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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

India on road to be engine of Global Trade: Standard Chartered report

The business reforms over the last few years along with large population and robust growth make India the upcoming future giant in the Global trade, a report said. The potential for the individual markets to increase their trade growth is particularly high in Asia with nine of the Trade20 economies located in this region, Standard Chartered said in a report.

"Policy improvements and the Government's focus on promoting the Country as a manufacturing hub are clearly paying off. We expect to see higher investments flowing into India, which will ultimately result in increased domestic and cross-border trade," Ricky Kaura, Head of Transaction Banking, East, Standard Chartered said.

José Viñals, Group Chairman, Standard Chartered: "The Trade20 index points towards the strong potential of a number of markets outside the China-US-Europe trade axis. With rising protectionism casting a shadow over the future of world trade, it is encouraging that many emerging markets are still improving their trade growth potential for the medium term, forging new



regional trade deals to make this happen. "Markets that are demonstrating the most impressive pace of progress may represent interesting opportunities for corporate seeking new investment, import and supply chain partners. With healthy trade fundamental to economic growth and prosperity, the Trade20 represent the rising stars of global trade: Those with the greatest potential for future trade growth."

The complete report can be downloaded at: https://av.sc.com/corp-en/content/docs/trade20-report.pdf

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Editor: **Suhayl Abidi**

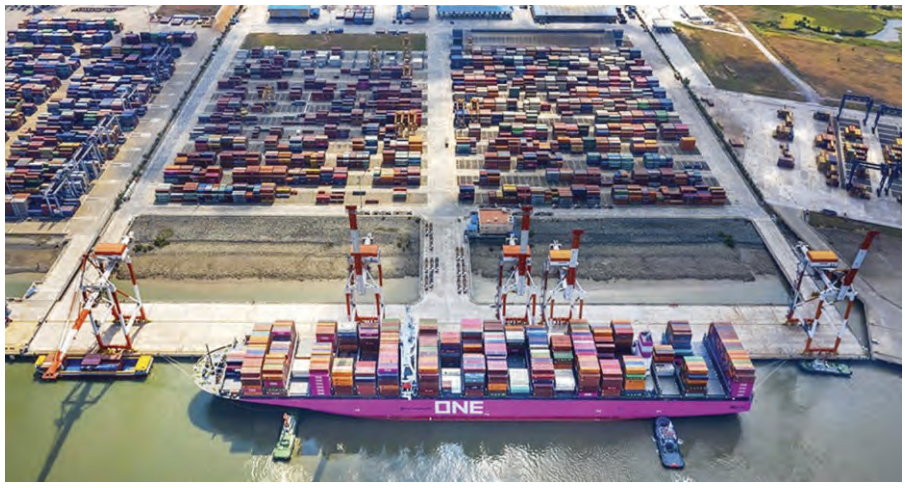
Industries Commissioner's Desk

Gujarat Govt announces New Port Policy

The Government of Gujarat announced a new Port Policy, mainly benefiting the existing and future players of captive jetties and other players. Highlights of new policy: 32 existing captive jetty permitted are now allowed to handle third party cargo; Existing captive jetty permitted will be able to increase the facilities for cargo handling, expansion and modernization and invest more for that; Group companies will also be allowed to handle cargo. Present captive jetty companies and terminal companies will be able to handle cargo of group company on jetty. Captive jetty holder will be able to handle cargo of other companies by paying double wharfage charges; Gujarat Maritime Board (GMB) will issue EoI (Expression of Interest) to invite participation of businesses in port sector for which minimum investment required shall be Rs. 300 crore and minimum port capacity created should be 5 million mt.; New entrant's jetty location must be minimum 3 km away from existing jetty and also outside the limit of private port, announced by State Govt. In case of strategic ports of Dahej and Hazira, this minimum distance required shall be 1 km.

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Vietnam Model of Exports



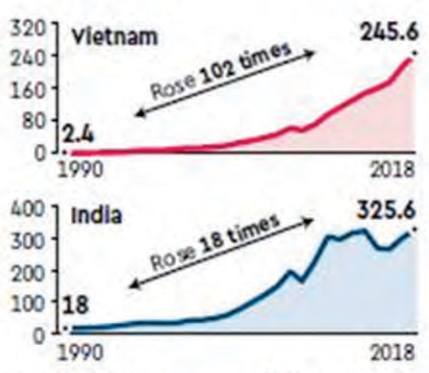
Vietnam area is 1/10th of India and 1/12th of population. However, as a result of sustained growth, Vietnam's exports, which were a mere 6% of India's in 1960 and 13% in 1990, managed to reach 34% in 2000 and 75% in 2018. At this rate, within a few years, they could even outstrip India. How this small country has reached such heights. Vietnam, which is rapidly emerging as an export powerhouse, taking up the slack in markets being vacated by China, managed to grow by a whopping 13% per year, from $150.2 bn in 2014 to $245.6 bn in 2018.When China started vacating the market for textiles and moved on to higher-value exports, it was countries like Vietnam and Bangladesh that made the most of this and, today, when big electronics producers—including those producing mobile phones—want to de-risk and move part of their production out of China, it is once again Vietnam that is looking to take away the bulk of this.

The way that Vietnam has achieved this has been to aggressively liberalise its economy by lowering tariffs as well as attracting foreign investments; in 1995, Vietnam joined the Asean free trade area, it signed an FTA with the US in 2000 and in 2018, it joined the Trans-Pacific Partnership (although without the US). Today, Vietnam has FTAs with 26 countries including EU, compared with India's 42 FTA and Preferential Trade Agreements. However, India does not have any FTA with its major trade partners such as US with 16% bilateral trade, Eu with 12%, UAE 9% and China 5.1%.

Today, Vietnam's tax levels are amongst the lowest in the world and, as several top electronics companies with manufacturing/export bases there will testify, it is willing to go more than the extra mile to ensure investors get what they want in terms of infrastructure etc. Indeed, in 2018, data from the Vietnam government website says that 71% of exports took place in what is called the "FDI sector"; that is, by global firms setting up shop in Vietnam.

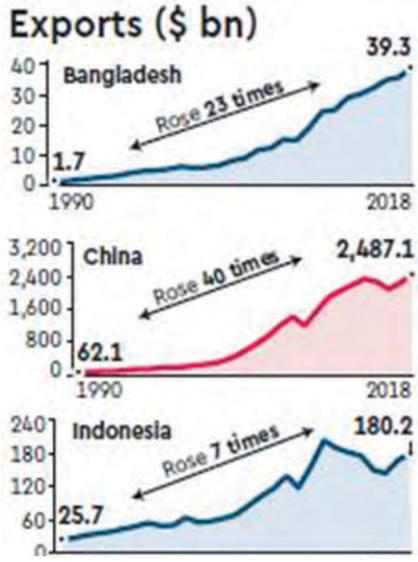
As a result of this, in 2010, textiles and shoe exports comprised 22% of Vietnam's exports; traditional exports like sea food, rice, crude oil, rubber and wood comprised 26% of the total, while electronics was a mere four percent. In 2018, the share of textiles and shoes were down a bit to 19%, that of traditional exports was down to 10%, while electronics including mobile phones was up to a third.

Given the tremendous opportunity posed by the US-China trade fight and the fact that top producers want to de-risk their operations—60% of the $300 bn market in global exports of smart-phones take place from China—this is a great opportunity for India. But Vietnam has stolen a march over India and already accounts for over 10% of global exports of mobile phones while India's exports are miniscule; though Vietnam's production of mobile phones was around a fourth that of India as late as in 2010, the production levels are almost the same today though the per unit price of Vietnamese phones is much higher.



Textile/shoes ($ bn)	2010	2018	Electronics* 2010	2018
India	4.9	33.1	1.6	8.1
Vietnam	16.3	46.7	3.6	79.5

*Including mobiles



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Since the bulk of the smart-phone exports are made by four or five companies—Apple and Samsung alone account for around 60% of all smart-phone sales across the world—India's best bet is to ensure that they relocate as much of their operations as possible from China. Right now, since mobile phones are 'assembled', and not really 'manufactured' in India, even as phone production rose, imports are rising to alarming levels; in the next 5-6 years, these could be India's second-largest imports.

Comparison of cashew production, yield and exports offers another window into Vietnam's aggressive export policy. India's monopoly on cashew exports was challenged by Vietnam in the 1990s (and other countries in Africa). Vietnam introduced mechanisation which reduced processing costs. India dithered, with the result, many Indian exporters set up bases in Vietnam and West African countries for direct export to Western markets. Today, Indian costs are 30% higher than Vietnam and 90% of factories in Kerala have closed down and our cashew exports are dipping for the past several years. Today, Vietnam is the top exporter of cashew nutswith a value of $2.69bn.while India's exports are $1.14bn.

In a statement, made in 2018, Vietnam Textile & Apparel Association chairman said the heat of competition is from China, Bangladesh, Sri Lanka and even Myanmar. The country not mentioned was India. Loss of garments markets is one of missed opportunities for India and our large employment in this sector is at tremendous risk. It was slow to undertake economic reforms, especially labour reforms, demonetisation and GST reduced, if not killed the informal economy which was an essential part of the textile & garments value chain, bringing exporters within the GST regime and slow release of refunds much reduced the working capital of exporters, we are slow to sign key Free Trade Agreements with key markets, high logistics costs and a host of other causes. To help exporters, the government did increase the MEIS subsidy but the irony is that even with the increase in subsidy, we could not stop the slide.

In 2014, the trade policy announced by the Union commerce minister envisaged total exports worth $900 billion by 2020. That looks almost impossible, unless exports grow by 40% per annum from now on. Incidentally, even services exports show zero growth over the past four years. Even today, the ministers and other policy makers talk of value addition but at the ground level there is little action. We have not even realised the big US$100 bn. Cross-border. All stakeholders must realise that markets and job once lost, whether cashew or garments cannot be reversed.

Write to us

Please write to us at ama@amaindia.org for feedback, suggestions, comments etc. This will help us in tailoring our offering to meet your knowledge needs in international trade.



Group Photo of participants "Comprehensive Programme on Export-Import Management" with Faculty Mr. K. Rajasekaran

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.

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Profile of
Ivory Coast (Cote d'Ivorie)



Ivory coast, located on the western coast of Africa is a French speaking country which is a member of the Economic Community of West African States (ECOWAS) which has fifteen members. It is also a member of Customs Union of French speaking countries of West Africa known as UEMOA (Western African Economic & Monetary Union). These memberships provide a large regional market for exports. Ivory Coast has also signed the African Continental Free Trade Agreement which is an Economic Community of the entire African continent.

The country is strengthening its political stability with a notable increase in democratic institutions. It has rich natural resources (hydrocarbons, ores) and very fertile agriculture climate with coffee, sugar and especially cocoa, of which the country is the largest producer in the world. Monetary stability largely due to its membership in the West African Economic and Monetary Union and the CFA franc zone. Low interest rates make access to capital easy and the government has shown willingness to improve the business climate.

The National Plan of Development (PND 2016-2020) focuses on the diversification from primary raw materials to development of value chain such as from export of logs to manufacture of plywood, veneer and furniture and from raw cocoa to chocolate and other products, It is looking for private investment through connected country in West Africa with 6.3mn internet/26 mn. pop. And 53.9% mobile users. Can become a future hub of regional e-comm business with Jumia, Wasiri, Sigata, and Kaymu.

Highlights:

- Religious & ethnic harmony for 30 years
- 2012 armed rebellion between Muslim north & Christian South
- 2013-return to stability
- World's largest exporter of cocoa
- Pop-24.3 mn. per capita $1880
- GDP growth 7.3% in 2018. Will continue around 7% till 2020
- One of 20 global markets with highest potential in international trade (Standard Chartered)
- Access to large regional market of 350mn.

The principal imports are food, agro inputs, auto (2W & 4W)& parts. The import of auto & parts increased from US$100mn. in 2017 to US$350mn. in 2018. Other items are construction materials & accessories, plastic goods & pharmaceuticals. It is also a centre of IT Services. It is the most

Ashok Leyland has opened a Regional HQ for Service, Spares and Training. It has recently received order for 3600 heavy vehicles. Tata Motors has also received order for 1000 vehicles. Several Indian pharmaceutical companies have opened Regional Offices.

GoG-AMA Centre for International Trade

USEFUL TRAINING PROGRAMMES

Day/ Date	Time	Topic
Fri., Sat., Sun. Oct. 18, 19 & 20	9.30 a.m. to 5.00 p.m.	Certificate Programme on International Marketing
Mon. to Sat. Oct. 21 to Nov. 23	8.00 a.m. to 10.00 a.m.	Certificate Programme on Exports and Imports
Tuesday, Oct. 22	9.30 a.m. ot 5.00 p.m.	Export Finance Schemes
Five (5) Sundays Nov. 10 to Dec. 8	9.30 a.m. to 5.00 p.m.	Diploma programme on Shipping and Logistics
Sat., Nov. 16	10.00 a.m. to 1.00 p.m.	Doing Business in European Markets
Friday, Nov. 22	10.00 a.m. to 12.30 p.m.	Trade & Investment Opportunities Morocco, Tunisia & Algeria
Friday, Nov. 22	5.30 p.m. to 8.00 p.m.	Selling on Global eCommerce Marketplace
Sat., Nov. 23	9.30 a.m. to 5.00 p.m.	Foreign Exhcnage Markets, Exchange Rates and Risk Management
5 days, Nov. 23-24, 29-30, December 8	9.30 a.m. to 5.00 p.m.	Sourcing International Trade Information

For Regn., Pl. Contact: AMA, AMA Complex, Dr. Vikram Sarabhai Marg, Ahmedabad-15.
Phone: 079-26308601-2-3-4-5 **Mobile:** 9537407187, 7069940917, 7203030990
Fax : 079-26305692 **Email:** ama@amaindia.org • **Website:** www.amaindia.org

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- **Transporting perishables long distance through temperature-controlled containers :** Many products which require to be stored under certain designated temperature ranges are often sent out from India by air cargo. These are pharmaceuticals and fruits & vegetables. Air cargo is costly by 60-100% compared to ocean borne cargo. Exporters can consider sending out such items in temperature-controlled containers called reefers with real-time temperature monitoring sensors and devices.

During the 2019 mango season, Maersk shipping line used new container technology to ship 200 tonnes of mango from India to United Kingdom. Till today, due to long distances involved, perishables cound not be sent long-distance by sea freight. Bombay Exports shipped 21 tonnes of Kesar and Badami mangoes through Maersk's reefer containers, which use the advanced Remote Container Management (RCM) technology. RCM leverages cold-chain technology to provide full visibility into the conditions of the refrigerated cargo during transit. The Controlled Atmosphere (CA) container helps extend the shelf-life of fruits and vegetables by slowing down the ripening process. With this offering, Maersk has opened new possibilities in shipping perishable goods which otherwise requires faster, yet more expensive, air freight solutions.

Commenting on this achievement, Steve Felder, MD, Maersk (South Asia), said: "Due to difficulties in air freight, close to 200 tonnes of fruits and other perishables are impacted every week, leading to a huge loss of the produce. That's



not all. There is a huge demand for mangoes in the European market and prices are lucrative. We helped the exporter leverage our technology."

"Through this shipment, we were also able to strengthen our relationship with government bodies such as the Agricultural and Processed Food Products Export Development Authority (APEDA), which would help open doors for trade of premium commodities. Maersk is committed to enabling trade in the reefer segment," he added. According to Felder, air freight costs have increased 25-30 per cent since April owing to stagnation of cargo flights.

Anand Shejwal and Pritesh Shejwal, MDs of Bombay Exports, said that with Maersk's RCM and CA offerings, the company was able to execute the shipment as they provided complete visibility throughout transit.

Prior to this a butter consignment was successfully sent from U.P. to Turkey.

In 2015, Maersk Line began rolling out a new technology, Remote Container Management (RCM), designed to offer real-time tracking of refrigerated containers and monitor the temperature, humidity and other conditions inside the "reefers" to improve cargo care and expedite pre-trip inspections. Already, the carrier has equipped 270,000 reefer containers with remote container devices that utilize a 3G SIM card, a GPS unit and an antenna. In addition, about 400 vessels have been outfitted with a VSAT dome, which transmits data gathered from the reefers to a satellite. The data offers a number of benefits for Maersk Line and its customers. For instance, if an alarm is triggered by a reefer container, a notification is automatically sent to the shipper or related parties so they can take immediate action to protect the cargo. "RCM provides data on the container, including its location, power status, temperature, humidity and ventilation settings. This data allows us to act quickly when it comes to exception handling, so that we can maintain and prioritize perishable goods at any point in time and as needed," states Maersk Line.

While the technology provides real-time monitoring of time- and temperature-sensitive cargo, in turn helping reduce spoilage, damage and loss of food and pharmaceutical shipments, RCM also gives Maersk Line considerable intelligence about the condition of its reefer fleet. For example, when it comes to pretrip inspections (PTIs), "We are able to determine the condition of the container upon arrival, so it's only sent for a PTI when needed," states the carrier. Last year alone, Maersk Line eliminated 225,000 PTIs, which helped provide faster turnaround of its reefers for customers.

According to Catja Rasmussen, Maersk Line's project head, the time devoted to conducting PTIs has also been reduced from up to six hours to about 12 minutes because so much data was available to the carrier in advance of the reefer container arriving at the terminal.

With this technology, distant markets such as China, African, Japan and Korea can be served by exporters of fruits, vegetables and pharmaceutical cargo.

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- **Export-import headwinds to continue in coming months, says Maersk :** India's Export-Import (EXIM) trade is expected to face continued headwinds in the coming months, A P Moller Maersk, said after its April-June India trade report showed the country's containerised trade growth slowed to 1 per cent (9 per cent in the same period last year). Maersk attributed the steep growth decline to "a cocktail of international factors such as slowing trade growth, and growing trade tensions – coupled with domestic factors like rural consumer distress, tightening liquidity and a slowdown in key manufacturing sectors".

  "The overall deceleration of trade growth reflects a broad-based slowdown across key economic sectors. Amidst increasing global volatility, a slower local economy and the USA's withdrawal of preferential access for certain Indian products, India's import-export trade is expected to continue to face headwinds in the coming months".

- **US-China trade war helping India's exports of value-added shrimp:** US-China trade war is helping in accelerating value addition in the Indian seafood exports to the US, seafood major Amalgam Group said. Major US retailers are now actively sourcing value-added shrimps like breaded shrimps from India. Earlier China used to import shrimps from India and re-export it to the US market after value addition. India is the largest producer of shrimps in the world and accounts for nearly 6% of the global fish production.

- **APEDA seeks to step up Organic produce exports: APEDA** is working with State Governments to devise a strategy to boost export of organic farm produce, said a senior official from the Government body. In this process, exporters would connect directly with farmers to tie up for exports, and would guide them to grow crops in accordance with specific Country norms. At present, different countries have different residual norms for import of farm and food products, the official said.

  To boost export of organic farm and food products from India, the APEDA is working to increase the number of accredited laboratories that give certification. At present, there are 30 laboratories in India that give organic certification. The Country produces organic products like oilseeds, sugarcane, cereals, millets, cotton, pulses, medicinal plants, tea, fruits, spices, dry fruits, vegetables, coffee, and some other food products.

- **15 per cent growth in exports possible this fiscal: FIEO:** India needs to move fast when it comes to decision-making. Moreover, issues like refund of embedded taxes and legal complexities on land purchase need to be resolved in order to boost exporters' confidence. According to FIEO, despite trade headwinds there is scope for a 15 per cent growth in exports this fiscal. But, such a growth is possible only when the Centre can ease regulations and increased capacities can be built for increased exports to US, China and the UK.

- **'Brand Kashi' fruits, veggies in Europe, gulf:** Varanasi may soon become a hub of fruit and vegetable exports. The Department of Commerce has announced that the farmers will be trained to grow the export quality product and will be made aware of the standards followed in European countries, Gulf countries and Singapore.

- **India and Russia eye dairy, diamond biz to give age-old ties a new shine:** India and Russia are looking beyond energy and military hardware to expand their time-tested strategic ties with cross-investments into diamond cutting and polishing business, mining, dairy farming, pulp industry as well as tourism and hospitality business.

- **Exports contract 6% in August, trade deficit narrows to $13.45 billion:** Exports in August contracted for a second time in the current fiscal year as poor performance plagued all major foreign-exchange earners such as petroleum oil, gems and jewellery, and engineering goods. Outbound trade dropped 6.05 per cent after rising by 2.25 per cent in July. According to the data released by the commerce and industry ministry on Friday, exports stood at $26.13 billion in the month.

  Seven of the 30 major export sectors saw contraction, showing low demand for both consumer and industrial items, a hallmark of a slowdown. Critical exports such as those of processed petroleum took a beating with receipts falling by more than 10 per cent to $3.31 billion. In July, this category had shown a better performance with a lower fall of 5 per cent. This had been due to major refineries in Jamnagar and Mangalore staying shut. Recently, senior government officials had said they expected exports in the sector to go up soon. For gems and jewellery, the contraction that had gripped the

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sector periodically since November continued in August, when the sector contracted by 3.54 per cent to ship out $3.21 billion worth of goods. Exports of gems went down 6.54 per cent in July. The pace of exports has been hit in the sector, as fund availability dried up in the aftermath of the Nirav Modi scam.

After being one of the growth drivers in the previous fiscal year, engineering goods fell by a heightened 9.35 per cent. The pace of contraction had been 1.69 per cent in July, with the sector accounting for nearly 25 per cent of the foreign exchange earned. Export of readymade garments, in which India's export competitiveness has fallen over the past fiscal year, contracted by 2.44 per cent in August. The sector had shown signs of steady recovery in July with 7.66 per cent growth. Only eight of the 30 major product groups were in positive territory. They included electronic goods, iron-ore, ceramic products, and processed mineral.

- **China opens public hospitals for Dr Reddy's Laboratories generic drugs:** Dr Reddy's Laboratories (DRL) is the first Indian company to get approval for supplying generic drugs to China's public hospitals. It was among three bidders, the other two being Chinese companies. The drug that it would supply is called Olanzapine, used to treat schizophrenia and bipolar disorder. This is part of a plan by China's government for a nationwide experiment to change their drug procurement policy, to cut the cost of generic medicines. The trial began last December, in 11 cities, with drug makers asked to bid for supply of 25 common generic drugs to hospitals.
- **Leather sector exports can touch $9 billion by 2020:** The domestic leather sector has the potential to create about 2 million jobs in next five years and with the rationalisation of export duty on raw and semi-finished leather, this sector throws huge opportunities. Globally, India is the second-largest producer of leather garments and footwear and with this phenomenal market potential, the sector seems promising in the years to come.

UJARAT TRADE NEWS

- **30,000 jobs in next 3 years immediate priority at GIFT City:** Gujarat International Finance Tec-City (GIFT), India's operational smart city has been functioning for over four years and houses more than 225 IT, ITeS and BFSI companies with approximately 9,000 employees. With IFSC banking units of 13 major banks, the international financial services centre is clocking foreign currency business transactions worth $18 billion. Our immediate priority on hand is to reach 30,000 jobs in next three years and to connect GIFT City platform with leading national and international institutions. Our vision is to make GIFT the financial and IT gateway for the country as it provides an ideal platform for both inbound and outbound investments. In the process we aim to become the growth pole of the financial services sector.
- **Gujarat is the leader in plastics export:** Plastic exports from Gujarat surged by 33% to US $3.6 billion (approximately Rs 25,509 crore) in fiscal 2018-19 from US$ 2.7 billion (Rs 19,132 crore considering the dollar value at Rs.70.86) in 2017-18. Gujarat is a leader in plastic exports from India with a lion's share of 45% in the national exports. Being the 17th largest plastic exporter in the world, India exported US$8 billion worth plastic goods in the financial year 2019. In the last three years, India's plastics exports have risen at a CAGR of 11%, and is estimated to reach US $25 billion in trade by fiscal 2025.
- **Maruti Suzuki Exports 1 Millionth Car from Gujarat's Mundra Port:** Maruti Suzuki India Limited today announced that it has shipped the one-millionth car for exports from the Mundra Port in Gujarat. Commenting on the achievement, Kenichi Ayukawa, Managing Director & CEO, Maruti Suzuki India Limited said, "Within a decade of commencement of exports from Mundra, we achieved the significant milestone of shipping one-millionth car. Maruti Suzuki has a Pre Delivery Inspection (PDI) facility along with stockyard at Mundra port.

AHMEDABAD MANAGEMENT ASSOCIATION
GoG-AMA Centre for International Trade

Open Seminar on
Latest Update - Country of Origin
Certificate Exporters & Impoters Know about it & Benefit
Saturday, October 19, 2019 • 2.30 to 6.30 p.m.
Faculty: Mr. S.M. Chaturvedi

No Participation Fee: However, interested person, please register giving your name, address, e-mail and phone number to: ama@amaindia.org **Ahmedabad Management Association,** AMA Seminar Hall, AMA Complex, ATIRA Campus, Ahmedabad 380 015. Ph.: 079-26308601-5 Mobile : 9537407187, 7069940917, 7203030990 • Website: www.amaindia.org

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- **RCEP Asks India to Make up its Mind on Staying in Group:** Members of the Regional Comprehensive Economic Partnership (RCEP) have asked India to decide if it wants to remain a part of the proposed trade grouping, as pressure mounts to conclude the deal this year. The demand came amid discussions India immediately eliminating tariffs on more than a fourth of traded goods once the agreement comes into force. RCEP includes China, with which India has a burgeoning trade deficit.. Talks were on for India to immediately eliminate tariffs on 28% of the traded goods and more than 35% of the goods in phases. Another official said, "Nothing is decided on tariff cuts for China as yet. That is still uncertain."

  India is likely to extend the steepest tariff cuts to the Asean and most conservative offers to China. India's trade deficit with China – $53.6 billion in FY19 – is feared to widen if the pact is inked. With other non-Free Trade Agreement (FTA) partners — Australia and New Zealand — there are competing interests in agriculture, horticulture and dairy that are sensitive for India.

- **India-Chile set to expand preferential trade, explore possibility of a free trade pact:** India hopes to export more generic drugs and textiles to Chile while the South American country wants to increase its exports of fish, oats, fruits, industrial products and chemicals, as the two have formally exchanged the terms of reference for expanding the bilateral Preferential Trade Agreement (PTA).Under the expanded PTA, Chile has offered concessions to India on 1,798 tariff lines (products) with Margin of Preference (MoP) ranging from 30-100 per cent. India, on its part has offered concessions to Chile on 1,031 tariff lines with the margin of preference ranging from 10-100 per cent. Although India's concessions cover a number of farm and food items including meat and meat products, fish and fishery products and vegetable oils, it has not agreed to reduce import duties on Chilean wine as it is a sensitive sector, the official added. Chile has offered concessions to India in sectors such as agricultural products, organic and inorganic chemicals, pharmaceuticals, plastic and rubber articles, textiles, apparel, articles of iron/steel and copper, machinery and equipment.

- **RCEP talks: India may reduce tariff on 80% Chinese goods over 20 years:** RCEP is a proposed mega trade pact between the 10 Asean members, India, Australia, China, Japan, South Korea and New Zealand. The duty concession could then be extended to cover more goods in every five years until the desired reduction/removal of duties on 80% of goods is completed over 20 years, in a total of five phases. India may also seek a similarly long time frame for phasing out tariffs for New Zealand and Australia. Of the 16-nation grouping, India currently doesn't have any Free Trade Agreement (FTA) with only China, Australia and New Zealand, although the RCEP deal will be far more ambitious than any of its existing FTAs with Asean, Japan and South Korea.

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Gujarat Export Sectors: Marine Food: Gujarat is currently producing around 5,000 to 6,000 tonnes of prawns, and the potential is at least ten times more than that. "This could give a big boost to the value of exports from Gujarat, which from a current about Rs 4,000 crore (estimated), can easily touch Rs 6,000 crore in a few years.

Total fish production in India was 12.59 million tonnes (mt) and the country exported 1.38 mt fish and fish products with a value of over ₹ 45,000 crore in 2017-18, according to latest data released by the government. Gujarat exports primarily dried fish, which fetches less value. Frozen fish, especially shrimps can add value to our exports," said a fisheries department official who also claimed that in many areas (especially the Jain dominated areas) locals are opposed to fishing as well as setting up processing centers. This is primarily on account of the predominantly vegetarian culture in the state. It becomes a challenge when the fisheries department tries to implement marketing initiatives in the local areas. While Andhra Pradesh, retained the top position in inland capture fisheries with 2.85 mt, Gujarat with 7.01 lakh tonnes was number one in marine fisheries.

Top five fisheries States in India in 2017-18 *(in lakh tonnes)*

States	Inland	Marine	Total
Andhra Pradesh	28.45	6.05	34.5
West Bengal	15.57	1.85	17.42
Gujarat	1.34	7.01	8.35
Kerala	5.34	1.51	6.85
Tamil Nadu	1.85	4.97	6.82
All India production	**89.02**	**35.88**	**125.9**

Trend in export of marine products

	(in ₹ cr)
2011-12	16,597.23
2012-13	18,856.26
2013-14	30,213.26
2014-15	33,441.61
2015-16	30,420.83
2016-17	37,870.90
2017-18	45,106.89

The state government, however, has started taking stock of the situation off late. Industry insiders claim that this is because Gujarat lags behind states like Andhra Pradesh, Kerala, West Bengal, in terms of processing and value addition of marine products. "Shrimps or prawns are the most valuable products in terms of exports. In Gujarat we have identified nearly 90,000 hectares of land that is suitable for brackish water cultivation (a mix of sweet and salt water like in estuaries suitable for prawns cultivation). The department of agriculture has already planned an outlay of Rs 1200 crore to upgrade infrastructure and construct new harbours, which are planned at Okha, Mangrol, Veraval, Porbandar, Bhadreshwar, Nava Bandar areas. With a renewed vision on marine products exports, it is a matter of time till Gujarat catches up in terms of value added exports.

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