Indian firms buying British goods and services.

While Britain is unable to hold formal trade talks with countries outside the EU till it leaves the union (at the end of March 2019), the 12th meeting of the U.K.-India Joint Economic and Trade Committee (JETCO), being held this week provides an opportunity for the countries to build on the U.K.-India trade working group established last year.

Liam Fox, a vocal campaigner for Brexit, said expanding bilateral trade and investment with India, and breaking down trade barriers, would be central to the task of Britain preparing for its independent trade policy.

“It's in our shared interest to boost prosperity, generate jobs, develop skills, and enhance the competitiveness of both our countries,” Mr. Fox said.

Mr. Prabhu is on a four-day visit to London, as part of which he is set to attend JETCO and address an audience at the London School of Economics on the role of trade and investment in driving sustainable and inclusive growth. His visit comes ahead of the Commonwealth Heads of Government Meeting in April, which Prime Minister Narendra Modi is expected to attend.

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India hopes UK-EU divorce won't be "very acrimonious": Suresh Prabhu

The Economic times

London, January 12, 2018: India is "friends" with both the UK and the European Union and is hopeful that the "divorce" between them after Brexit won't be "very acrimonious", Union Minister Suresh Prabhu said here today.

Highlighting that India has revived the stalled talks on a Free Trade Agreement (FTA) with the European Union (EU), the Commerce and Industry minister stressed that New Delhi was keen to work on closer trade ties with both the UK and the 28- member economic bloc.

"The decision the EU and Britain have taken as a result of the referendum is between them. We are friends with both and hope for a very good outcome and good relations," Prabhu told reporters.

"Even divorces can be mutually agreed and we hope this divorce is not very acrimonious and both sides part on a happy note," he said.

During his ongoing visit for the India-UK Joint Economic and Trade Committee (JETCO) meeting in London, the minister held bilateral talks with UK international trade minister Liam Fox and met with leaders of UK business and industry.

He said all groups had expressed a growing interest in India's growth story and that India-UK ties were "very strong and equally balanced from both sides".

The recommendations of the Joint Trade Review conducted by both countries were also presented to ministers to continue the work of the India-UK working group on trade, established to remove hurdles in the path of a post-Brexit free trade agreement (FTA).

"India is on track to grow faster and these talks were extremely forward looking but much more needs to be done. However, we have begun the year on a very good note," Prabhu said.

During the bilateral discussions, India also raised its concerns over the mobility of its professionals and reducing "prohibitive" visa fees and called for a scheme which would allow Indian professionals to apply for a six-month UK visa and get access for two years.

"The services sector has to be present on the ground to provide services and the ease of getting visas creates lots of issues for professionals. We stressed on the difference between mobility and migration and I am sure of a positive outcome," Prabhu said.

On the bilateral front, the minister also revealed the setting up of a new special cell within 'Invest

India' to encourage UK companies do business in the country and a planned joint event on start-ups to be held in India in March.

The energy and advanced manufacturing sectors were highlighted as some of the focus areas for what Prabhu described as a "new industrial revolution".

Confirming Prime Minister Narendra Modi's visit to the UK in April for the Commonwealth Heads of Government (CHOGM) summit hosted by Britain, the minister said India was keen to promote intra-Commonwealth trade and inject "new dynamism" into the bloc.

"The Commonwealth must first create wealth and work on trade issues," he said.

Addressing a separate session on "Commonwealth as a Trade and Investment Bloc" organised by the Federation of Indian Chambers of Commerce and Industry (FICCI), the Commonwealth Enterprise and Investment Council and UK India Business Council today, Prabhu called on the private sector to tap into the huge potential of the group.

"India is fully committed to promote the idea of the Commonwealth as a strong trading bloc and remove roadblocks. There is huge potential of investment within the Commonwealth and it is the right time to reinvent it into a new entity altogether," he said.

During his UK visit, Prabhu will also address a gathering of students and academics at the London School of Economics (LSE) on the "Role of Trade and Investment in Driving Sustainable and Inclusive Growth".

He will also address the Indian diaspora in the UK alongside Minister of State for Home Kiren Rijju at an event organised by the Indian High Commission in London.

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Britain doubles export backing for India

The Economic times

January 8, 2018: The UK government today announced the doubling of its national credit support for UK businesses exporting to India, during the visit of Commerce and Industry Minister Suresh Prabhu.

Prabhu held talks with Britain's international trade minister, Liam Fox, in London as part of the 12th meeting of the UK-India Joint Economic and Trade Committee (JETCO) to discuss greater cooperation between the two countries and identify barriers to trade and investment.

As part of the deliberations, Fox announced that the UK's national export credit agency, UK Export Finance (UKEF), has more than doubled its financial support to enable UK businesses to trade with India.

This means 4.5 billion pounds will now be available for UK companies exporting to India as well as Indian buyers of UK goods and services.

The minister said the UK government would work closely with India to break down barriers to boosting trade, which includes the latest doubling of trade finance support for UK exporters and Indian buyers of British goods and services.

UKEF support is made available in Indian rupees, allowing Indian buyers to access finance in their own currency and making sourcing from the UK even more competitive.

He said, "India is the world's seventh-largest economy and the fourth largest investor into the UK, while UK investment in India grew by 8.8 per cent in the year to 2016.

"For the first time in 40 years, the UK is preparing for its own independent trade policy, and expanding our bilateral trade and investment with India will be central to that task. It's in our shared interest to boost prosperity, generate jobs, develop skills, and enhance the competitiveness of both our countries," he said.

According to the UK's Department for International Trade (DIT), the India-UK trading relationship was worth 15.7 billion pounds in 2016, with UK exports to India amounting to 5.8 billion pounds.

Indian foreign direct investment (FDI) in the UK was worth 1.5 billion pounds in 2016, while UK investment into India rose to 13.2 billion pounds in 2016.

"There is huge potential to expand bilateral trade and investment as the UK prepares to leave the European Union (EU)," DIT said.

UK and Indian businesses, including UK engineering consultancy Arup and Indian infrastructure firm Infrastructure Leasing and Financial Services (IL&FS), also met alongside the JETCO to discuss ways of boosting cooperation in growing sectors such as advanced manufacturing and smart cities.

While the UK cannot strike any new bilateral pacts until the official Brexit process is complete, the two countries had agreed to set up a new joint working group on trade at the last meeting of JETCO in New Delhi in November 2016 to work towards removing barriers to trade.

The meeting in London was aimed at building on progress made by the UK-India trade working group.

"A lot of interest and positivity has been generated in London today by the Joint Trade Review. Initiated in mid-2016 by the Indian and UK governments and aimed at establishing immediate areas of improving trade, it is still at its early stages.

"Nonetheless, there are already really positive signs and, hence, anticipation for a renewed and ever deepening India-UK economic partnership," said UK India Business Council CEO Richard Heald, who was present at the discussions here.

The UKIBC welcomed a focus on food and drink, pharma, healthcare and Medtech, and IT and ITES as the three core sectors for closer India-UK cooperation.

"There are huge opportunities in these three areas. These are areas where we can leverage our individual strengths and at the same time build on those collaborations which already exist," he said.

The JETCO forms a precursor to the Commonwealth Heads of Government Meeting (CHOGM), to be hosted by the UK in April and expected to be attended by Prime Minister Narendra Modi.

Heald highlighted that such ministerial visits on both sides are an opportunity to reflect on the changing dynamics of the 52-member bloc and "to make a step change in the multilateral/bilateral relationship that underpin the Commonwealth".

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Commerce Ministry working on new support measures for next FTP

The Economic times

New Delhi, January 8, 2018: The commerce ministry is working on new schemes for the next foreign trade policy (FTP), to be released in 2019-20, with a view to boost exports, a senior government official said.

The ministry has asked all the commodity boards and the concerned ministries to identify those "support" structures, which are compliant to global trade rules.

"These support measures could be some schemes or some incentives or it could be infrastructure related. These measures should benefit maximum number of industries," the official said.

The ministry has recently released the mid-term review of the current foreign trade policy.

"We have started the work now, so that by the time we have to come with the new FTP, we would be ready with the final blueprint as we have to consult finally with the finance ministry," the official added.

The five-year foreign trade policy provides guidelines for enhancing exports with the overall objective of pushing economic growth and generating employment.

Under the policy, the government announces steps for exporters. Currently, the government has two schemes - merchandise and services export from India scheme. The Finance Ministry has to allocate funds for these schemes.

Last month, the government announced incentives worth Rs 8,450 crore to boost exports of goods and services, mainly from labour-intensive sectors.

During April-November this fiscal, the country's total merchandise exports grew by 12 per cent to USD 196.5 billion.

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India imposes antidumping duty on 98 products from China

The Indian Express

New Delhi, January 3, 2018: India has imposed antidumping duty on as many as 98 products, as on December 27 last year, imported from China, Parliament was informed on Wednesday. The products on which the duty was imposed include flax fabrics, vitamin C, certain fibres and chemicals, Minister of State for Commerce and Industry C R Chaudhary said in a written reply to RajyaSabha.

He also said trade deficit with China stood at USD 36.73 billion during April-October this fiscal. "Increasing trade deficit with China can be attributed primarily to the fact that Chinese exports to India rely strongly on manufactured items to meet the demand of fast expanding sectors like telecom and power," he said.

Countries initiate antidumping probes to determine if the domestic industry has been hurt by a surge in below-cost imports.

As a counter measure, they impose duties under the multilateral WTO regime.

Antidumping measures are taken to ensure fair trade and provide a level-playing field to the domestic industry. They are not a measure to restrict imports or cause an unjustified increase in cost of products.

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India cotton traders cancel export deals in pivot to local market: association chief

RajendraJadhav, Live Mint

Mumbai, January 3, 2018: Indian cotton traders have cancelled contracts to export some 400,000 bales of the fibre after a rally in domestic prices and the rising rupee made overseas sales unattractive, the president of the Cotton Association of India (CAI) told *Reuters*.

The switch, triggering penalty payments by traders, has left cotton buyers in leading markets like Bangladesh, Vietnam and China seeking to make up shortfalls by tapping suppliers in the United States, Australia and Brazil, said association head AtulGanatra.

The cancellations and higher local prices could cut India's exports to 5 million bales, each of 170kg, in the 2017/18 marketing year started on 1 October—nearly a quarter below an initial estimate, Ganatra said. Prices surged more than 15% in the past six weeks after pest infestations squeezed supplies in the world's biggest producer of the fibre.

“Some exports contracts for Bangladesh, Vietnam and China could not be fulfilled due to the sudden rise local prices,” Ganatra said. He didn't identify the traders who cancelled export deals in moves confirmed by six dealers contacted by *Reuters*.

After hurricanes raised doubts about the supplies from top exporter US late last year, Indian traders signed a flurry of contracts.

Indian traders have so far shipped 1.5 million bales of the 2.5 million bales contracted since 1 October, when the current year began, dealers said. Last year India exported 5.8 million bales of cotton.

The country's traders are offering cotton to Asian buyers at around 87 cents per pound, including cost insurance and freight, nearly 4% more than rival supplies from the US, the dealers said.

But India has struggled to keep supplies steady after infestations of pests like pink boll worms cut output, lifting domestic prices to 87 cents per lb.

Also, the Indian rupee recently rallied to its highest level in 30 months, further slashing exporters' margins and making it difficult for most merchants to stick to their export commitments, said VinayKotak, a director at Kotak Commodities, a Mumbai-based brokerage.

Depleting supplies from India have also led to a shortage in the global market, lifting international prices to their highest level in 3-1/2 years—and helping the United States, Brazil and some other key suppliers increase their market share, especially in Asia.

"The mills have to go somewhere else to import cotton," said Peter Egli, director of risk management at British merchant Plexus Cotton. "They will come to the US, West Africa, and later to Australia and Brazil. Those are the main origin points."

The US has committed to sell 678,720 bales of cotton to Bangladesh so far this season, more than double the quantity sold a year earlier, according to the US Department of Agriculture.

Bangladesh had emerged as a big buyer of Indian cotton thanks to competitive prices and lower freight costs, sourcing nearly half of its annual import requirement of 7 million bales from India.

"But now we are in trouble, as many of our contracts with India got stuck over a sudden jump in prices," said Muhammad Ayub, finance director at the Bangladesh Cotton Association.

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