

Lead Article

Breakthrough at Bali

The summer of 2008 was the last time WTO members were close to clinching a deal. In his post-mortem, the former Director General Pascal Lamy suggested that 90% of the work had been done but the final 10% proved to be a stumbling block. There was the inevitable finger pointing that followed, but it is not relevant whether it was "cotton" or "special products" or the "special safeguard mechanism" or "sectorals" that had led to the impasse in the Doha Negotiations. Post 2008, with five years of little or no negotiations the real loser was the WTO as an institution and multilateralism at large.

Multilateralism appeared to be giving way to regionalism, bilateral or unilateral initiatives. This trend was true not just in the international trade negotiations but also in other spheres requiring concerted global action such as climate change, food and energy security. Leadership and support for multilateralism was waning though new groupings or configurations such as the G-20 may assume greater importance to steer multilateralism in the 21st century.

Before that, however, the outcome and fate of even a modest package at the WTO Bali Ministerial Conference hung in the balance. WTO Director-General Roberto Azevedo worked tirelessly in the months since assuming office to broker a deal and re-establish faith and credibility in the WTO and the multilateral trading system.

Although the "outcome" from the Bali Ministerial covering trade facilitation and select agricultural and development issues is modest in terms of substance; the importance of a successful Bali Ministerial from a "systemic" standpoint cannot be highlighted enough. The success at Bali is a breakthrough and has given a new lease of life to the WTO, Doha negotiations and to multilateralism itself.

The text of the Bali Ministerial Declaration has been reproduced in this edition of the Newsletter. The Declaration has three parts. Part I takes cognizance of the regular work undertaken by the General Council and includes renewal of work programmes and Decisions on TRIPS Non-Violation and Situation Complaints, Aid for Trade and Trade and Transfer of Technology as well as Work Programmes on Electronic Commerce and Small Economies.

Part II of the Declaration focuses on the still unfinished Doha Development Agenda (DDA). After over 12 years of negotiations a lot of cynicism had crept in and even the modest mini package agreed to in Bali has been widely welcomed. The mini package focuses on Trade Facilitation, select Agriculture and Development issues.

In this issue

- Lead Article : Breakthrough at Bali1
- Bali Ministerial Declaration3
- Activities & Events (October - December 2013)5
- RTPC: 9 September-1 November 20137
- Faculty Participation in Outreach Programmes (October - December 2013)8
- Faculty Publications (2013)9
- News Roundup11
- Forthcoming Events (January - March 2014) 20



The Trade Facilitation Agreement is the first multilateral agreement successfully negotiated at the WTO since 1995. It aims at simplifying trade and customs procedures by expediting the movement, release and clearance of goods, including goods in transit. The Agreement has two sections. Section I includes transparency-related provisions; disciplines on fees and charges imposed on or in connection with importation and exportation; freedom of transit and formalities connected with importation, exportation and transit; customs cooperation and institutional arrangements. Section II provides for tiered implementation of Section I commitments based on the technical and financial capacities of developing and least developed country members. Transitional arrangements and provision of technical and/or financial support is also provided for in the Agreement.

Select Development and LDC issues were also a part of the early harvest in Bali. The elements in the Bali mini package include Decisions on Preferential Rules of Origin for LDCs; Duty Free Quota Free Market Access for LDCs; Cotton; the Monitoring Mechanism on Special and Differential Treatment; and giving effect to the Waiver for Preferential Treatment in Services for LDCs. Some of these Decisions, however, are statements of intent or 'best endeavor' or merely reaffirmations of previous declarations. That said new impetus has certainly been given at Bali and the new Monitoring Mechanism may be useful in pursuing some of the still unfinished "Development" elements of the Doha Development Agenda.

The Agriculture issues covered in the Bali package were also mostly reaffirmations of earlier directives. Decisions taken include steps to improve the implementation of Tariff Rate Quota Administration and the understanding on the scope of the Green Box "General Services" under Annex 2 of the Agreement of Agriculture. The Ministerial Declaration on Export Competition reaffirms the commitment to eliminate all forms of export subsidies made at the Hong Kong Ministerial. While the original deadline has not been met, this Declaration places a marker and keeps this important issue in the limelight in the post Bali work programme.

The Decision on Public Stock Holding for Food Security Purposes captured a lot of attention in the run-up to the Bali Ministerial. For India, this was a key issue for the overall balance in the Bali package. On the due restraint (peace) clause, members agreed to refrain from challenging developing country members at the WTO Dispute Settlement Body with regard to support provided through public stock holding programmes for food security purposes till a permanent solution is agreed upon. The interim mechanism is applicable to traditional food crops and for existing programmes only. Moreover, there are notification obligations and anti-circumvention provisions to prevent abuse or misuse. These limitations may not apply to the permanent solution which members are aiming for as part of the post Bali Agenda.

Part III of the Declaration focuses on the Post-Bali work. This will be the focus of attention over the next 12 months (and beyond). Ministers have reaffirmed their commitment to the Doha Development Agenda. The Bali Ministerial Package has been viewed as a "stepping stone" towards the completion of the Doha round. Negotiators will be preparing a post Bali work programme to address outstanding issues. Guidance to overcome critical and fundamental stumbling blocks will also be looked at.

India was an active participant at the Bali Ministerial Conference and remains a strong supporter of the WTO and the multilateral trading system. This is reflected in Minister Anand Sharma's address to the Plenary Session of the Bali Ministerial Conference where he noted: "We have a shared responsibility in preserving the credibility of the WTO as a negotiating forum". He added that "India has been an unwavering votary of multilateralism. The Doha round is the litmus test for us. We must agree on a firm post-Bali work programme to conclude the DDA. Any other approach runs the risk of damaging the credibility of the multilateral trading system".

The text of the Bali Ministerial Declaration reproduced below provides a start in restoring the credibility of the multilateral trading system. Hopefully, the Post-Bali work programme will build on this platform.

Bali Ministerial Declaration Adopted on 7 December 2013

1.1. We, the Ministers, have met in Bali, Indonesia, from 3 to 6 December 2013 at our Ninth Session. As we conclude our Session, we would like to express our deep appreciation to the Government and people of Indonesia for the excellent organization and the warm hospitality we have received in Bali.

1.2. We reaffirm the principles and objectives set out in the Marrakesh Agreement Establishing the World Trade Organization. We also recall the Declarations and Decisions we adopted at Doha and at the Ministerial Conferences we have held since then and reaffirm our full commitment to give effect to them.

1.3. To this effect, we take note of the reports from the General Council and its subsidiary bodies. We welcome the progress that these reports, and the Decisions stemming from them, show in the work of the WTO, thereby strengthening its effectiveness and the multilateral trading system as a whole.

1.4. We particularly welcome the advances made in the Doha Development Agenda (DDA), as represented by the Decisions and Declarations we have adopted at our present session. These Decisions and Declarations signify that we have taken a major step forward in the negotiations and attest to our strong resolve to complete the DDA.

Part I – Regular Work Under the General Council

1.5. We welcome the progress in the regular work under the General Council, including under the mandates that we gave at our Eighth Session, and the following decisions we have adopted at our Ninth Session:

- TRIPS Non-violation and Situation Complaints– Ministerial Decision- WT/MIN(13)/31-WT/L/906
- Work Programme on Electronic Commerce – Ministerial Decision - WT/MIN(13)/32-WT/L/907
- Work Programme on Small Economies - Ministerial Decision - WT/MIN(13)/33-WT/L/908
- Aid for Trade - Ministerial Decision - WT/MIN(13)/34 - WT/L/909
- Trade and Transfer of Technology - Ministerial Decision - WT/MIN(13)/35 - WT/L/910

1.6. We further welcome the following decisions taken in Geneva in response to the relevant mandates from our Eighth Session:

- Decision adopted by the TRIPS Council concerning the extension of the transition period under Article 66.1 for Least-Developed Country Members in document IP/C/64;
- Decision adopted by the General Council in July 2012 on the Accession of LDCs in document WT/L/508/Add.1.

1.7. We welcome those new Members who have completed their accession processes since our last Session. In particular, we note with satisfaction that, at our present Session, we have adopted the Decision on the Accession of the Republic of Yemen (WT/MIN(13)/ 24 - WT/L/905). We recognize the contribution of accession to strengthening the multilateral trading system and remain committed to efforts to facilitate accessions.

Part II – Doha Development Agenda

1.8. We welcome the progress in the DDA, which is embodied in the following Decisions and Declarations we have adopted at our Ninth Session:



Trade Facilitation

- Agreement on Trade Facilitation – Ministerial Decision – WT/MIN(13)/36 - WT/L/911

In this regard, we reaffirm that the non-discrimination principle of Article V of GATT 1994 remains valid.

Agriculture

- General Services – Ministerial Decision – WT/MIN(13)/37 - WT/L/912
- Public Stockholding for Food Security Purposes – Ministerial Decision – WT/MIN(13)/38 - WT/L/913
- Understanding on Tariff Rate Quota Administration Provisions of Agricultural Products, as Defined in Article 2 of the Agreement on Agriculture – Ministerial Decision – WT/MIN(13)/39 - WT/L/914
- Export Competition – Ministerial Declaration – WT/MIN(13)/40 - WT/L/915

Cotton

Cotton – Ministerial Decision – WT/MIN(13)/41 - WT/L/916

Development and LDC issues

- Preferential Rules of Origin for Least-Developed Countries – Ministerial Decision – WT/MIN(13)/42 - WT/L/917
- Operationalization of the Waiver Concerning Preferential Treatment to Services and Service Suppliers of Least-Developed Countries – Ministerial Decision – WT/MIN(13)/43 - WT/L/918
- Duty-Free and Quota-Free (DFQF) Market Access for Least-Developed Countries – Ministerial Decision – WT/MIN(13)/44 - WT/L/919
- Monitoring Mechanism on Special and Differential Treatment – Ministerial Decision – WT/MIN(13)/45 - WT/L/920

Part III - Post-Bali Work

1.9. We reaffirm our commitment to the WTO as the pre-eminent global forum for trade, including negotiating and implementing trade rules, settling disputes and supporting development through the integration of developing countries into the global trading system. In this regard, we reaffirm our commitment to the Doha Development Agenda, as well as to the regular work of the WTO.

1.10. We take note of the progress that has been made towards carrying out the Doha Work Programme, including the decisions we have taken on the Bali Package during this Ministerial Conference. These decisions are an important stepping stone towards the completion of the Doha Round. We reaffirm our commitment to the development objectives set out in the Doha Declaration, as well as to all our subsequent decisions and declarations and the Marrakesh Agreement Establishing the WTO.

1.11. To further demonstrate this commitment, we instruct the Trade Negotiations Committee to prepare within the next 12 months a clearly defined work program on the remaining Doha Development Agenda issues. This will build on the decisions taken at this Ministerial Conference, particularly on agriculture, development and LDC issues, as well as all other issues under the Doha mandate that are central to concluding the Round. Issues in the Bali Package where legally binding outcomes could not be achieved will be prioritised. Work on issues in the package that have not been fully addressed at this Conference will resume in the relevant Committees or Negotiating Groups of the WTO.

1.12. The work program will be developed in a way that is consistent with the guidance we provided at the Eighth Ministerial Conference, including the need to look at ways that may allow Members to overcome the most critical and fundamental stumbling blocks.

1.13. As we prepare the work program, we will remain available for further contacts amongst ourselves and with the Director-General on these matters as we move forward in 2014.

Activities & Events (October-December 2013)

1. Interaction with WTO Director-General

FICCI, New Delhi



From (L) to (R): Prof. Abhijit Das, Head, CWS/IIFT with Mr. Roberto Azevedo, Director General, WTO.

The Centre for WTO Studies and FICCI jointly organized a seminar on “WTO Multilateral Trading System and Bali Ministerial: Where do we stand & the way forward” on 7 October 2013. Director-General, WTO, Mr. Roberto Azevedo was the main speaker at the event. He highlighted the key issues and constraints in concluding the Doha Round. He also addressed some of the crucial areas where WTO members were actively engaged in reaching a consensus prior to the Bali Ministerial Conference.



From (L) to (R): Prof. Abhijit Das, Head, CWS/IIFT; Mr. Roberto Azevedo, Director General, WTO, Geneva; Ms. Naina Lal Kidwai, President, FICCI; and Mr. Manab Majumdar, Asst. Secretary-General, FICCI.

2. Services Conclave: Promoting Services Exports from India

New Delhi

The Services Conclave - Promoting Services Export from India: Challenges, Opportunities & Issues was



From(L) to (R): Mr. Anand Sharma, Union Minister of Commerce & Industry, Govt. of India; Mr. Malvinder M. Singh, Fortis & CII; Mr. S. R. Rao, Secretary, Department of Commerce, Govt. of India; Mr. Sunil K. Munjal, Hero Corp. & CII.

held on 12-13 November 2013. The Conclave was organized by the Department of Commerce in collaboration with the Confederation of Indian Industry (CII) and with support from the Federation of Indian Export Organisations (FIEO) and the Centre for WTO Studies (CWS). The Union Minister for Commerce and Industry, Mr. Anand Sharma inaugurated the Conclave.

The Conclave discussed issues and bottlenecks hindering exports of services from India and also deliberated on a roadmap to augment exports of various services; to diversify India's services basket; and to position India as a key player in world services trade. The services sectors discussed during the Conclave included logistics, professional services (architectural services, accountancy, management consultancy services), IT/ITeS, telecom services, tourism, health and medical services and audio visual and entertainment services.

3. National Conference on Agriculture

IIFT, New Delhi

The CWS organized a National Conference on Emerging Challenges, Opportunities and Issues Related to WTO and the Indian Agriculture Sector on 21-22 November 2013. The Conference covered various themes related to the agriculture sector, viz. Competitiveness of the Indian Agriculture Sector; Trade and Food security: Issues and Concerns; Non-Tariff Barriers in Agriculture Trade; and Trade Distortions in Agricultural Trade.

The inaugural session of the two-day conference was addressed by Mr. Sudhanshu Pandey, Joint Secretary,



From(L) to (R): Prof. Abhijit Das, Head, CWS/IIFT; Mr. Sudanshu Pandey, Joint Secretary, Department of Commerce, GoI; Prof. Ramesh Chand, Director, NCAP; Dr. Sachin Kumar Sharma, Assistant Professor, CWS/IIFT.

Department of Commerce and Mr. Abhijit Das, Head, CWS. The keynote address was delivered by Prof. Ramesh Chand, Director, National Centre for Agricultural Economic and Policy Research (NCAP).



Group Photograph: Participants, resource persons and CWS/IIFT faculty at the National Conference on Agriculture

The Conference provided researchers a platform to share and disseminate their research findings. Certificates were given to all the presenters for sharing their research inputs and contributing to the success of the conference.

4. Training of DGAD Officials

IIFT, New Delhi

A training programme for officers from the Directorate General of Anti-dumping and Allied Duties (DGAD) was conducted by the CWS from 22 November to 10 December 2013. The training covered essential aspects of India's anti-dumping rules relating to dumping, injury, causal link and the corresponding provisions in the WTO Anti-dumping Agreement. The training also covered changed circumstances reviews, sunset reviews and new

shipper reviews. Provisions relating to countervailing duty investigation in the WTO Agreement on Subsidies and Countervailing Measures were also covered.

5. Round Table on Future Contours of India's Trade Policy

IIFT, New Delhi



From (L) to (R): Mr. Harsha V. Singh, former DDG, WTO; Mr. S. R. Rao, Secretary, Department of Commerce, Govt. of India; Dr. Surajit Mitra, Director, IIFT; Prof. Abhijit Das, Head, CWS/IIFT

The CWS organised a Round Table on Future Contours of India's Trade Policy on 17-18 December 2013. The event was organised as a part of the year-long Golden Jubilee celebrations of the Indian Institute of Foreign Trade (IIFT). Senior officers of the government involved in trade policy, trade policy experts and trade economists participated at the Round Table. Detailed discussions were held on different determinants of trade policy, including challenges emerging from mega FTAs, demographic changes, natural resource requirements, trade through global value chains, investment, innovation and technology developments.

6. Trade Talk Series with Aaditya Mattoo

IIFT, New Delhi

The CWS organised a Trade Talk on the theme "Multilateral Trade Cooperation: Redefining the Agenda" on 26 December 2013. Dr. Aaditya Mattoo, Research Manager, Trade and Integration at the World Bank addressed the participants. Dr. Mattoo presented international trade issues of relevance for multilateral cooperation and areas in which the World Bank was currently undertaking research.

RTPC: 9 September - 1 November 2013



The Centre for WTO Studies in collaboration with WTO, Geneva successfully hosted the 3rd WTO Regional Trade Policy Course (RTPC) held in New Delhi from 9 September to 1 November 2013. The 8-week course organized at the IIFT Campus was attended by 20 government officials from Asia-Pacific countries. Ambassador S. Narayanan, India's former Permanent Representative to the WTO was the Patron of this year's RTPC and he shared his rich experience with the participants.

The course covered all the important areas and key WTO Agreements such as agriculture, non-agriculture market access; key principles of GATT; customs issues such as customs valuation and rules of origin; technical barriers to trade; sanitary and phytosanitary measures; trade remedies viz. anti-dumping, subsidies and countervailing duties, safeguards; trade in services under the GATS,

intellectual property rights under TRIPS and the binding dispute settlement mechanism under WTO.

The training modules comprised of classroom sessions, practical exercises, trade negotiations simulation and other pedagogical tools. During the last week of the training, an extensive revision workshop was conducted which was followed by a final exam. A number of cultural activities were also organized for the participants during their stay.

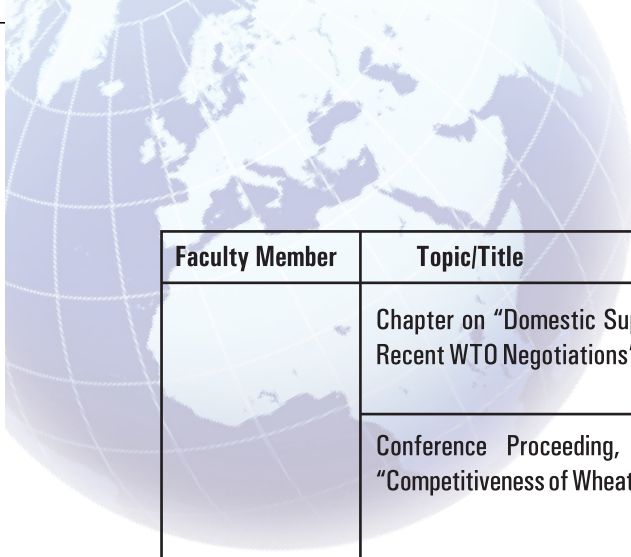
The programme concluded on 1 November 2013 with an evaluation of the programme by the participants. Mr. Rajeev Kher, Additional Secretary, Department of Commerce; Mr. Shishir Priyadarshi, Director, Development Division, WTO; Mr Aime Murigande and Mr. Samer Seif El- Yazal from ITTC-WTO, Prof. Abhijit Das, Head, CWS and Prof. Mukesh Bhatnagar, CWS addressed the participants during the evaluation and closing ceremony.

Faculty Participation in Outreach Programmes (October - December 2013)

	Participating Faculty	Outreach Activity/Topic	Date	Location
1.	Prof. Abhijit Das	Speaker at seminar "From Doha to Bali: Challenges to the Development Agenda: Agreement on Agriculture" organized by RIS.	29 October	New Delhi
		Session on "WTO Agreements on Anti-dumping and Safeguards" organized by ITC and UNESCAP.	29 October	New Delhi
		Lecture on "WTO Bali Ministerial Conference and South Asia: The Way Forward" organized by ITC and UNESCAP.	8 November	New Delhi
2.	Prof. Sajal Mathur	Resource person at ITEC Capacity Development Programme on WTO and International Business for senior officials and stakeholders in Eritrea.	18 - 22 November	Eritrea
		Panelist at Policy Dialogue on "Regional Cooperation, Connectivity & Inclusive Development in South & South-West Asia" organized by UNESCAP.	28-29 November	New Delhi
		Resource person at the Workshop on "WTO and FTAs: Challenges, Issues and Opportunities in the Agriculture Sector" organized by WTO Cell, Government of Kerala.	19-20 December	Thiruvanthapuram
3.	Dr. Murali Kallummal	Resource person at ITEC Capacity Development Programme on WTO and International Business for senior officials and stakeholders in Niger.	11-15 November	Niger
		Resource Person at South Asia Subregional Economic Cooperation Brainstorming Meeting on "Sanitary Phytosanitary Priorities and Challenges" organized by ADB and UNESCAP.	24-25 November	Thailand
		Presentation of paper on "Doha Negotiations and India's Trade in Environmental Goods: Analysis of NAMA Sectoral Impact" at the National Conference on "Economic Reforms, Growth and Social Welfare".	16-18 December	Kerala
4.	Dr. Sachin Kumar Sharma	Presentation of paper on "Export Restriction and Food security in India" at the 17th Annual Conference of the Indian Political Economic Association.	9-10 November	Hyderabad
		Presentation of paper on "Plethora of PTAs in Asia: Is regional integration between South Asia and ASEAN possible?" at ARTNET workshop on "Trade and investment for tomorrow: promoting Asia Pacific regional integration".	10-12 December	China
5.	Dr. Pralok Gupta	Participant at the Malcolm Adiseshaiah Mid-Year Review of the Indian Economy 2013.	16 November	New Delhi
		Participant at the Round Table with diplomatic missions, think tanks, industry associations & media on Prospects for the WTO Ministerial in Bali.	28 November	New Delhi
		Participant at the Round Table on "Strategizing for Services Sector Exports - Way Forward" organized by CII.	23 December	New Delhi

Faculty Publications (2013)

Faculty Member	Topic/Title	Publication/Issue
Prof. Abhijit Das	CWS Working Paper on "Utilising India's Duty Free Preference Scheme for LDCs: Analysis for the Trade Trends" (co-authored with Murali Kallummal and Aditi Gupta).	Available online: http://wtocentre.iift.ac.in/workingpaper.asp
	Article on "Distribution of Gains in Global Value Chains: A Preliminary Exploration".	CWS Newsletter, India, WTO and Trade Issues, Vol. 2, 2013.
	Newspaper Article on "WTO back in business with Bali deal, but difficult road ahead".	Mint Asia, 13 December 2013.
Prof. Sajal Mathur	Book on "BRICS: Trade Policies, Institutions and Areas of Deepening Cooperation" (co-edited with Meghna Dasgupta).	Available online: http://wtocentre.iift.ac.in/BRICS.asp
Dr. Murali Kallummal	Book on "SPS Measures and Possible Market Access Implications for Agricultural Trade in the Doha Round: The Empirical Evidence of Systemic Issues and Changing Detection Technology".	Lambert Academic Publishers, Germany. (ISBN 978-3-659-40808-3)/2013.
	Journal Article on "ASEAN-India Free Trade Agreement and its Impact on India: A Case Study of Fisheries and Selected Agricultural Products" (co-authored with Rajan Sudesh Ratna).	Foreign Trade Review, Quarterly Journal of Indian Institute of Foreign Trade, SAGE Publications, (Vol.48, No.4)/2013.
	Journal Article on "Doha Sectoral Negotiations: A Study on Healthcare Sector in India" (co-authored with Rajat Varma and Poornima Varma).	Foreign Trade Review, Quarterly Journal of Indian Institute of Foreign Trade, SAGE Publications, (Vol.48, No.3)/2013.
	Journal Article on "India's Comprehensive Trade Agreements: Implications for development trajectory", Special Article (co-authored with Smitha Francis).	Economic & Political Weekly, (Vol xiviii, No 31)/August 3, 2013.
	Journal Article on "Agricultural Trade from South-Asia and the Impact of SPS Measures: A Case Study European Rapid Alert System for Food and Feed (RASFF)" (co-authored with Aditi Gupta and Poornima Varma).	Economic Policy and Research, (Vol. 8, No. 2), (ISSN 0975-8577)/2013.
	Journal Article on "Trade Creation and Trade Diversion in the India Sri-Lanka Free Trade Agreement: A Sector Specific Analysis" (co-authored with Sonam Choudhry and Poornima Varma).	Economic Policy and Research, Vol. 8, No.1, (ISSN 0975-8577)/2013.
	CWS Working Paper on "Imbalance in Doha Round Market Access Outcomes in Trade in Agricultural and Allied Sectors".	Available online: http://wtocentre.iift.ac.in/workingpaper.asp
	CWS Working Paper on "Trade Creation and Trade Diversion in the India: Sri Lanka Free Trade Agreement – A sector specific Analysis" (co-authored with Sonam Choudhry and Poornima Varma).	Available online: http://wtocentre.iift.ac.in/workingpaper.asp
Dr. Sachin Kumar Sharma	Journal Article on "Doha Negotiations and Domestic Support to Agriculture Sector in USA".	Economic Policy and Research, (Vol. 8, No. 2), (ISSN 0975-8577)/2013.
	Conference Proceeding, "Competitiveness of Indian Agriculture Sector: A Case Study of Cotton Crop" (co-authored with Kavita Bugaliya).	International Conference on Trade, Markets and Sustainability organised by Symbiosis Institute of International Business held at Pune in February 2013.



Faculty Member	Topic/Title	Publication/Issue
	Chapter on "Domestic Support to Indian Agriculture Sector in Recent WTO Negotiations".	Book on "WTO, FTA and Impact on Agriculture and Allied Sectors" published by WTO Cell, Government of Kerala, December, 2013.
	Conference Proceeding, "Trade Liberalization and Export "Competitiveness of Wheat" (co-authored with Priyanka Gupta).	National Conference on Paradigm for Sustainable Business: People, Planet and Profit", organised by IIT Roorkee, March 8-9, 2013. (ISBN: 978-93-81583-94-4).
	Conference Proceeding, "Export Restriction and Food Security in India".	17th Annual Conference of the Indian Political Economic Association held at Hyderabad in November 2013.
	CWS Working Paper on "Doha Negotiations and Domestic Support to Indian Agriculture Sector".	Available online: http://wtocentre.iift.ac.in/workingpaper.asp
Ms. Shailja Singh	Paper on "Medical and Health Services in India and Inroads Outside".	Services Conclave – Promoting Services Export from India: Challenges, Opportunities and Issues (November, 2013) Compendium by SEPC and Ministry of Commerce and Industry, Government of India.
Dr. Pralok Gupta	Chapter on "Services Sector Reforms in India: Updates and Challenges" (co-authored with Prof. Rupa Chanda).	Findlay, C (ed.), Priorities and Pathways in Services Reform Vol. 2, World Scientific Publication.
	Journal Article "Paradox of High Growth and Low Employment in India's Services Sector"	Yojana, Govt. of India, Vol. 57 (October).
	Chapter on Services	Mid Year Review of the Economy 2013–14, National Council of Applied Economic Research, November 2013.
	Article on "Facilitating Migration between India and the EU: A Policy Perspective".	CARIM-India Research Report 2013/06 and Working Paper No. 393.
	Article on "Regulatory Framework for Legal Services Sector in Selected EU Member States: Implications for Indian Legal Professionals".	CARIM-India Research Report 2013/31 and Working Paper No. 413.
	Paper on "Accountancy Services Exports and India" (co-authored with Prof. Rupa Chanda)	Services Conclave – Promoting Services Export from India: Challenges, Opportunities and Issues (November, 2013) Compendium by SEPC and Ministry of Commerce and Industry, Government of India.

Trade Figures

1. Trade data for the period September-November 2013

September 2013

With a policy-induced fall in inward shipments of gold and silver, India's merchandise trade deficit crashed to a 30-month low of \$6.76 billion in September. The trade gap is the lowest since March 2011, when it stood at \$3.8 billion. While exports jumped 11.1% (YoY) to \$27.68 billion in September, partly aided by a weak rupee, imports dipped 18.1% to \$34.4 billion.

During the first half of the fiscal, exports grew by 5.14% to \$152.11 billion while imports declined by 1.8% to \$232.23 billion. The trade deficit for the April-September period stood at \$80.12 billion.

ENS Economic Bureau (10 October 2013)

October 2013

Growing in double digits for the fourth straight month, exports rose 13.47% in October. However, the trade deficit, or the excess of imports over exports, widened again in October. Data released by the government on 11 November 2013 shows that the trade deficit grew to \$10.56 billion in October compared to \$6.7 billion in September - the lowest in two-and-half years. Gold and silver imports rose to \$1.37 billion in October compared with \$800 million in September.

Commerce Secretary S. R. Rao said the government is confident of hitting its export target of \$325 billion by the end of the fiscal. The government also said that the ballooning current account deficit, or the excess of outflow of foreign exchange from the country over the inflows, has been brought under control using curbs on imports of gold and that it will be contained within \$60 billion.

The Hindu (11 November 2013)

November 2013

India's trade deficit narrowed to \$9.2 billion in November, driven by a record contraction in imports even as export growth slowed after growing in double digits for four consecutive months.

Slower domestic demand and curbs on gold imports brought down merchandise imports to its lowest level since March 2011, contracting 16.37% to \$33.8 billion during the month, while exports grew 5.86% to \$23.2 billion. Gold and silver imports during November fell for the fifth successive month by 80.5% to \$1.05 billion, while during the eight months of the financial year (April-November), it contracted 23.8% to \$25.5 billion. While oil imports in November contracted 1.1% to \$13 billion, non-oil imports contracted 23.7% to \$20.9 billion.

The World Trade Organization has projected global trade to grow at 2.5% in 2013 (down from the 3.3% forecast in April) and at 4.5% in 2014 (down from 5%), but maintained that conditions for improved trade are gradually falling into place.

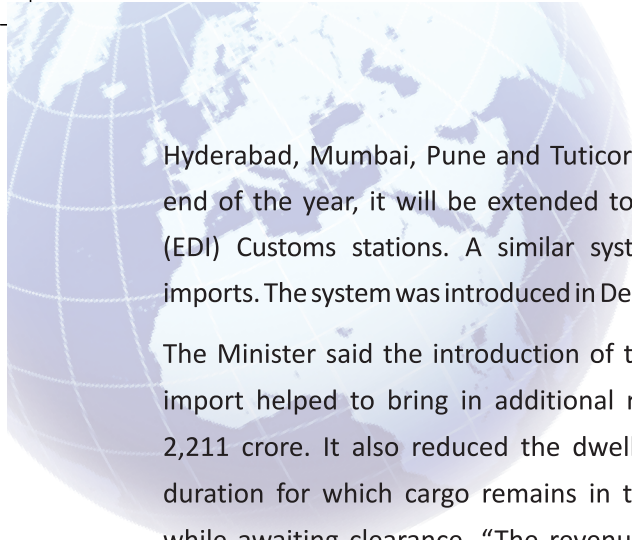
Mint (11 December 2013)

Foreign Trade Policy/Strategy

2. New system for customs clearance of exports

The time taken for customs clearance of export consignments will come down to a few hours following the implementation of a risk management system. At present, it takes up to 4 days. "I sincerely hope that with the introduction of Risk Management System (RMS) for exports, the dwell time which now ranges from 1.6 days to 3.68 days will be brought down to a few hours," Finance Minister P.Chidambaram said.

To begin with, the system will be available at 11 customs stations, including Bangalore, Chennai, Delhi,



Hyderabad, Mumbai, Pune and Tuticorin. But by the end of the year, it will be extended to all Electronic (EDI) Customs stations. A similar system exists for imports. The system was introduced in December 2005.

The Minister said the introduction of the system for import helped to bring in additional revenue of Rs 2,211 crore. It also reduced the dwell time, or the duration for which cargo remains in transit storage while awaiting clearance. “The revenue department claims that the dwell time for imports has come down drastically after the launch of RMS in imports. Likewise, RMS in exports is intended to bring down the dwell time so that the cargo meant for exports moves up quickly, leaves the shores of India towards its ultimate destination,” Chidambaram added.

With this the present practice of routine assessment, concurrent audit and examination of almost all Bills of Entry will be discontinued and the focus will be on quality assessment, examination and Post Clearance Audit of Bills of Entry selected by the system.

Business Line (13 November 2013)

3. Joint task force to develop services sector

The Government will set up a joint task force for the services sector together with industry. The task force will prepare an action plan for the development of the sector and increase services exports.

On the setting up of a National Services Competitive Council on the lines of National Manufacturing Competitive Council, Commerce and Industry Minister Anand Sharma said “We have to have a forum to address the varied needs of the sector and to identify training and other needs of each vertical.” He was speaking at the ‘Services Conclave’ jointly organised by CII and the Centre for WTO Studies. The two-day conclave focused on ways to boost the domestic services industry and increase India’s share in the \$4-trillion global services trade from the present 3%.

The Minister said the services sector exports, by and large, were from verticals such as IT, ITES and BPO

sectors. There was a lot of scope to diversify in segments such as animation, media and entertainment, legal services, architecture, healthcare, tourism and medical tourism.

Sharma asked industry representatives to come forward and help the Government, to take up at various international forums the need for more liberal movement of skilled persons under Mode 4 of World Trade Organization rules. The Minister also asked the industry to explore new markets such as Africa to boost India’s export of services.

Business Line (12 November 2013)

Bilaterals

4. India-Africa

India has pitched for early conclusion of the preferential trade pact with African nations, which is expected to help enhance business ties between India and mineral rich countries of the continent. Addressing the third Indo-Africa Trade ministers meet in Johannesburg, Commerce and Industry Minister Anand Sharma urged his South African counterpart Rob Davies to expedite the much delayed India-SACU preferential trade pact that will reduce tariffs on several key products. The Southern African Customs Union (SACU) consists of Botswana, Lesotho, Namibia, South Africa and Swaziland.

India has been waiting for the response from the African side on its proposal of an average margin of preference of 70%. This means imports from SACU will be subject to a tariff 70% lower than the Most Favoured Nation (MFN) rate.

The bilateral trade target of \$100 billion by 2015 and \$200 billion by 2020 is a modest one and is certainly achievable, Sharma said. Air connectivity and visa related issues were the two other concerns raised at the second India-Africa Business Council (IABC) meet. Sharma said that the air connectivity issue has been taken up at the highest level and that Air India will

resume its flights to Africa from 2014. On liberalisation of visa regime, Sharma said that both sides can identify the apex industry chambers that can help in this process.

Sharma also strongly took up the case of Indian pharmaceuticals industry saying that India is a supplier of quality low-cost generic drugs. India exports low-cost generic drugs to over 230 countries in the world and one-fifth of them is directed towards Africa.

Economic Times (2 October 2013)

5. India-Asean

The India-Asean free trade agreement (FTA) on services and investment, which was expected to be signed on the sidelines of the World Trade Organization ministerial conference in Bali, faced another delay. The trade pact entails greater access to the Asean countries - Singapore, Malaysia, Indonesia, Vietnam, Thailand, the Philippines, Cambodia, Laos, Brunei and Myanmar - by Indian professionals and a relaxed investment regime.

India and the 10-member Asean bloc already have a goods agreement in place since August 2011, providing tariff-free access to a range of product lines such as textiles, pharmaceuticals, chemicals, engineering products, processed food and auto parts, among others. Hence, after signing the deal in services and investment, the FTA will be called Comprehensive Economic Partnership Agreement.

The deal in services was supposed to have been signed in 2009 when the goods pact was agreed upon. However, at that time, some Asean countries, were apprehensive. Ever since talks begun in 2005, India's main demand has been to obtain greater job opportunities for its professionals in the Asean countries.

Eyeing greater cooperation with South East Asian countries on economic issues, India has announced a separate Mission for ASEAN region to be set up in Jakarta with a full-time resident Ambassador.

Focusing on a massive road connectivity plan to tie the region together to boost economic objectives, India has proposed extending the trilateral highway project connecting India, Myanmar and Thailand to neighbouring Cambodia and Vietnam. The idea is to set up special economic zones along this highway and provide seamless connectivity through these countries by 2016. To ensure greater success of this highway project, Prime Minister Manmohan Singh had also proposed an Asean-India Transit Transport Agreement (AITTA) at the India-Asean Summit in Brunei Darussalam held in October 2013.

PTI (10 October), Business Standard (19 November & 3 December 2013)

6. India-China

Prime Minister Manmohan Singh welcomed enhanced Chinese investment and the proposal to set up an industrial park in India as a way to overcome the growing trade deficit. Expressing concern at the "unsustainable imbalance" in trade with China, Singh in an interview in October said, "India faces an unsustainable imbalance in its trade with China. One of the ways of overcoming the trade deficit is for India to attract larger flows of Foreign Direct Investment from China."

Bilateral trade touched \$66.5 billion last year, of which China's exports to India totaled about \$47.7 billion. The burgeoning trade deficit touched almost \$20 billion amid declining Indian exports of raw materials like iron ore.

"We are happy that more Chinese firms are looking to India as an investment destination. During his visit to India, Premier Li Keqiang suggested that we look at the option of establishing a Chinese Industrial Park in India where companies and firms from China could cluster together," Singh said.

To a question on the progress of the discussion of Regional Trading Arrangement (RTA) between China and India, Singh said, "I am sure the Commerce Ministers will continue to discuss this idea. But I must



be honest that there is a great deal of concern in our industry, given the large and growing deficit in our trade with China. When conditions are more propitious and trade is more even, we will find it more feasible to discuss an RTA or an FTA between our countries".

On China's offer to build High Speed Railways (HSR) in India, he said "We are aware of China's High Speed Railway development. India is currently undertaking techno-economic studies on HSR. We have not yet made a decision on whether to go forward with construction of HSR in our current stage of development".

On the proposal to build a corridor linking Bangladesh, China, India, Myanmar (BCIM), he said India is promoting regional connectivity for balanced economic and infrastructure development within the country and accelerated integration with the neighbourhood, including Southeast Asia.

On the prospect of India-China cooperation in BRICS (Brazil, Russia, India, China and South Africa) framework and progress of India's capital implementation of the BRICS Development Bank, Singh said the bloc's cooperation draws strength from bilateral relationships between its individual members, including between India and China, "which have acquired significant depth and substance". There are many functional areas of cooperation such as urbanisation, agriculture, health, science and technology under BRICS in which India and China find synergies, he said. "Another important BRICS initiative is the Contingent Reserve Arrangement, which will help stimulate trade among our countries," Singh added.

PTI (22 October 2013)

7. India-EU

The India-EU Broad-based Trade & Investment Agreement (BTIA) is stuck as the EU is not satisfied with India's offers in insurance, government purchases and market access for automobiles and wines and spirits.

The EU wants India to raise the FDI limit in the insurance sector to 49% from 26% now. On the other hand, India is insisting on more professional work visas and recognition as a data secure country to attract more off-shore business from Europe.

Members of the International Trade Committee of the European Parliament visited New Delhi in November to assess the status of the negotiations for a BTIA. The EU is keen on completing all its current negotiations by next year, as the current commission will end its term at the end of 2014. However, with India, the roadblock is primarily because first, India goes to polls by the middle of 2014 and by the time a new government comes into place with the mandate to negotiate the current Commission at Brussels would be on its way out.

Meanwhile, in a twin blow to local exporters, the European Union has given special preference for imports from Pakistan, which will allow duty-free access into the EU markets while withdrawing the concessions for several Indian goods, including automobiles, textiles and engineering. The EU's decision is part of its new policy of denying preferential tariff to exports from developing nations that have become sufficiently competitive and no longer require a tax incentive. While India had managed to block similar concessions nearly a decade ago after a challenge at the World Trade Organization, this time the sops have been given to deal with floods that hit Pakistan and have been given after the move was backed by New Delhi. The GSP-plus benefits will kick in from 1 January, 2014.

Business Standard (6 November), Business Line (4 December), Financial Express (13 December) and Times of India (13 December 2013)

8. India-GCC

The talks for a free trade agreement (FTA) between India and the Gulf Cooperation Council (GCC), which have been in a limbo for a while now, are set to resume. A decision to this effect was taken during a recent visit

by E. Ahamed, Minister of State for External Affairs, to Bahrain.

“India and the GCC started negotiations on FTA as far back as 2005 but the two rounds of negotiations held so far have not translated into signing the agreement. India is ready to hold the third round of meeting for expeditious conclusion of the FTA,” Ahamed said.

Progress on India-GCC FTA has been slow; it was once hoped that a deal could be completed back in 2009. The FTA will remove restrictive duties and push down tariffs on goods being traded. This will provide Indian pharma and chemical industry opportunities to export their products to the Gulf region.

The GCC is India's largest trading partner. India's two-way trade with the Gulf region countries has grown to more than \$181 billion in 2012-13.

Financial Express (6 November 2013)

9. India-Hong Kong

The Hong Kong Government intends to take the bilateral trade with India to \$50 billion in the next six years from \$17 billion at present.

Hong Kong has emerged as the major trading hub for the Indian gem and jewellery industry. There is an interest to replicate the jewellery industry's success to other sectors such as information technology, textiles, gift items and food industry. Speaking to the media, Benjamin Chau, Deputy Executive Director, Hong Kong Trade Development Council, said Indian jewellers are already tapping Dubai and the Hong Kong markets to circumvent the prolonged sluggish demand in the US.

India has become the fourth largest export market for Hong Kong, with exports to India touching \$8 billion in the first nine months of 2013, while India's export to the country was at \$8.8 billion. India was the seventh largest sourcing destination for Hong Kong.

Business Line (6 December 2013)

10. India-Iran

India is looking at large-scale project exports to Iran for

bridging the existing trade gap and fuller utilisation of rupee payment made for oil purchases. The Inter-Ministerial Group on facilitating trade with Iran headed by Commerce Secretary S.R. Rao met on 17 December to discuss ways to boost exports to the country.

Experts see Iran accumulating more Rupees and the only way it can use the money is by buying goods and services from India. A team of senior officials from Iran, who visited India recently, assured that the West Asian nation is serious about continuing to engage more with India, a Commerce Ministry official said. The assurance has put to rest speculation that Iran may look at other trading partners more earnestly now that the sanctions regime was ending.

Against this backdrop, India has begun encouraging domestic companies to bid for projects in Iran, such as for laying roads, building railway lines or factories. Last week, the Commerce Ministry met officials of public sector companies, notably BHEL, SAIL and IRCON, in this regard.


According to UCO Bank, which handles trade with Iran, India's exports to Iran currently stand at about \$500 million. This is compared with \$40 million a year back. At present, India pays for 45% of oil purchases from Iran in rupees which is deposited in its rupee account in UCO Bank.

Business Line (15, 19 & 24 December 2013)

11. India-Japan

With trade between India and Japan at \$18.51 billion, Tokyo accounts for a 2.34% share in India's global trade with petroleum products, oil meals, marine products, gems and jewellery and iron ore being the principal commodities of export to Japan while machinery, iron & steel, electronic goods, transport equipment and project goods are the major items that India imports.

Though a Comprehensive Economic Partnership Agreement (CEPA) was signed between India and Japan in 2011, the pact has led to imports from Japan



increasing at a faster rate than exports from India. In 2012-13, India's exports to Japan were \$6.10 billion while the imports stood at \$12.41 billion, leaving a trade deficit of \$6.31 billion.

The agreement covers goods, services, rules of origin, movement of natural persons, telecom, financial services, investment, IPRs, government procurement, sanitary and phytosanitary measures, customs procedures and cooperation in other areas and the two sides have set a bilateral trade target of \$25 billion by 2014.

Financial Express (2 December 2013)

12. India - Pakistan

Commerce and Industry Minister Anand Sharma and Pakistan's Minister of State for Commerce Khurram Dastgir Khan met in Delhi on 13 December 2013 to discuss further normalisation of the bilateral process. This was the first significant meeting between the trade ministers since the talks collapsed earlier this year.

Allowing more items through the Wagah border, opening bank branches in each other's countries and electricity trade - all parts of the trade liberalisation agenda being pursued by the two since January 2011 - were also discussed by the two Ministers.

Sharma told the Pakistani Minister that India stands committed to the roadmap for bilateral trade normalisation as worked out in September 2012 between the Commerce Secretaries of both nations. The roadmap requires India to reduce the items on its sensitive list under the South Asian Free Trade Area (SAFTA) accord to 100 tariff lines from 614 by April 2014. On the other hand, Pakistan will have to remove restrictions on trade via the land route (Attari, Wagah ICP) and extend Most Favoured Nation (MFN) status to India by removing the ban on the remaining 1,209 products by December 2012.

One of the reasons why Pakistan hasn't been able to reciprocate India's action on trade status is down to the choice of words. The term, MFN, which means the absence of any trade barriers specific to that country,

just doesn't translate well in Urdu. Pakistan is considering the term "non-discriminatory trade access".

Meanwhile, India has conveyed time and again that it is prepared to prune the sensitive list but Pakistan once again missed the MFN deadline perhaps under pressure from its auto, pharmaceutical and farm lobbies, which fear a huge surge in imports from India once trade is opened up. In the negative list announced in 2012, of the 1,209 items, 21% belong to the auto sector. However, industry associations such as Federation of Pakistan Chambers of Commerce and Industry and India-Pakistan Chambers of Commerce and Industry are in favour of granting MFN status to India.

"Pakistan should give India the MFN status. It is very much needed in the interest of both the nations. It will help the trade volume between the two to grow to \$10 billion in three years," SM Muneer, President, India-Pakistan Chambers of Commerce and Industry had said when he led a business delegation to Indian in December 2013.

Financial Express (16 November), PTI (1 December), The Hindu (13 December) and Economic Times (18 December 2013)

13. India-RCEP

India has found allies in China and South Korea on the crucial issue of scheduling of commitments in the proposed Regional Comprehensive Economic Partnership (RCEP) agreement, where a majority of countries involved are asking for one schedule of commitments from Asean nations and treating them as one entity as opposed to New Delhi's demand for different schedules. Ever since the RCEP negotiations were launched in November 2012, India has sought differential commitments for trade in goods, services and investment for the participating countries as all of them have different markets.

RCEP is an ambitious partnership, involving ten Asean countries and six FTA partners namely India, China,

Japan, Korea, Australia and New Zealand. It is meant to be a comprehensive arrangement involving agreements in areas such as trade in goods, services and investment, economic and technical cooperation, intellectual property, competition, dispute settlement and other issues to be identified during the course of negotiations.

The first round of RCEP negotiations was held from 9 to 13 May in Brunei Darussalam. Negotiations for the RCEP FTA continued to make good progress at Round 2 in Brisbane in September. The next round will be held in Kuala Lumpur, Malaysia, from 20-24 January 2014.

Financial Express (18 November 2013)

14. India-Safta

The SAARC (South Asian Association of Regional Cooperation) nations are negotiating to reduce the sensitive list, address the non-tariff barriers and implement trade facilitation measures that include smoothening of customs procedures. The grouping includes Afghanistan, Bangladesh, Bhutan, India, Maldives, Sri Lanka, Pakistan and Nepal.

The SAFTA agreement came into force on 1 January 2006. It required the developing countries in South Asia (India, Pakistan and Sri Lanka) to bring their customs duties down to 20% in the first phase of the two year period ending in 2007 and to zero by 2016 in phases.

In 2012, India had reduced its sensitive list from 868 to 614 products, on which tariff concessions will not apply. For the least developed countries, it gave duty-free quota free access to all items barring just 25 products. India has the shortest sensitive list among these nations after Maldives. Pakistan's delay in giving MFN status to India has held up progress of the regional trade pact.

SAARC ministers have been urging further reduction of products covered in the sensitive lists under SAFTA, especially removal of the products that are actively traded or have the potential of being traded under

SAFTA. Besides goods, the South Asian countries are also negotiating SAARC Agreement on Trade in Services (SATIS) and Agreement on Promotion and Protection of Investment is under talks.

India's exports to the South Asian region grew by 13% in 2012-13 even as its overall exports dipped 1.82%. Inbound shipments from the region increased 6% last fiscal.

Economic Times (6 December 2013)

15. India-UK

Indian Prime Minister Manmohan Singh and British Prime Minister David Cameron have expressed satisfaction that trade ties between the two countries had been resilient despite the continuing global economic slowdown and difficulties in the Euro Zone. At a meeting in Kolkata on 14 November, the two leaders felt that investments on both sides had also progressed satisfactorily, official sources said.


The two Prime Ministers discussed the Bangalore-Mumbai Economic Corridor (BMEC) and were happy at the progress that had been made, sources said. The importance of the India-EU Broad Based Trade and Investment Agreement (BTIA) also came up in the discussions, sources indicated.

Meanwhile, Britain has announced its decision to drop its controversial visa bond scheme. The decision came as a major relief to Indians aspiring to either work or visit there, as the government decided not to proceed with the scheme, which entailed paying a personal cash bond of £3,000 (Rs 2.8 lakh).

Business Standard (4 November) and Business Line (14 November 2013)

16. India-US

With India among the fastest growing sources of investment into the US, the two countries have agreed to further strengthen bilateral economic ties and work towards a greater understanding of investment related issues. "Indian foreign direct investment (FDI) in the US increased from \$227 million in 2002 to almost \$5.2



billion in 2012, making India one of the fastest growing sources of investment into the US," Finance Minister P Chidambaram and his American counterpart Jack Lew said in a joint statement after the fourth annual meeting of the India-US Economic and Financial Partnership held in Washington on 13 October 2013.

"Despite a challenging global economy, US-India bilateral trade in goods and services grew from \$59.9 billion to \$92.5 billion between 2009 and 2012," the joint statement said. "Total FDI inflows from the US into India, from April 2000 to July 2013, are \$11.492 billion".

Chidambaram and Lew agreed to continue working towards a greater understanding on all investment related issues including taxation and IT enabled services, an equitable and principled resolution of ongoing tax disputes and strengthened bilateral ties in this regard, the joint statement said. The two leaders also agreed to continue to cooperate on deepening capital markets and strengthening financial regulation.

PTI (14 October 2013)

WTO DISPUTES

17. India-US: Visa

Days after Indian information technology bellwether Infosys was made to pay a hefty penalty of \$34 million (about Rs 210 crore) to the US government over a visa case, India is planning to resume the two-year old dispute with US for raising professional visa fees at the World Trade Organization's (WTO) dispute settlement body. It said the move hurt Indian IT companies and was "specifically" targeted at them. India had formally approached WTO, seeking consultations with the US on this particular case in end 2011 and the matter went on till early 2012, even as the US government raised the fee for H-1B and L-1 visas in 2010. In its complaint to the WTO, India has said the US has violated WTO rules in services trade on commercial presence and on movement of professionals.

The US is using a particular law - Public Law 111-230 (Border Security Act) - that nearly doubled skilled worker H-1B and L1 visa fee, to \$4,500 (about Rs 2.78 lakh) per applicant (from around \$2,320 (about Rs 1.43 lakh) earlier. This is applicable for any company in which foreigners are more than 50% of the US work force. In force from 13 August 2010 till 30 September 2014, the law has got extended to 2015 under the James Zadroga Act.

The funding for the \$4.2 billion James Zadroga 9/11 Health and Compensation Act is partly drawn from imposition of a two per cent tax on any foreign entity that receives a specified federal procurement payment.

Imposition of such a tax on countries which are not signatories of the WTO Government Procurement Agreement such as India may be inconsistent with US's international commitments and is discriminatory, India has said in its complaint.

Business Standard (4 November 2013)

18. India-US: Solar Energy

The US has declined to counter claims made by India that a number of US state and municipal authorities may be providing subsidies for promoting renewable energies that are illegal under global trade rules.

Last April India asked the US to explain how local content requirements under the state of Michigan's 2008 Clean, Renewable, and Efficient Energy Act (Public Act 295) and solar energy programs offered by the city of Austin, Texas, complied with Article 2 of the WTO's Trade-Related Investment Measures (TRIMs) Agreement. Article 2 of the TRIMs Agreement prohibits investment measures that are in violation of the national treatment principle of the General Agreement on Tariffs and Trade (GATT).

In a communication forwarded to WTO members in October, the US provided India with information on how Michigan's program works. However, it did not respond to India's request for an explanation of how

the local content requirements comply with Article 2 of the TRIMs Agreement. The US did note that the incentive credits in question accounted for only 0.0021% of all renewable energy credits granted by Michigan in 2012.

In regards to the Commercial Solar Photovoltaic Performance-Based Incentive Program offered by Austin Energy, a publicly owned power company and a Department of the city of Austin, the US said the incentive for use of equipment manufactured or assembled in the Austin Energy service area had been removed. But, it did not address India's concerns regarding a second program, Austin Energy's Residential Solar PV Rebate Program. India said both Austin programs offer higher rebates and higher payments for solar power generated from equipment which is at least 60% manufactured or assembled in Austin Energy's service area.

The US is also yet to address India's questions raised last April regarding similar local content requirements in the Los Angeles Department of Water and Power's Solar Photovoltaic Incentive Program, the state of California's Self Generation Incentive Program (SGIP) and solar energy incentive programs in the states of Delaware, Minnesota, Massachusetts and Connecticut. Water utilities in South Carolina, Pennsylvania, West Virginia and several New England states have been mandating domestic content for equipment use in water projects, India charges.

The matter was also raised at a meeting of the WTO's TRIMs Committee on 4 October 2013. US officials told the meeting that they were in discussion with the Los Angeles Department of Water and Power about its program and would provide more information at a later date. The officials also said they were still awaiting further clarification from India regarding its questions on the state water utilities programs.

India posed its questions regarding the US state and municipal programs after the US announced on

February 6 that it was initiating WTO dispute settlement proceedings to address what it said were illegal domestic content requirements in India's national solar energy program, the Jawaharlal Nehru National Solar Mission (JNNSM).

WTO Reporter (4 October 2013)

Also In The Press

19. WTO Bali Ministerial Conference

After four days of intense discussions and despite last-minute uncertainty, trade ministers successfully concluded the first multilateral trade agreement under the auspices of the WTO. The final outcome of the negotiations was a Trade Facilitation Agreement, along with decisions and declarations on four agricultural issues, and select development-focused provisions - including four that are specific to least developed countries.

The Bali package is also an important stepping stone towards completion of the Doha Round of multilateral trade talks that began in 2001. The Ministerial also marked the entry of Yemen into the WTO. It will be 160th Member and the 35th least developed country in the WTO.

The deal in Bali comes at a time where some in the trade community were worried that so-called mega-regionals, such as the Trans-Pacific Partnership (TPP) and the Trans-Atlantic Trade and Investment Partnership (T-TiP), were stealing the limelight from the multilateral talks at the WTO, particularly given the repeated setbacks that the Doha Round talks have faced over the past dozen years. Though Bali has been a success, the post-Bali agenda is expected to be in focus over the next few months.

WTO website (3 to 7 December), Business Standard (11 December), Bridges Weekly Trade News Digest (12 December) and Mint (13 December 2013)

Snapshots - CWS in 2013



Forthcoming Events (January - March 2014)

S.No.	Events	Partner Institution	Proposed Dates
1	Trade Talk with Prof. Thomas Cottier on "The Future of the Multilateral Trading System".	–	13 January
2	Specialized WTO Course on "Anti-Dumping, Subsidies, Safeguards, Dispute Settlement & RTAs".	ITEC, Ministry of External Affairs, GoI	20-29 January
3	Workshop on "WTO, International Trade, and the Agriculture Sector: Issues for Stakeholders in Madhya Pradesh".	RCVPNAA, Bhopal	3-5 February
4	Specialized Training Programme on "Current WTO Issues".	ITEC, Ministry of External Affairs, GoI	3-12 February
5	Interactive Workshop on "Anti-Dumping and Countervailing Duty Investigation".	FICCI & Department of Commerce, GoI	21 February
6	Specialized Training Programme on "Select WTO Issues: Agriculture, Services, TRIPS and RTAs".	ITEC, Ministry of External Affairs, GoI	24 February - 5 March

The Centre welcomes views and suggestions from readers at: E-mail: cws@iift.ac.in, Website: <http://wtocentre.iift.ac.in>

Printed and published on behalf of Centre for WTO Studies at M/s Image Print, Kirti Nagar, New Delhi- 110015.