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AHMEDABAD MANAGEMENT ASSOCIATION

"The Five Pillars of Prosperity :
Agriculture, Manufacture, Navigation,
Information Technology, Commerce"

FOREIGN TRADE Update

GoG-AMA Centre for International Trade

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Editor's Note

Prosperity follows crisis



Forest fires are a terrifying natural phenomenon. Even though they're destructive, forest fires do a lot of good. They are necessary for a healthy forest ecosystem and help in their regeneration. Large parts of Europe, especially Germany were completely destroyed during World War II. However, unprecedented prosperity followed and allowed a large section of its population to raise their standard of living and later laid the foundation for a mutually beneficial European Community. Europe, which saw two world wars has been at peace for past 75 years. Covid-19 also looks like a cyclone which will destroy everything in its path but we should have hope that the future afterwards will be one of high growth and prosperity. Exporters and entrepreneurs must utilize this period of lockdown to finetune their skills on the Google, understand the dynamics of global trade which will help discover new markets and find new value-added products to include in their portfolio. It is the time to discover the benefits of continuous and lifelong learning. Forest fires reduce much of these fallen trees to ash, which speeds up how quickly nutrients can return to the soil. These nutrients are used by future trees to nourish themselves and grow and in the same way, evolution of new mindset, knowledge and competencies will help you when covid-19 is history.

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Editor: Suhayl Abidi

Industries Commissioner's Desk

Dutch Flying car PAL-V with export potential to be built in Gujarat

Flying car-maker PAL-V of The Netherlands will set up a manufacturing plant in Gujarat and has set a target of commencing production by 2021. PAL-V stands for Personal Air Land Vehicle. A Memorandum of Understanding was signed in the presence of Gujarat Chief Minister between state Industries Principal Secretary and Carlo Maasbommel, vice president of PAL-V's international business development. Maasbommel said his company chose Gujarat for its "world class infrastructure, ease of doing business and better port and logistic facilities". He said the company had set a target of commencing commercial production by 2021, adding that cars manufactured here would also be exported, including to the United States and European nations. Explaining the details of the product, Maasbommel said, "The PAL-V flying car, having two engines, can run at a speed of 160kilometres on road and can fly at a speed of 180 kms. The car can turn into a flying vehicle in just three minutes and cover a distance of 500 km on a full tank." Already 110 orders are in hand.

Supporting International Trade through Education, Training and Research.

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Export Finance in India



In order to be competitive in markets, exporters are often expected to offer attractive credit terms to their overseas buyers. Extending such credits to foreign buyers put considerable strain on the liquidity of the exporting firms. Besides, there is considerable elapse of time before exporter gets payment. Meanwhile, he has to obtain raw materials and pay for conversion to finished goods, store in warehouse till the goods gets shipped out. Shipping longer distances also increases the risk of damage, adding to insurance costs. In an international trade transaction, the exporter faces the risk that the importer might default, and the importer faces the risk that the exporter might fail to meet the product quality specifications set out in the contract. Such risks and costs are further heightened in light of the fact that international trade involves partners located in different countries with different jurisdictions. This makes conflicts both harder and more costly to resolve. Therefore, it is extremely important to make adequate trade finances available to the exporters from external sources at competitive terms during the pre and post-shipment stage.

Financing/payment terms in international trade fall under three broad categories. Under open account (OA)terms, goods are shipped and delivered before a payment is made by the importer. Under cash-in-advance(CIA) terms, the payment is received before the ownership of the goods is transferred. If a transaction is on letter of credit (LC) terms, the importer's bank commits to make the payment to the exporter upon the verification of the fulfilment of the terms and conditions stated in the LC. The relative risk associated with each financing term is an important determinant of the choice of financing terms. The availability of trade finance on internationally competitive terms is one of the most important constraints faced by SMEs in India.

In India, the structural framework for extending trade finance is made up of following institutions:

1. Reserve Bank of India - Ensuring through conduct of monetary policy, adequate liquidity for financing exports; Administering interest rates / interest equalization schemes.
2. Commercial Banks - Providing short term finance for exports typically up to 6 months/ 12 months
3. Exim Bank-Providing medium and long-term finance for exports typically: 1 year – 15years
4. Export Credit & Guarantee Corporation- Providing export credit insurance to exporters, guarantees to banks.

Exporters had lower risk exposures before 1990s, with limited buyer and country risks, given that overwhelming share of exports were mainly destined to Europe and the United States. However, theworld dynamics have changed since the 1990s and exporters now require more export finance products, including credit insurance and guarantees. Time has shown that the impact of export promotion is not as much as the impact of the risk mitigating instruments. Export finance can broadly be classified:

a) Pre-shipment Finance: This includes (i) packing Credit, and (ii) Advance against receivables from the Government like duty back, international price reimbursement scheme (IPRS) etc.

b) Post-shipment Finance: This consists of (i) Negotiation of export documents under letters of credit, (ii)Purchase/discount of export documents, (iii) Advance against bills sent on collection basis, (iv) Advance against exports on consignment basis, (v) Advance against indrawn balances, and (vi) Advance against receivables form the Government like duty draw back etc.

Export credit insurance is a financial instrument whereby exporters insure themselves directly against the risk of buyers' default. The insurer reimburses the firm in case of non-payment. An export credit guarantee provides a guarantee to banks or other financial institutions that are willing to lend either to the exporting or the importing firm. The guarantor takes responsibility for a financial obligation if the primary liable borrower fails to perform. It is common to distinguish short-term and medium to long-term export credit insurance. Medium to long-term insurance is typically used for large transactions such as those related tocapital goods, large machinery and turn-key plants.

ECGC Ltd. (Formerly Export Credit Guarantee Corporation of India Ltd.), wholly owned by Government of India, was set up in 1957 with the objective of promoting exports from the country



by providing Credit Risk Insurance and related services for exports. Over the years it has designed different export credit risk insurance products to suit the requirements of Indian exporters and commercial banks extending export credit.

ECGC keeps its premium rates at the optimal level. ECGC discharges following functions;(a) provides a range of credit risk insurance covers to exporters against loss in export of goods and services; (b) offers Export Credit Insurance covers to banks and financial institutions to enable exporters to obtain better facilities from them; (c) provides Overseas Investment Insurance to Indian companies investing in joint ventures abroad in the form of equity or loan. Besides, it provides a host of other ancillary functions which include guidance in export related activities, makes it easy for exporters availing insurance cover toget finance from financial institutions and provides information on credit worthiness of overseas buyers.

New private sector fintech entities have entered to provide export credit requirements of exporters. These are bill discounting firms such as Drip Capital and Prima Dollar. They provide collateral-free working capital by bill discounting or invoice discounting in a paperless business environment. They also extend the use of advanced analytics and market-insight tools to make their clients more competitive.

The MSME credit gap in India is huge but very little attention is paid to trade finance. Given the dynamics of international trade, exporters often find themselves in a tricky situation as the working capital is out of the business system for at least 30-45 days. This has a direct impact on the business cycle. In fact, as per the Asian Development Bank (ADB), there's a $1.5-trillion gap between demand and supply of trade finance across the globe wherein 50 per cent of this arises from developing countries in Asia while 70 per cent is contributed by MSMEs.

An Indian exporter typically faces stretched working capital cycles in case of delayed shipments, refunds of GST input tax credits and export incentives. Fintech lenders can service exporters across the country and ticket sizes via unique product suites to provide financing against these receivables with the help of their unique data mining capabilities, surrogate credit assessments, agility and geographical reach.

Furthermore, alternative lenders may also find opportunities in emergency funding for pre-shipments i.e. for manufacturing / purchasing the goods, to the exporters to about a fixed percentage of their cash credit, if available with the exporter, or basis past track record of the receipts from the respective buyers.

Exporters should be aware of and make use of the emerging sources of finance to fund their various needs.

GoG-AMA Centre for International Trade

TRAINING SESSIONS FOR BEGINNERS

Starting an Export Business

10 Evenings- 7.00 to 8.00 p.m. through Zoom

From Monday, June 8 to June 19, 2020 (Monday to Friday)

Content: Basics on how, what, where, why to exports & how to start; Exports Procedures and Documentation; Understanding ICD/CFS /Port/ warehouse, Types of containers & loading/stuffing techniques; How to find buyers for your export business?; Costing pricing & using the right Inco terms; Understanding Imports, Procedures and Letter of Credits; Packaging & Palletisation technique; Understanding the Role of shipping lines and LCL consolidators; Basics on how to ship Dangerous Goods; Importance of Logistics and Transportation; How to choose the carrier for your export/import goods?; How to save the cost & techniques used in international Trade?; What you should know about Odd dimension goods and how they can be shipped by Air or Sea mode; Understanding Breakbulk & Bulk cargo and Vessel chartering

Faculty: Ms. Manisha Thaker, Vice President, Trialliance Global Solutions India Pvt Ltd. & Export-Import Faculty**.** She has over 20 years' experience in Logistics and freight forwarding and shipping.

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Profile of
Ghana



Economic growth is projected to increase to 7.6% in 2019. Non-oil growth is expected to accelerate to 6% as the government's new policies in the agriculture sector and the promotion of agribusiness begin to take effect. Inflation is expected to remain within the Central Bank's target range of 6-10% over the medium term.

But it's not just Ghana's resources that are driving the economic uptick. Under a stable democracy, government initiatives to formalize the economy and introduce a more favorable taxation structure are starting to bear fruit, the IMF says. Its once floundering manufacturing industry is also being helped through policies aimed at diversifying the economy and preventing an over-reliance on the commodity markets. PwC's Global Economy Watch for 2018 also predicts that eight of the ten fastest growing countries in 2018 could be in Africa, with Ghana leading the charge. The report says the country's predicted growth will be higher than China's.

The government has made plans to diversify the economy away from commodities, with plans for a factory in every one of the nation's 216 districts. The Ghana Investment Promotion Centre (GIPC), says it is hoping to double investment in the agricultural sector to help increase non-traditional export in 2019. According to the Centre, the agricultural sector was able to rake in 591 million dollars export in 2018, a figure it seeks to increase in 2019.

In addition to the contribution from hydrocarbons, exports should also benefit from the opening of the country's first gold refinery, scheduled for mid-2019. Manufacturing industries are expected to contribute to the expansion too, supported by public investments through the One District, One Factory programme and improved electricity supply. Meanwhile, the construction sector should also contribute to the growth of the secondary sector through increased public investment in infrastructure, including the transport network.

While agriculture is set to continue to grow, difficulties in the cocoa sector are likely to persist, with international prices remaining relatively low and the fight against Cacao swollen-shoot virus (CSSV) expected to continue. Forestry activities will play a part in primary sector growth. Domestic consumption, boosted by the increase in the minimum wage, should continue to fuel growth in services: ICT, trade, as well as education and health should thus keep expanding briskly. However, inflation – which is flirting with the top end of the Bank of Ghana's target range (between 6% and 10%) – could eat away at the contributions from these consumption-dependent sectors. In addition, while non-performing loans remain high, the fragile local banking sector is expected to continue to drive service growth down.

Highlights:

- Fastest growing economy in the world in 2019
- Stable, democratic nation
- English widely spoken in business & government
- World's largest cocoa producer
- Oil discovered. New source of revenue
- One of the largest producers of gold

Ghana economy is driven by exports of gold, crude and cocoa and their rising prices. The overall export growth has been 58% since 2016.India can substantially increase export to Ghana which today stands at 6% of Ghana's total imports. Products like vehicles & parts (especially 2 & 3 wheelers), ceramics, machinery & electrical equipment, plastic goods, building materials, cereals. As a newly industrializing country required many types of intermediate products such as those material supporting textile production, processed food, agricultural inputs etc.

There is also a demand for services exports such as English language Teaching institutes, vocational institutes as well as those for information technology. Further exports sectors are ERP software for small businesses, banking & fintech, HR and other type of software for its newly developing industries.

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Chhatrapati Shivaji Maharaj International Airport (CSMIA) inaugurates the World's Largest and Fully AutomatedExport Cold Zone: GVK Mumbai International



Airport Limited (MIAL) managing the Chhatrapati Shivaji Maharaj International Airport (CSMIA) announces launch of the World's Largest Airport-based temperature-controlled facility – Export Cold Zone.

The state-of-the-art terminal encompasses unique facilities for the processing and storage of Agro and Pharma products. CSMIA is the largest gateway for Pharma & Agro products in India. Operated by its business partner "Cargo Service Centre (CSC)", the leading cargo handling service provider in India, having a combination of operational excellence and domain expertise is committed to ensure seamless handling.

The facility can hold over 700 tonnes at one-time with a combined annual throughput of 5,25,000 tonnes. The fully automated infrastructure caters to the ever-burgeoning demand for pharmaceutical and agricultural goods. The Export Cold Zone is equipped with Truck docks with dock-levellers, Spacious acceptance & examination area, Automated work stations, X-Ray machines, ULD storage, Ballmat system for ULD transfer and Cold rooms.

Understanding the rapidly changing climatic changes and compliance requirements, GVK MIAL has ensured that the Pharma Excellence Centre offers an optimal temperature-controlled solution to Export Pharma products and enables advance technology to expedite handling and quick aircraft connection for transit Pharma. The state-of-the-art facility handling both active and passive temperature-controlled Pharma movements, offer customer specific solutions, end-to-end integrated digital systems and has a team of experienced, dedicated and well-trained staff.

Furthermore, GVK MIAL, a strategic member for Pharma. Aero, recognize the criticality of life-saving drugs, hence introduced an indigenous temperature-controlled transport solution "Cooltainer" for pharmaceutical products on the airport tarmac region in December 2019. The Cooltainer, world's largest cold chain solution on the airport tarmac can accommodate two main-deck or two lower-deck pallets or a combination of both offering temperature range of +15°C to +25°C or +2°C to +8°C as per product requirement. GVK MIAL is the first airport in India and third in Asia to obtain

"IATA CEIV Pharma" accreditation, a global industry recognition supporting the air transport industry and is in full compliance with the pharmaceutical manufacturers requirements. As a leading airport in terms of e-freight and Pharma developments, GVK MIAL aims to cement Mumbai Airport's foothold further in air freight supply chain capitalizing on all the business opportunities. MIAL is creating a comprehensive digital and temperature corridor between Mumbai and CEIV certified airports powered by GMAX, according to a release.

Gujarat Export Sectors

From importer to exporter of French fries: India used to import 6,000 metric tonnes of french fries in 2007. However, the country managed to export around 30,000 metric tonnes (MT) of frozen potatoes in 2019 with fries accounting for 95% of the total exports.

Though Gujarat harvests merely 7.42% of the country's potato production, the state has singularly catapulted India to becoming a french fries exporter from being an importer in just over a decade.

India started exporting french fries in 2015 with annual exports standing at 5,000 MT. Gujarat has been the key driver of frozen potato products exports from India because the state houses the processing plants of three companies – McCain Foods, Iscon Balaji Foods and HyFun Foods – which produce frozen potato products and export them.

Rising global demand, especially from those Asian countries which do not grow potatoes, coupled with concentrated efforts for contract farming has helped India to be an exporter of french fries. Asian countries except India, China and Pakistan do not cultivate potatoes. India is adding more processing capacity and may take lead in frozen potato snacks

Industry experts peg the global market size for frozen potato products at 15 million metric tonnes, against which the total market size in India is 75,000 metric tonnes as of 2019. Of this, merely 40% is exported. Gujarat produced 40 lakh MT of potatoes in 2018-19 as against India's potato output of 520 lakh MT. The state accounted for 1 lakh MT of India's total potato exports of 3.80 MT. Market experts predict that India can also emerge as a leader for frozen potato snacks to Asian countries – which are currently dependent on Europe and the US for import of french fries.

This clearly shows that Gujarat has great potential in export of value-added processed food and there are other products such as groundnut, pomegranate and papaya which can benefit from the attention of State entrepreneurs.



- **Merchandise exports rises 2.9% in February despite pandemic threat:** After contracting for six consecutive months, India's merchandise exports turned positive in February, along with merchandise imports, even as the Covid-19 pandemic threatens to derail the recovery process. Data released by the commerce ministry on Friday showed exports grew 2.9%, while imports picked up 2.5% during the month, leading to a lower trade deficit at $9.8 billion. Out of the 30 major items, each, in India's export and import baskets, 16 export items and 14 imported goods witnessed expansion. While exports of pharmaceuticals (8.33%), chemicals (16.3%), engineering goods (8.7%), electronic goods (37%), petroleum (10.1%) picked up in February, shipments of gems and jewellery (-20.1%) and ready-made garments (-4.5%) contracted.
- **Cabinet approves RODTEP scheme to reimburse taxes, duties paid by exporters:** The Union Cabinet recently approved the Remission of Duties or Taxes on Export Products (RoDTEP), a scheme for exporters to reimburse taxes and duties paid by them such as value added tax, coal cess, manditax, electricity duties and fuel used for transportation, which are not getting exempted or refunded under any other existing mechanism.
- **Exports head towards contraction as orders from US, Europe vanish:** After sudden growth in February, exports are fast heading towards a lengthy period of contraction as buyers cancel major shipments in foreign-exchange (forex) earning sectors, fear exporters. "We expect contraction in March. With major economies continuing to see sharp rise in cases, the cumulative fall in demand would spill over into April, causing a bigger contraction," Ajay Sahai, director general of the Federation of Indian Export Organisations, said. A string of order cancellations by major clients in the US and Europe — two major centres of the corona virus outbreak — is expected to massively hit sectors like engineering goods and apparel. More than 40 per cent of India's engineering exports land up in both markets, while Indian apparel is already under threat from cheaper Bangladeshi and Vietnamese alternatives in their primary export destination of Europe.
- **Gems and jewellery exports expected to witness a sharp decline in Q1FY21:** The gems and jewellery exports are expected to witness a sharp decline in March as well as in the first quarter of the next fiscal due to disruptions caused by the Corona virus outbreak, according to a report. An industry that is largely trade-oriented and attracts over 5,000 exhibitors and 1,00,000 buyers at various trade fairs has witnessed a continuous decline in exports in all of the 11 months of FY20, with February 2020 being a major disappointment, CARE Ratings said in a report. A 41 per cent annual decline in cut and polished diamond exports led to a cumulative export fall of 19 per cent year-on-year for the overall gems and jewellery industry in February 2020, it added.
- **Govt extends foreign trade policy, other export benefits for one year:** The government on Tuesday extended the existing Foreign Trade Policy 2015-20, including fiscal incentives for goods' exports by one year till March 2021, amid the coronavirus outbreak and the lockdown to contain the virus spread. Currently, tax benefits are provided under the Merchandise Export from India Scheme for goods and the Services Export from India Scheme).
- **Labour-Driven Export Sectors Run for Cover:** The country's labour-intensive export sectors such as leather, textiles, gems and jewellery, carpets and handicrafts have borne the brunt of the Covid-19 pandemic with orders getting cancelled, shipments delayed indefinitely, payments missed and consignments stuck at ports. According to sectoral estimates, about Rs.7,600 crore of leather export orders have been cancelled, Rs.2,000 crore carpet orders are stuck and handicraft sector losses are seen at Rs.8,000 crore."Around 30% of orders of labour-intensive sectors have got cancelled," said Ajay Sahai, director general of FIEO.
- **As buyers stock up, exports of cereals, processed food, spices spike:** India's exports of essential food items such as rice, wheat and pulses as well as processed food and spices have seen a surge in March, with the Covid-19 outbreak prompting people across the globe to stock up, according to the Trade

Contd. on next page

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Promotion Council of India (TPCI).The sharp increase in demand for food, however, may be followed by a slump after about three months, at least in smaller markets such as Hong Kong, as consumers may have enough supplies and may not have to make fresh purchases for some time. Buyers in almost all markets, including the EU, the US, Australia, New Zealand, Israel, Palestine and Egypt are increasing their orders as people stock up.

- **Active on API at last, won't work till DPCO scrapped:** The government has announced a very attractive scheme for the increased manufacturing of APIs within India. Given the scheme looks at a base year of FY20 for incentives on the basis of incremental sales, it would likely attract big pharma players. But, that is only if the government does away with its price-capping policy; the scope of the Drug Pricing Control Order has been increasing over time, despite India having one of the cheapest drug prices in the world. This has forced drugmakers to cut costs, and favour cheap Chinese API over locally-made ones. Interestingly, the governemnt's 2017 draft pharmaceutical policy seemed to acknowledge this when it said, "the Drug Price (Display & Control) Order 1966 put 18 APIs (raw materials) under price control...(and) from 1996... imported APIs and intermediates started becoming hugely lucrative as a price cap on drugs forced the manufacturers ... to obtain the cheapest raw material with the basic minimum efficacy/quality".
- **Imports dip 16%, exports 8% till 19th:** India's imports have declined nearly 16% to $23 billion during March 1-19, while exports dropped8.2% to $16.3 billion during this period, data accessed by TOI showed. Of the 30 major sectors tracked by the government, three sectors — petroleum (down 13.5%), where prices have crashed, precious & semiprecious stones (46% lower) and gold (45.5% fall) —accounted for two-thirds of the decrease.

GUJARAT TRADE NEWS

- **Gold industry steering committee to plan international bullion exchange in Gujarat:** A gold industry committee met at financial hub GIFT City last week along with World Gold Council members, jewellers' associations, banks, and international vaulting service providers among others, the Press Trust of India reported. The meeting concluded with the decision that the steering committee will produce a plan of how to successfully implement the proposed international bullion exchange at GIFT City and integrate it into the area's financial ecosystem."International bullion exchange is an important element of a vibrant financial hub," said GIFT City's managing director and group CEO Tapan Ray, the Press Trust of India reported. The international bullion exchange in GIFT City was sanctioned in the Union Budget presented on February 1, 2020. The exchange will be designed to ameliorate gold price discovery, create employment opportunities in the region, and improve India's position in the global gold market. The World Gold Council's managing director, Somasundaram P R, described the plan to set up a bullion trading system in GIFT City as a "game changer," the Gem and Jewellery Export Promotion Council reported.
- **Gujarat: Coronavirus clouds castor oil exports to Europe:** While disruptions of castor oil shipments to China have eased, its export to Europe is now threatened with the continent in the grip of the novel coronavirus (Covid-19). Europe is the second largest importer of castor oil from India after China."European buyers want castor oil dispatches to be delayed due to theCovid-19 outbreak. Demand from Europe has also been affected," said a member of the Solvent Extractors' Association of India. Europe accounts for 30-35% of castor oil exports from India, while China makes up 40%. India's castor oil exports stood at 5.71lakh metric tonnes in the last fiscal. Most of this goes from Gujarat, as the state is the largest producer and exporter of castor oil

Job Announcements on AMA Notice Board

Ahmedabad Management Association (AMA) has been making its Notice Board available for announcement of Job Openings in various companies since a number of years now, acting as a facilitator for both the employment providers and employment seekers. This facility of displaying the Job Opening is made available free of cost and the sole motive is employment generation.

The Job provider gets to announce his /her vacancy in varied field at no cost.

The vast majority of AMA facility users get to view these advertisements and explore these opportunities thus getting the right candidates in the right fit - creating employment.

The posting would be for a fixed duration of 15 days and would be removed automatically thereafter unless the organization request for a re-posting.

AMA's role would be limited to posting of the vacancy for viewers at AMA Complex.

- **Smartphone companies warn India of looming WTO probe into duty format:** Smartphone makers including Apple and Lava have told the government that India's $28 billion handset manufacturing industry faces a looming threat posed by an EU request for a WTO panel to probe the country's high basic customs duty on high-end smartphones. "If India loses the case, not only will it have a devastating effect on tariffs of high-end phones, but in fact the entire range of mobile handsets manufactured in India," Pankaj Mohindroo, chairman of the Indian Cellular & Electronic Association (ICEA), said in a letter to revenue secretary Ajay Bhushan Pandey, electronics and information technology secretary Ajay Sawhney and commerce secretary Anup Wadhawan. ICEA represents Apple, Foxconn, Flextronics and other device and electronic manufacturers. The government has set a target of $110 billion for exports of smartphones from India by 2025 from the current $3 billion.
- **India under no obligation to implement WTO's dispute panel recommendations on export schemes: Goyal:** India is under no obligation to implement the recommendations of the WTO's dispute panel on its export promotion schemes, which was challenged by the US, as New Delhi has appealed against that order at the higher level, Parliament was informed on Wednesday. A dispute settlement panel of World Trade Organization (WTO) in its report issued to members on 31 October 2019 has ruled that India's export-related schemes (including SEZ scheme) are in the nature of prohibited subsidies under the Agreement on Subsidies and Countervailing Measures and are inconsistent with WTO norms. The panel has given a time-frame of 180 days for withdrawal of Special Economic Zone (SEZ) scheme. India has appealed at the WTO's appellate body against this ruling. "Due to non-functioning of appellate body (of the WTO's dispute settle mechanism), the appeal has been kept in suspension. Till the appeal is disposed of, India is under no obligation to implement the recommendations of panel.
- **India submits 'flexible' proposal on fisheries sops at WTO:** New Delhi's approach offers hope that talks could conclude by June this year Showing flexibility, India has submitted a fresh proposal on capping fisheries subsidies at the World Trade Organisation (WTO). The approach also signals a move away from its earlier demand seeking exemption for all developing countries from the prohibition of subsidies to vessels. As per the revised proposal, large-scale industrial fishing vessels and larger developing countries meeting criteria such as per capita gross national income of over $5000 may not be exempted from the prohibition. At a recent meeting on fisheries, India stated that its revised proposal shows flexibility to move forward and conclude negotiations by June this year.
- **EU Joins 15 Nations to Forge End-Run Around Trump's WTO Block:** The European Union and a group of 15 nations that includes China and Brazil agreed Friday to settle their trade disputes using an appeal and arbitration system at the World Trade Organization. The development comes three months after the Trump administration precipitated the paralysis of the WTO appellate body — which acted as a sort of supreme court for trade — by blocking all nominees to the seven-member panel. The EU-led accord provides a legal structure for nations to appeal their disputes to a panel of three trade experts who apply the same procedures of the appellate body to reach a final judgement.

Promising Indian Exports Post COVID19
Online Talks on Zoom Videoconferencing Platform

International trade has taken a big setback due to global pandemic covid19. India's exports have also declined in the last quarter substantially. However, we have to look at the future with confidence. How will the Indian exports recover and which sectors are likely to take a lead in recovery of exports? A series of following programs will throw light on promising sectors and regions where early recovery is likely to take place in the post covid era.

Date	Time	Title
Sat.30 May 2020	11am– 12 noon	Agro Health Products
Sat. 06June2020	11am – 12 noon	International eCommerce
Sat.13 June 2020	11am – 12 noon	China
Sat. 20 June 2020	11am – 12 noon	Specialty Chemicals

The talks will be delivered by **Mr. Suhayl Abidi,** Research Advisor, GoG-AMA Centre of International Trade & Editor, Foreign Trade Update

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