Industries Commissionerate,
Government of Gujarat
E-mail : comind@gujarat.gov.in

AHMEDABAD MANAGEMENT ASSOCIATION

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

FOREIGN TRADE Update

GoG-AMA Centre for International Trade

December 2019 | For *Private Circulation* | Vol. 15 ♦ No. 12

PAGE: 2-3 — 2nd China Import Expo

PAGE: 4 — Profile of Algeria

PAGE: 6-7 — Trade News

## Editor's Note

### Humble jaggery can be a global sweetener

Jaggery is considered as a natural and non-refined sweetener, which is far better than refined sugar from a healthy prospect. Since it is rich in many vital vitamins and minerals, jaggery boosts immunity, keeps the body warm or we can say control the temperature of the body. Today, most European countries and US are banning or restricting the use of sugar in products of human consumption. It is surprising that neither government, nor processed food industry or food academia has thought of a strategy of promoting the advantages of jaggery in food and drinks to the affluent western market. Although jaggery is produced in many countries, 70% production is in India. Our chikki, with healthy peanut and sesame seed if hygienically manufactured, attractively packed and properly marketed can take its rightful place alongside popular granola bar. Indian ingredients such as turmeric have been gaining market share in the US and European markets but not through the efforts of Indian government nor food industry. It is the foreign companies which are using our traditional food and medicinal knowledge to introduce products. Like jaggery, India has an abundance of food raw material but there is poor infrastructure to create food products, conduct market research and launch products in the markets where these can fetch high value. Our processed food largely caters to the Indian diaspora and it is time that we raise our sights to the wider affluent export market growing at a high rate, waiting in the wings.

## Industries Commissioner's Desk

Gujarat garnered a record Rs 18,325 crore foreign direct investment (FDI) in the first quarter of the current financial year. This is 36% more than the entire FDI inflow of Rs 13,457 crore in Gujarat in the financial year 2018-19. Of the total 450 companies who have made FDI in Gujarat, 124 companies invested in the first quarter of the financial year. State government sources say FDI is expected to cross the Rs. 50,000 crore mark by the end of the financial year. State government officials said there is a significant jump in FDI inflow into the state in the first quarter of the ongoing financial year as compared to the corresponding period last year. According to the DIPP, under the RBI's automatic route, the state has received FDI of Rs 18,325 crore in the first quarter of the present financial year as compared to an FDI inflow of Rs 13,457 crore in the entire 2018-19 financial year. Principal secretary, industries and mines department, Manoj Das said, "Usually, companies of one or two countries dominate the FDI list, but we have received investment from diverse countries. As many as 28 countries have made FDI in Gujarat. After the 'Vibrant Gujarat' summits, FDI in the state has increased substantially." Das added that the state expected a further jump in FDI as several countries have been promoting Gujarat as an investor friendly destination. The official added, "Compared to national level actual foreign direct investment, Gujarat has the highest investment in the first quarter. The FDI has come in manufacturing, food processing, IT, ITES and financial sector services, research, real estate.

## Contents

- Insight ..... 2-3
- Country Profile ..... 4
- Logistics ..... 5
- Trade News ..... 6-7
- WTO ..... 8

*Editor:* Suhayl Abidi

2

## 2nd China Import Expo




Before the event, the Chinese government urged domestic firms to land more deals, mobilising 60,000 companies to buy imported goods, and sought to play the role of matchmaker between importers and foreign firms. A press release said the import deals agreed during the event included US$16.5 billion in the smart manufacturing sector, US$4.3 billion for consumer electronics and home appliances, US$12 billion in automotive products, US$3.4 billion in consumer goods, US$12.7 billion in food and agricultural products, and US$3.2 billion in services. The business figures showed that the government wanted to use the event to hone its image as a powerful global buyer.

The China International Import Expo (CIIE) is the first dedicated import exhibition in the world. It is a historic opportunity for companies from around the world who can introduce themselves to the Chinese market and explore opportunities for local cooperation.

During the opening ceremony on Monday, President Xi Jinping promised to open China's economy to the outside world, promising to lower import tariffs and broaden market access. He also voiced support for economic globalisation amid the ongoing trade war with the US.

He also predicted that China's imports would reach US$30 trillion over the next 15 years, while its service purchases would reach US$10 trillion in the same period.

The report for the First Expo in 2018 said that during the Enterprise and Business Exhibition, there were not only industry giants and well-known enterprises from all over the world,



but also many SMEs that had not yet begun developing in the Chinese market.

1,793 exhibitors brought about 5,446 products and services that had not yet entered the Chinese market. Among them, 101 representative advanced products, technologies or services were exhibited for the first time in the world, and 476 were exhibited for the first time in mainland China.

A total of 39 trade delegations and 592 trade sub-groups from all provinces, autonomous regions, municipalities, independently planned cities, the Xinjiang Production and Construction Corps, central enterprises and the National Health Commission were organized to participate in the first CIIE. More than 400,000 domestic personnel



registered in the expo. In addition, there were more than 6,200 overseas purchasers from72 countries and regions actively signed up for the expo. Enterprises accounted for 85% of the registered units, and 85% of the enterprise personnel were purchasers, sales personnel and managers.

From April to August, 2018, the China International Import Expo Bureau held a total of 7 pre-show supply-demand matchmaking conferences in Shanghai for the 7 exhibition areas of CIIE, with nearly 300 exhibitors and more than 700 buyers participating. During the expo, the China International Import Expo Bureau conducted a large-scale supply and demand matchmaking conference for exhibitors and buyers in Hall 6.2, with 1,178 exhibitors and 2,462 purchasers from 82 countries and regions. As a result, 601 pairs

***Contd. on next page***

**Highlights:**

- First dedicated import exhibition in the world
- The Gate way to the huge Chinese market, rapid growth of consumption and import
- Strong purchase demand, 150,000+ domestic and foreign professional purchasers
- Participants from 100+ countries
- Professional trade fair for 7 major industries
- Diversified and targeted supporting activities
- $ 10 Trillion potential import market in the future

*Contd. from previous page*

of exhibitors and buyers decided to conduct further field investigations, and 657 pairs of exhibitors and buyers decided to conclude intended transactions. 176 supporting events were held in the exhibition center during CIIE, which not only focused on authoritative policy releases and international economic and trade situation analyses, but also highlighted the release of new products, the signing of procurement contracts, the publication of demands, etc.

Chicken biryani, Sula wine, kachoris and Kashmiri Kahwa, a green tea from Kashmir are being showcased by India at the China import expo being held in Shanghai. Dr. Sudhanshu, Agricultural and Processed Food Products Export Development Authority (APEDA) secretary told IE, that they hoped the Kashmiri Kahwa catches onto the Chinese markets. They are hopeful because Chinese people already have an affinity towards drinking green tea during the day. He also believes in the potential of the import of buffalo meat for which they have been pursuing market access. They have also raised this issue in bilateral meetings.

There is potential for shipping across castor oil, human hair and chemicals as said by industry experts. Ribbon fish and vannamei shrimps, on the other hand, have gained a foothold in the Chinese markets.

Day after India's refusal to go through with RCEP (Regional Comprehensive Economic Partnership) on Chinese import and market access concerns to China more than 90 companies from India set up stalls China International Import Expo 's second edition in a bid to pitch their business to China. Auto components, pharmaceuticals, agriculture, textiles, handicrafts, food processing and even management consultancy services were some of the products included in the expo.

In the head of the list of exports from India to China are marine products, specifically shrimp. 2,25,519 tonnes of marine produce crossed the borders in 2018-19, raking $811.3 million according to industry experts.

Director-General and CEO Ajay Sahai of Federation of Indian Export Organisation told IE, they have to display the notion of China as a huge market and an opportunity rather than a threat. 30,000 members that represent two-thirds of the country's exporters are a part of FIEO. Sahai mentions the trade deficit and says that impressive export figures can be seen as part of the after-effects of U.S China trade wars. Despite above China is a part of their medium to long term strategy hence showcasing at such expos becomes important. These events act as opportunities to attract investments in India.

Ajay Purohit from the Gems and Jewellery Export Promotion Council said that exporters wanted to do business with China's mainland directly. He further added that they wished for more favourable conditions. At the moment they struggle with high duties imposed on goods coming through Hong Kong


**GoG-AMA Centre for International Trade**

**USEFUL TRAINING PROGRAMMES**

| Day/ Date | Time | Programme name |
|---|---|---|
| Fri., Sat., & Sun. Dec. 13, 14 & 15 | 9.30 am to 5.00 pm | Certificate Programme on International Marketing |
| Saturday, Dec. 14 | 9.30 am to 5.00 pm | Exporters – Importers Know about HSN Code Classification under GST & FTP - Avoid Problems |
| Sunday, Dec. 15 | 9.30 am to 12.30 pm | Shipping of Dangerous Goods & Hazardous Cargoes |
| Sunday, Dec. 22 | 9.30 am to 12.30 pm | Impact of Transportation on Logistics Cost |
| Saturday, January 4 | 10.00 am to 5.00 pm | Export: Do It Yourself Programme for Beginners (Promoting Export from Gujarat) |
| 5 (Five) Sundays Jan. 5,12,19,26 & Feb.2 | 9.30 am to 5.00 pm | EXPORT-IMPORT Comprehensive Programme |
| Friday, January 24 | 9.30 am to 5.00 pm | Export Finance Schemes |
| Friday & Saturaday January 24-25 | 9.30 am to 5.00 pm | Succeeding in Export of Agriculture Horticulture Products How ? |
| 5 (Five) Sundays Feb. 2,9,16,23 and March 1 | 9.30 am to 5.00 pm | Diploma Programme on Shipping and Logistics |
| Saturday, February 8 | 9.30 am to 5.00 pm | Foreign Exchange Markets, Exchange Rates and Risk Management |

**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

# 4

## Profile of Algeria




Algeria's economy is dominated by its export trade in petroleum and natural gas, commodities that, despite fluctuations in world prices, annually contribute roughly one-third of the country's gross domestic product (GDP). Algeria has signed the African Continental Free Trade Agreement and it offers significant potential in order to develop and increase its trade with Africa.

Ranked as the third most important economy in the MENA (Middle east & North Africa) region and a leader in the Maghreb, Algeria is one of a hand full of countries that have achieved 20% poverty reduction in the past two decades. Among other major achievements, the country's oil boom has enabled the authorities to clear Algeria's debt, invest in infrastructure projects, and improve the country's Human Development Indicators.

Algeria has made significant gains in each of the key Human Development Indicators (HDI). The country's position is now 83rd out of 188 countries, which ranks it among the highly developed cohort in the latest Human Development Report. Life expectancy at birth increased by 16.6 years and mean years of schooling increased by 5.8 years. Algeria is considered to have achieved universal primary education with a 97% Primary Net Enrolment Rate in 2015.

**There are opportunities for investment in following areas:**

- **Industry:** metalworking, hydraulic binders, electrical and household appliances, industrial chemistry, mechanics and automotive, pharmaceutical production, aerospace, construction and ship repair, advanced technology, food processing, textiles and clothing, leather and timber products, wood and furniture industry, and Mines. Agriculture: focuses mainly on the permanent support of food security and the rural areas development.
- **Renewable Energies and Energy Efficiency:** For the installation of a capacity of 22000MW by 2030, of which 4500 MW by 2019. This program concerns solar, thermal, biomass and wind.
- **Information and ommunication Technologies:** Which concerns the development of the digital economy, technology parks, the introduction of e-money and e-services, data and data base security, etc. The Algerian private sector accounts for 80 percent of GDP, creating two out of every three jobs, and acts as a stable economic force.
- **Major import items from India:** chickpeas, milk powder, rice, spices, Automobiles, spare parts, agricultural and industrial machinery and equipment (Tractors and Transformers), pharmaceuticals, mobile phones and cosmetic products.

**Indian companies in Algeria:**

- **Public Sector:** Engineers India Ltd., IRCON International Ltd. And Telecommunications Consultant of India (TCIL) are executing projects related to the irrespective fields.
- **Private Sector:** L&T, KEC International and Kalpataru are active in power transmission sector. Vijay Electricals, an Indian company manufacturing power transformers, Dodsal Engineering and Construction FZE in oil and gas sector, Construction company Shapoorji Pallonji, Indian pharmaceutical companies like Zydus Cadila, Dabur, Sun Pharma, Cipla, and Hetero Drugs are present in Algeria. Pharmaceutical companies like Pharmaccess are executing Engineering, Production and Construction (EPC) projects for Algerian companies.

**Highlights:**

- Stable political environment
- Low cost of natural gas
- Large reserves of hydrocarbons
- GDP per capita USD4000
- 86% literacy

***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.

5

■ **Visakhapatnam Port to emerge as a Transhipment hub:**

With all-out efforts being under way to elevate its ranking to third position among Major Ports after Kandla and Paradip, the Visakhapatnam Port Trust (VPT) has set in motion an exercise to emerge as a transhipment hub. The VPT, which ranked fourth by handling a cargo of 65.30 million tonne during 2018-19, has already received 3.8 million tonnes more than the corresponding period last year witnessing the highest growth rate among Major Ports in the Country. As a preparation to become transhipment hub to handle mainland vessels with an overall length (LOA) of 397 metres to carry 15,000 to 16,000 containers from the present 320 LOA containing 6,000 to 7,000 containers, the VPT conducted simulation studies at FORCE Technology, Singapore, sometime ago which proved the scope for handling bigger size vessels technically viable.

Three pilots have been deputed to Singapore for training. Another batch of three pilots from the port will be sent to Singapore in the first week of December. "We will also introduce pilot position unit, a software system, to monitor by the pilots shortly," VPT Deputy Chairman P.L. Haranadh has said. He said training the pilots and introduction of the new system would be continued simultaneously. On the other hand, the Container Terminal-2 will increase the quay length from 450 metres to 1km. The construction of the new terminal has been undertaken under DBFOT route at an estimated cost of Rs. 633 crores.

The VPT is also contemplating tying up with the Kolkata Port for fixed window movement to give priority berthing to cargo meant for transhipment. Visakhapatnam has a deep-drafted container terminal, said to be the deepest in the Country with a draft of 14.5 metres. The VPT is offering 10% extra discount on vessel related charges for handling 240 containers. VPT is also offering 40% discount on vessel related and handling charges for Coastal Shipping.

## Gujarat Export Sectors

■ **Spices:**

Whether in fruits and vegetables, spices and cash crops, Gujarat is among the top producers many products such as cotton, castor seeds, philia husk (isabgol), jeera and sesame seeds. Gujarat has a good potential to develop a vibrant export trade in agricultural commodities. Gujarat state mainly produces spices viz. Cumin, Fennel, and Garlic. The State enjoys monopoly in seed spices. Isabgol is prominent medicinal crop grown in the State. The cultivation of medicinal plants like; Aloevera, Sena, Gugal is scattered in the state.

The average global production of sesame seeds per year is more than 4 million tonnes. Asian and African countries are the key producers of sesame seeds. The mounting global demand for sesame products as a health food has increased seed exports. Factors stimulating the market include high demand for sesame oil and bakery ingredients. However, low yields, fluctuating market prices and high dependence on climatic conditions are restraining the market growth. Myanmar, India, China, Sudan, and Tanzania produce 70% of the global sesame seeds. Major sesame seed exporting countries include India, Ethiopia, China, and Myanmar and major importing countries include China, Japan, France, Germany, Australia, Brazil and the United States of America. The demand for organically grown sesame seeds are growing worldwide and Germany and Japan are providing good opportunities for growth in this segment. India is the largest producer and second largest exporter of sesame seeds in the world during 2016, after Ethiopia with 20% of the world market.

The second important spice from Gujarat is fennel (Jeera) and it produces 90% of India's crop. Hit by the withdrawal of export benefits, Indian spice traders now fear a shortfall in new jeera crop as incessant rains have delayed sowing. Jeera is the second largest exported spice from India earning Rs 2,000 crore annually. Last year, the crop was around 600,000 tonnes and this time the industry was expecting a bumper output as rains have been good in producing states. The next crop harvest is likely to take place only in March, a delay of one month, Parikh said. Export demand has been hit by the disabling of benefits under merchandise export from India scheme (MEIS) from August. As jeera prices have come down globally, India is well placed to ship more quantities. India has become the major supplier globally with its competitors Syria and Turkey reaping a poor crop. China has been buying heavily from India this year. Its imports have been going directly instead of through Vietnam, like earlier.



- **Exports shrink for 3rd straight month; down 1.1% in Oct; imports fall 16.3%:** Lower receipts from processed petroleum exports and dragged down depressed global crude prices led to exports in October contracting for a third straight month. The decline in exports stood at 1.1 per cent in October, lower than the 6.57 per cent fall in September. Outbound trade has contracted four of the first-seven months of the 2019-20 fiscal year. In the current financial year till October, cumulative exports stood at $ 186 billion, 2.2 per cent lower than the corresponding period in the last financial year. However, officials stressed that major sectors such as gems and jewellery, and engineering goods returning to growth signal favourable times for exports are around the corner.

  According to the data released by the commerce and industry ministry on Friday, exports stood at $26.03 billion in the latest month. An unprecedented 18 of the 30 major export sectors saw contraction, down from 22 in September. Critical exports such as those of processed petroleum continued to take a beating, with receipts falling by 14.6 per cent in October to $3.62 billion. Petroleum exports had fallen by more than 18 per cent in September. For gems and jewellery, the slowdown that had gripped the sector periodically since November gave way to rare growth in October, with exports rising by 6 per cent in October to $3.7 billion. The sector had contracted by 5.56 per cent in September with experts blaming the availability of trade credit after the Nirav Modi scam.

  Engineering exports, on the other hand, managed to rise by 1.2 per cent in October, breaking a long spell of contraction, which had last seen shipments shrink by 6.2 per cent in September and 9.35 per cent in August. The sector accounts for 25 per cent of the forex earned. "The pace of de-growth for October has come down but overall, the picture remains challenging," Engineering Export Promotion Council Chairman Ravi Sehgal said.

  Elsewhere, contraction continued. Export of readymade garments, in which India's export competitiveness has fallen over the past fiscal year, contracted by 2.1 per cent in October. The sector had shown signs of steady recovery in July, with 7.66 per cent growth but contraction has continued ever since.

  Exports of non-oil and non-gems and jewellery products rose after months, rising a marginal 0.6 per cent to $ 19 billion. The de-growth in the sector had been receding steadily over the past four months and contraction had stood at 4.2 per cent in September, down from 5.61 per cent in August. "Sluggishness in economies worldwide, coupled with the trade war between US and China, Brexit, and developments in Iran, Turkey, and Iraq other gulf countries, has escalated the problem. The downside risks still remain," said Sharad Kumar Saraf, president of the Federation of Indian Export Organisations. Service exports, however, continued growth streak, rising by 7 per cent in September to earn $17.04 billion in September, taking total earnings in the current fiscal year to $107 billion. Earnings had grown by 10 per cent in August.

- **Apparel exports up 5% post generalised system of preferences withdrawal:** The government said that exports of apparel post-withdrawal of Generalised System of Preferences (GSP), has increased by 5% as compared to the corresponding period before withdrawal. "Post-withdrawal of GSP, imports of apparel will be subject to higher tariff. As per provisional data, exports of apparel (post withdrawal of GSP) has increased by 5% as compared to the corresponding period before withdrawal," Textiles Minister said.
- **Cotton exporters hope to resume trade with Pakistan:** Pakistan may import cotton from India if trade between the two nations resumes, say exporters and traders. The neighbouring country has seen a 35 per cent fall in cotton production and is importing from the US, Brazil and Spain. Indian merchants peg potential cotton exports from India to Pakistan at $1.5-2 billion. Industry bodies expect exports from India this year to be in the range of 4260 lakh bales. "We expect annual exports for Indian producers and processors to increase by 10-15 per cent over the previous year up to 60 lakh bales. Demand will largely come from Bangladesh, China and Vietnam.
- **Indian plastic exports to Pakistan decline by 91% on soured relations:** Strained trade relations between India and Pakistan have severely dented Indian plastic exports to the neighbouring country, with shipment values declining by a staggering 91.3 per cent year-on-year in September. Exports to that

***Contd. on next page***

*Contd. from PREVIOUS page*

country during the first six months of current financial year were down 33.29 per cent to $41.08 million, from $61.59 million during the same period a year ago. By contrast, however, five of the top-25 destination countries recorded year-on-year growth in plastic exports from India this September. On a cumulative basis, India's overall plastic exports declined by 5.9 per cent to $4.32 billion during April-September 2019, from $4.59 billion in the same period last year.

- **Jewellery exports dip 5.49% in oct to Rs.24,583 cr: GIPC:** The gems and jewellery exports continued to be affected following geopolitical tensions as the overall shipments in October declined by 5.49 per cent to Rs. 24,583.19 crore compared to the same month last year. The exports stood at Rs 26,010.87 crore in October 2018 and the decline in exports is mainly due to a decline in demand in the main export markets following the US-China trade war, protests in Hong Kong and the implementation of VAT in the Middle East, GJEPC added.

## GUJARAT TRADE NEWS

- **India well-placed to ship jeera but denial of export sops hits traders:** Hit by the withdrawal of export benefits, Indian spice traders now fear a shortfall in new jeera crop as incessant rains have delayed sowing. Jeera is the second largest exported spice from India earning Rs. 2,000 crore annually. Last year, the crop was around 600,000 tonnes and this time the industry was expecting a bumper output as rains have been good in producing states. The next crop harvest is likely to take place only in March, a delay of one month, Parikh said. Export demand has been hit by the disabling of benefits under merchandise export from India scheme (MEIS) from August."We used to get as much as 7 per cent discount under the scheme till August. We enter into export deals considering that. But when the government stops it, we can't withdraw from the export deals as we are already committed. As a result, our margins are hit," said Shailesh Shah, director of Jabs International, another exporter. As jeera prices have come down globally, India is well placed to ship more quantities. India has become the major supplier globally with its competitors Syria and Turkey reaping a poor crop. China has been buying heavily from India this year. Its imports have been going directly instead of through Vietnam, like earlier.

- **Foreign post office to help boost diamond exports of small units:** The Department of Posts has submitted a proposal to Customs Department and Directorate General of Foreign Trade expressing its intention to set up foreign post office (FPO) in the Diamond City to facilitate direct exports of valuables manufactured by small and medium enterprises (SMEs). At present, jewellers and diamantaires are dependent on international courier services for exports of their goods via Mumbai and Ahmedabad. Overall, the cost of exports and other procedures is very high for retail goods in small quantity, a major deterrent for exporters. If all goes well, the FPO would help boost exports of valuables of small and medium jewellers and diamantaires in the world's largest diamond cutting and polishing centre in Surat.

  The India Post official added, "The exporters will need to have import-export code (IEC), which they must submit with their items through the postal channel. The cost of delivery will depend on the size and weight of the parcel, the country it is being couriered to, and the distance of the journey. A customs pre-clearance of goods will be done at Surat, so that the shipments could be directly couriered through Mumbai or Ahmedabad airports."

  The export potential of valuables, including gold and diamond jewellery, is pegged at Rs. 3,000 crore per annum. Small and medium exporters sell earrings, bracelets, diamond studded rings, pendants etc through ecommerce websites in India and world.

## 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.



- **WTO backs US in trade dispute, says India's export subsidies illegal:** The World Trade Organization (WTO) has ruled against India in a crucial trade dispute with the US, ordering all export promotion schemes to be stopped within the next four months. The WTO also said the SEZ Scheme should be closed within the next six months."We recommend that India withdraw the prohibited subsidies under the export oriented units (EOU), electronics hardware technology park (EOT), bio-technology parks (BTP) scheme, Export Promotion for Capital Goods (EPCG) scheme, and the Merchandise Exports from India Scheme (MEIS), within 120 days from adoption of the report," the WTO's dispute settlement body ruled on Thursday.
- **Japan won't sign RCEP if India doesn't join:** Japan is not considering signing a Chinese backed regional trade pact without India, the top Japanese negotiator said recently, ahead of a series of diplomatic exchanges in the coming weeks that include a visit to Delhi by Prime Minister of Japan. India announced this month it was withdrawing from the Regional Comprehensive Economic Partnership, citing the deal's potential impact on the livelihoods of its most vulnerable citizens. China said that the 15 remaining countries decided to move forward first and India was welcome to join RCEP whenever it's ready. Japan will continue to try to persuade India to join." Trade Minister will accompany Japanese PM on next month's trip to India, Deputy Minister for Economy, Trade and Industry Japan said.
- **Japan indicates efforts on to address India's concerns over RCEP:** Japan recently gave clear indications that efforts were on to make India join the ambitious Regional Comprehensive Economic Partnership (RCEP), saying all member countries of the grouping were committed to address New Delhi's concerns. After years of negotiations, India last month pulled out of the proposed RCEP over unresolved "core concerns" at a summit meeting of the participating countries, saying the proposed pact in its current form would have adverse impact on lives and livelihoods of all Indians.
- **Dairy out of India-US trade talks for now:** India and the US have identified almost 40 products like pistachios, walnuts and apples that can be considered for duty concessions. The two sides are also trying to zero in on workable concessions for medical devices. The issues were discussed at an official-level meeting between trade negotiators of the two countries last week even as there were no talks on dairy imports. The US, along with Canada and Australia, had moved the World Trade Organization (WTO) against India's ban on import of certain pulses to check falling prices in the domestic market.
- **India's marine exports to China touches $800 million; on course to cross $1 billion mark:** India's exports of marine products to China tripled in the last nine months touching USD 800 million and is expected to cross the USD one billion mark this year, according to an official statement. The big push of marine exports to China were part of India's efforts to widen its export base to bridge huge trade deficit with the world's second largest economy, which last year climbed to USD 57 billion.
- **Australian ex-PM calls for bilateral free trade pact with India:** Arguing that the proposed Regional Comprehensive Economic Partnership (RCEP) pact is not comprehensive enough in scope, former Australian Prime Minister has called for India and Australia to restart talks for a bilateral free trade agreement (FTA). "Invariably, nations are very wary of anything that might end up leaving vulnerable countries permanently indebted to another. So, I would be cautious about RCEP as it looks like a trade arm of China's Belt and Road Initiative," Australian ex-PM said. On a 5-day visit to India, Australian ex-PM met Prime Minister.
- **China to be open for high-value Indian exports:** China welcomes India's active increase in exports of high-quality goods to China. The two sides should expand the scale of two-way trade and investment and create new growth points in production capacity, medicine, information technology and infrastructure construction," Chinese President stated. Officials said that India remained concerned by its huge $54 billion trade deficit with China, a third of its total trade deficit, and has been pressing for greater access to the Chinese markets of generic pharmaceuticals, IT services and automobile parts, and an easing of China's non-tariff barriers. "We have had some success in pushing pharmaceuticals and marine exports, but we need to get the Chinese to remove tariff barriers they impose, including not recognising global certification of medicines," said a commerce ministry official.



Published by GoG-AMA Centre for International Trade, AHMEDABAD MANAGEMENT ASSOCIATION, Core-AMA Management House, Torrent-AMA Management Centre, ATIRA Campus, Dr Vikram Sarabhai Marg, Ahmedabad 380015 **Phone:** 079-26308601-5 • **Fax:** 079-26305692 **Mobile:** Mobile: 95374 07187, 70699 40917 • **Email:** ama@amaindia.org • **Website:** www.amaindia.org, www.gogama.org