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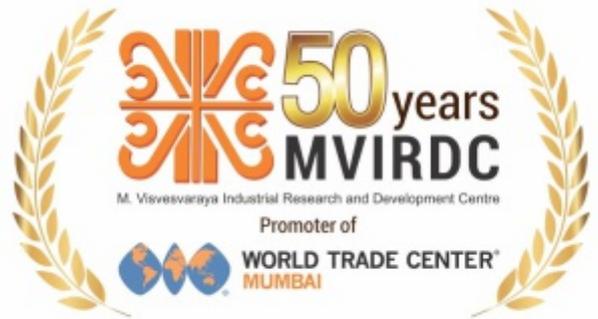
2022

CONNECT INDIA

INTERNATIONAL TRADE SHOW

Initiative by WTC Mumbai & WTCA, New York

Unleash the Power of Digital Marketing



Bharat Ratna Sir M. Visvesvaraya

(15 September, 1860 - 14 April, 1962)

FIFTY YEARS AND COUNTING

M. Visvesvaraya Industrial Research and Development Centre (MVIRDC) is a non-profit company registered and licensed under Section 25 of the Companies Act, 1956 (currently Section 8 of the Companies Act, 2013). On 26 June, 2020 MVIRDC completed 50 years of continuous service to the promotion of trade and industry.

MVIRDC became a member of the World Trade Centers Association, New York, in 1971 and established the World Trade Center Mumbai, which is the first World Trade Center in India. MVIRDC, having spearheaded the movement of World Trade Centers in India with the establishment of WTCs at Bhubaneswar, Goa and Jaipur, is assisting MSMEs in these regions through various Trade Research, Trade Promotion, Trade Infrastructure including Commercial Offices, Business Center, Trade Facilitation Services and Trade Education Programmes.

At the outset of this festive season, I would like to wish all our readers a Happy and Prosperous Diwali.

I am pleased to announce that on the occasion of completing 50 years of service to trade and industry, we have initiated the M. Visvesvaraya Center of Excellence which will be a cornerstone in redefining the future role of WTC Mumbai, as it will impart professional skills to the economically disadvantaged sections of the society and offer business acceleration support and mentoring to start-ups, women entrepreneurs and MSMEs, to trade nationally and also world over. This Center of Excellence is a befitting tribute to our visionary Bharat Ratna Sir Dr. M. Visvesvaraya for his incomparable service to the society.



I am happy to mention that our latest digital initiative 'CONNECT INDIA INTERNATIONAL TRADE SHOW 2022' received participation from 180 exhibitors so far, and we expect more local enterprises to join this platform and benefit by connecting with the unparalleled global network of WTCs. Interested exhibitors keen to extend their global reach are requested to get in touch with us.

During the period, WTC Mumbai has conducted various fruitful trade events, including interactive meetings with inbound trade delegations from Vietnam, Taiwan, Costa Rica and many more countries.

This edition of the journal brings to you an insightful cover story on Deep Trade Agreements which is the order of the day. Countries now prefer to be a part of Deep Trade Agreements such as RCEP, CPTPP and others instead of signing Narrow Trade Agreements that are restricted to mere tariff liberalisation.

We also bring to you a brief overview of the recently concluded WTO Public Forum and the opportunities for India to diversify its imports from ASEAN countries. In view of which, I am glad to share WTC Bhubaneswar's significant step of taking a trade delegation to Vietnam in an attempt to strengthen commercial relations with the country and positioning Odisha as India's gateway to ASEAN.

WTC Mumbai also organised a curtain raiser event ahead of the GOA Investment Summit to create trade and investment opportunities in this scenic western state.

This journal brings to you a snapshot of all the events organised by WTC Mumbai, Goa and Bhubaneswar in the last quarter.

I hope you enjoy reading the articles and interviews in this journal and I look forward to your valuable feedback to improve the quality of content in the forthcoming editions.

A handwritten signature in blue ink that reads "Rupa Naik". The signature is fluid and cursive, with a horizontal line underlining the name.

Rupa Naik

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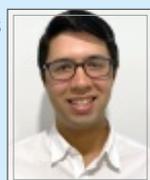


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India in the era of Deep Trade Agreements

In this age of sustainable development, trade agreements have emerged as an instrument to impose stringent norms for protecting environment and safeguarding labour rights. The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which was signed by 11 countries across Asia and Latin America have substantial provisions for protecting labour rights and environment.

The last three decades have witnessed phenomenal rise in globalization of trade as countries across the world entered into trade agreements to promote seamless flow of goods and services across the borders by reducing tariff and non-tariff barriers. According to WTO, the number of regional trade agreements grew more than 10-folds from a mere 22 in 1990 to around 353 by 2022. The WTO database on regional trade agreements contains list of 353 trade agreements, of which 167 cover only trade in goods and 184 cover trade in goods and services, while two agreements (viz. EU-Armenia and European Economic Area) are related to only services.

Cross-country comparisons

The 27 European countries are the largest signatories of trade agreements (both in goods and services) as each of them is party to 46 trade agreements. Most of these agreements are signed by the European Union. EU has signed trade agreements with Canada, Japan, South Korea, Singapore, UK, Eastern & Southern African States, CARIFORUM States, besides many other trade partners. This is followed by the UK, the four member states of European Free Trade Area (EFTA) and Chile. More than 30 trade agreements have been signed by each of these countries.

This is followed by the league of six emerging markets such as Singapore, Turkey, Mexico, Peru, South Korea and Ukraine, each of which is a signatory to at least 20 trade agreements. Around 28 countries, which includes a mix of developed and developing countries ranging from USA, Japan, Australia to China, India, Pakistan and Guatemala have each signed at least 10 trade agreements. Japan, Panama and Australia have signed 18 agreements each, while India and China have signed 17 and 16 pacts respectively. On the other hand, Vietnam, Thailand and USA have signed around 14 trade agreements each. India signed trade agreements with South Korea, Singapore, Sri Lanka, Thailand, Japan and the

regions of South Asia and MERCOSUR.

China has signed trade pacts with 12 different countries, other than Hong Kong and Macau. Vietnam has signed trade agreements with Chile, UK and EU, besides its membership in ASEAN's trade agreement with Australia, China, India, South Korea and Japan.

Deep Trade Agreements

Until the early 1990s, trade agreements largely covered tariff and a limited set of non tariff measures such as safeguard measures, anti-dumping duty, import restrictions, export restrictions, quality standards, food safety standards etc. In the course of time, it was realized that countries that adopt less stringent regulations on intellectual property rights, environment protection and labour rights have unfair competitive advantage over countries with stringent regulations on these policy areas. Similarly, countries can restrict or disallow market access for foreign companies through stringent rules on data localisation, government procurement, e-commerce and small and medium enterprises.

Negotiating countries of trade agreements felt the need to harmonize regulations on the above policy areas in their respective countries by bringing them under the scope of the agreement so that there is level playing field for companies of all the signatory countries. Consequently, these agreements which include provisions on environment, labour, intellectual property, e-commerce and other policy areas are known as Deep Trade Agreements.

World Bank, in its Handbook on Deep Trade Agreements, defined such an agreement as one which covers three sets of policy areas, viz. 1) Policies that promote economic integration among countries, 2) Policies that regulate government discretionary measures that inhibit such economic integration, 3) Policies that promote consumer or social welfare by regulating the behavior of exporters.

Provisions covered in the first set of policy area are: import tariffs and export taxes, regulation on trade in services, foreign direct investment, visa regime and intellectual property rights. The second set of policy areas cover discretionary government measures such as anti-dumping duties, countervailing duties, public procure-

ment policy, quality standards, sanitary and phytosanitary measures and other technical barriers to trade, subsidies etc. These discretionary policy measures limit market access or economic integration among the signatory countries of FTA. Under the third policy area, trade agreements regulate environment and labour regulations for the welfare of society. The third policy area also includes competition policy, regulation of state-owned enterprises and subsidies that have direct impact on consumer or social welfare.

In a nut shell, deep trade agreements are not limited to market integration in the goods sector, but it also covers other forms of economic integration through liberalized movement of services, capital, people, ideas across the borders of the signatory countries, besides covering environment and labour issues. According to the World Bank, the number of policy areas covered by a typical trade agreement in recent years has risen to 17 from eight in 1950s. The following table shows the coverage of various policy areas in different trade agreements.

Coverage (in %) of key policy areas in Preferential Trade Agreements (PTAs)	
Policy Areas	% of PTAs incorporating these policy areas
Tariffs on industrial and agriculture goods	100%
Customs and export taxes	80%
Services and movement of capital	50%
Environment and labour issues	20%
Source: World Bank Database on Deep Trade Agreements	

The World Bank's Handbook has examined various provisions under 17 of these policy areas covered by around 279 preferential trade agreements that are notified at WTO upto 2017. The Handbook defines preferential trade agreement as any reciprocal agreement, including regional trade agreements (RTAs), free trade agreements (FTAs) and customs unions (CUs) among trade partners.

More specifically, the Handbook examined the overall provisions in each trade agreement and also substantive provisions covered by these agreements. Substantive provisions in a trade agreement are those provisions that impose specific obligations or commitments on signatory countries on matters such as market access or harmonization of standards.

The Handbook revealing the scope of trade agreements has been widening in the course of time as the recent

trade agreements cover more and more policy areas beyond just tariff and non-tariff barriers compared to the traditional trade agreements. The policy coverage ratio for majority of the trade agreements signed since early 2000s has been above 25%, compared to less than 15% for agreements signed during 1980s and 1990s. The Handbook defined coverage ratio as the share of provisions contained in a given agreement relative to the maximum number of provisions.

A key finding of the World Bank's Handbook is that trade agreements of developed countries are deeper in scope than those of developing countries. The average number of substantive commitments covered in India's trade agreements is between 13 to 18, compared to 34-40 in Western European countries and 40-74 in North America and Australia. In the developing region, all countries except the Pacific Alliance countries (Chile, Colombia, Mexico and Peru), Caribbean countries and Mongolia, have shallow trade agreements. In most of the developing countries, including India, the average number of

substantive commitments covered by trade agreements is less than 18, while in some developed countries such as China and Russia, the average number of substantive commitments covered is upto 34.

Provisions in India's trade agreements

The World Bank Database provides detailed information on coverage of provisions such as labour, environment, public procurement, competition policy, intellectual property rights, investments and others in India's trade agreements. The database provides information on coverage of these provisions across 11 trade agreements signed by India with partners such as Sri Lanka, Singapore, Bhutan, Chile, MERCOSUR, Afghanistan, Nepal, ASEAN, Malaysia, Japan and South Korea.

Among these 11 agreements, the ones with Japan and South Korea are deeper agreements with provisions on environment protection, investment and competition policy. For instance, in our agreement with Japan, there is 75% coverage of enforcement mechanism for environment laws. While in many other trade agreements (viz.

with ASEAN, Malaysia, South Korea, Sri Lanka etc., the coverage ratio is 25% for enforcement provisions related to environment laws. In the case of obligations related to competition policy, India's trade agreements with South Korea and Japan have 50% coverage, while such obligations are missing in trade agreements signed with other countries.

Existence of detailed provisions on government procurement is a feature of a deep trade agreement. According to a study of 283 preferential trade agreements by the World Bank, 45% or 129 agreements have no provision on public procurement, 25% or 70 agreements have shallow provisions while the remaining 30% or 84 agreements have deep provisions. Most of the agreements signed by India, especially with ASEAN, South Korea, Malaysia, Sri Lanka, Singapore, Chile, Nepal and Bhutan have no provision on government procurement. On the other hand, India's trade agreement with Japan has shallow provision on government procurement.

The following table provides a snapshot of the overall provisions covered in India's trade agreements with 10 countries or regions, along with the coverage of substantive provisions.

facilitation. However, it does not include emerging policy areas such as environment, labour, intellectual property regime, competition policy or e-commerce. This agreement will be implemented when it is ratified by the Parliament of Australia and India.

On the other hand, the recently signed and implemented India-UAE Comprehensive Economic Partnership Agreement (CEPA) is a deep agreement which covers emerging policy areas such as digital trade, intellectual property rights and government procurement, besides the traditional areas. The agreement came into force in May 2022.

As countries prefer to broaden the coverage of trade agreements by including more and more policy areas, India should also prepare its negotiation stance on these emerging policy areas of environment and labour, which are not substantially covered in any of our trade agreement so far.

India's upcoming trade agreements with European Union is expected to be deeper that will include labour and environment policy areas. Among the developing countries, Vietnam has shown the way by becoming part

Coverage detail of India's trade agreements

Sr. No	Agreement	Overall Provisions	Substantive Provisions	Overall Coverage ratio	Substantive Coverage ratio
1	India-Afghanistan (2003)	37	4	4.1	1.8
2	India-Singapore (2005)	197	37	21.9	16.6
3	India - Bhutan (2006)	8	1	0.9	0.4
4	Chile-India	70	11	7.8	4.9
5	India - Nepal (2009)	19	0	2.1	0
6	MERCOSUR-India (2009)	52	7	5.8	3.1
7	ASEAN-India (2010)	175	29	19.5	13.0
8	India-South Korea (2010)	252	45	28.0	20.2
9	India-Malaysia (2011)	213	32	23.7	14.3
10	India-Japan (2011)	234	40	26.0	17.9

Source: World Bank Handbook on Deep Trade Agreements

The way forward

The recently signed trade agreement between India and Australia contains provisions on trade in services, movement of people, customs procedures and trade

of the 11-country Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which has a coverage ratio of 61%.

Costa Rica proposes study to examine India-Central America trade potential



Costa Rica should be considered as a favorable destination for expansion of operations to Latin America for different reasons, especially its strategic location that makes it an ideal hub and gateway to Latin America, its talented and bilingual workforce, its democratically elected government and political stability, institutional support for investors, connectivity by air, land and sea, among many others..." says **Mr. Claudio Ansorena, PhD, Ambassador, Embassy of the Republic of Costa Rica in India.**

“Costa Rica promotes international opportunities and partnerships that can contribute to inclusive, resilient, sustainable, green, and decarbonized economic development.”

How can Costa Rica collaborate with India in green energy, waste recycling and conservation of biodiversity?

Costa Rica is a unique Latin American country that has led by example and has proven to be an internationally recognized leader in environmental policy and protection. Its foreign policy has environmental and climate change diplomacy as one of its main focus, so our country strongly promotes international opportunities and partnerships that can contribute to inclusive, resilient, sustainable, green, and decarbonized economic development. Costa Rica has a distinct advantage in terms of energy transition: it has a diversified electricity matrix based on renewable sources (hydroelectric, wind, geothermal, solar, biomass), which allows the supply of electricity with virtually zero emissions. Since 2014, our country has been operating with more than 98% renewable electricity sources, with the goal of reaching 100% renewable electricity by 2030.

In line with the recent roadmap established by the Indian government for transitioning to a green economy and investment in renewable and green energy, we identify a broad scope for collaboration with India through nature-based solutions (NBS) and partnerships that promote green technologies and sustainable development.

In terms of biodiversity conservation, Costa Rica is one of the model countries that has taken leadership initiatives with other international partners. For example, the High Ambition Coalition (HAC) for Nature and People, with France and the United Kingdom, is one such intergovernmental group that emphasizes prevention of species loss and protection of ecosystems. Along with many other countries in Europe, Latin America, Africa and Asia, India has joined HAC in October 2021, becoming the first of the BRICS countries to join this important coalition. It is crucial to push for the adoption of a 30% global land and ocean protection target by 2030.

Costa Rica therefore looks forward to further expanding its biodiversity conservation initiatives with an active international player such as India.

Regarding our recycling efforts, we still have challenges to overcome, especially related to plastic waste. Our previous administration introduced an action plan for waste management, striving to reduce waste and improve processing and disposal infrastructure. An example of concrete achievements in this direction is Law No. 9786 or the 'Law to Combat Plastic Pollution and Protect the Environment,' enacted in

“Costa Rica looks forward to expanding its biodiversity conservation initiatives with an active international player such as India.”

November 2019, which 'prohibits sale or distribution of plastic bags by supermarkets and other commercial establishments and allows the use of biodegradable bags and reusable bags certified as having low environmental impact and meeting certain design standards, including at least 50% recycled content.' Costa Ricans are also becoming increasingly environment-conscious by finding innovative ways to work with waste, such as companies that turn plastic waste into building blocks and the development of environmental technology parks, among others. We believe there are opportunities for collaboration between Costa Rica and Indian authorities and companies in waste management technologies and best practices. It will be very important if the government or private foundations can set some financial incentives for companies to do joint ventures in this area.

How can both the countries strengthen relation in tourism, cultural exchange, and entertainment industries?

Tourism is one of the main drivers of the Costa Rican economy, directly contributing 8% to the country's GDP before the pandemic. Before COVID-

“ We believe there are opportunities for collaboration between Costa Rica and Indian authorities and companies in waste management technologies and best practices.”

“ One way to promote Indian tourism would be to have Indian Hotel brands in Costa Rica such as Taj, ITC or Oberoi for example, to invest in Costa Rica.”

19 imposed travel and other restrictions, Costa Rica received 3 million foreign visitors per year, attracted largely by its nature, beaches and volcanoes. In 2020, Costa Rica experienced a dramatic 70% decline in tourist arrivals. Fortunately, in 2021, the Costa Rican Tourism Board (ICT) reported that it had received a total of 1,347,055 tourists that year, representing a recovery of more than 40% of the passengers recorded in 2019. Around 66.4% of those arrivals came from the United States. Therefore, Costa Rica is optimistic about reactivation of tourism, but we still have a long way to go to reach and exceed the 3 million tourists received in 2019 before the pandemic.

More and more Indian tourists travel to Costa Rica and marvel at the natural riches, the pure lifestyle, great climate, and culture of our country. One way to promote Indian tourism would be to have Indian Hotel brands in Costa Rica such as Taj, ITC or Oberoi for example, to invest in Costa Rica.

Some prominent figures of Indian cinema have also visited our country recently, which is undoubtedly a motivation for others to do the same. As for the film industry, in addition to the beautiful landscapes that Costa Rica offers, the country has a Film Investment Attraction Law that exempts temporary imports of equipment and spare parts for film and audio-visual production from duties, taxes, contributions, levies and guarantees. In addition, the

country has extensive experience and qualified personnel to provide high quality audio-visual production services, as well as to effectively respond to on-demand services.

In terms of cultural exchange, Costa Rica and India share common values and characteristics that unite our two countries, such as consolidated democracies, pacifist vocation, strong family ties and a vast biodiversity, to name a few. Indian literature and languages have been studied and appreciated in Costa Rica for over a century. The University of Costa Rica, for instance, began offering Sanskrit courses in 1968 and the interest of Costa Rican students in these topics continues to grow till date. Even yoga and ayurvedic treatments are slowly gaining popularity. There are many other examples of the ample opportunities and commitment between our nations to continue strengthening cultural understanding and ties.

In 2017, Costa Rica was honoured as the guest country at the 41st Calcutta International Book Fair, and in 2021 Costa Rican artist Raudyn Alfaro was invited to share his work by the Indian Council of Cultural Relations (ICCR) and the Lalit Kala Akademi in Delhi and Kolkata, as part of the celebration of our 200 years of independence. Creating a fund for an exchange program of artist from both countries to facilitate exchange of at least one artist from each country per year, would be a way to promote the cultural exchange.

“ The incorporation of India to the Central American Bank for Economic Integration (CABEI) as an extra regional member would be an enormous incentive for Indian companies to expand their trade and investment in Central America.”

Finally, it is worth mentioning that Costa Rica has an India-Costa Rica Association (CRIA) that brings together the Indian diaspora and is very active in organizing activities, thus promoting greater exchange, appreciation and union of two unique and rich cultures such as India and Costa Rica.

Bilateral trade between both the countries declined from USD 269 million in 2011-12 to around USD 200 million currently. What are the reasons for decline in trade volume and how can we revive it?

According to available data, the total trade volume (exports + imports) between India and Secretariat of Integration for Central America (SICA) countries was the highest in 2016-2017, with a value of over USD 2 billion. In 2017, SICA exports declined significantly mainly due to the interruption in the purchase of tanker exports from Panama and gold from the Dominican Republic. In 2018, it further declined due to a reduction in tropical timber and

ferronickel exports, and in 2019 because of a large decline in gold exports. On the other hand, India's exports to SICA have continued to grow. In the case of Costa Rica specifically, trade has decreased due to higher cost of shipment of teak wood which is our main export to India. In addition, the pandemic has lowered trade in 2020 and 2021 all over the world.

For our export balance with India to increase therefore, it is necessary to analyze more in-depth the commercial potential and investment financing opportunities between the two regions. It is also important to remove existing trade restrictions through policies that reduce tariff and non-tariff barriers and enable the increase in current transport cost productivity levels. For this, a Free Trade Agreement could be the way to increase trade and invest-

“ Costa Rica has a privileged location, ideal for reaching the Americas, both North and South and has 15 FTAs including one with USA and another with the European Union.”

ment. Moreover, the incorporation of India to the Central American Bank for Economic Integration (CABEI) as an extra regional member would be an enormous incentive for Indian companies to expand their trade and investment in Central America.

What are the sectors that hold untapped trade potential between both the countries ?

Costa Rica has a privileged location, ideal for reaching the Americas, both North and South and has 15 FTAs including one with USA and another with the European Union. Our country boasts stability & innova-

tion, allowing us to provide the right environment and incentives to drive business success. We host 41 of the Fortune 500 companies that established successful operations in our territory, and the list continues to grow.

Costa Rica has been a key investment destination for Indian IT companies, given its proximity to the US, openness to FDI, and its skilled and bilingual workforce. The fact that Costa Rica's manufacturing sector has experienced significant growth also makes it more attractive to foreign investments, especially in high tech companies. It has become a niche market to produce medical devices, hardware and software devices, as well as a hub for logistics services. We are very much interested in seeing more and more Indian companies initiating strategic operations in Costa Rica.

Regarding trade, Costa Rica has a robust network of free trade agreements that provides preferential access to 2.8 billion people and 75% of the world's GDP, including the USA, EU and China. Costa Rica is well known for its fruit production and exports. In our view, the agribusiness sector in Costa Rica may be still largely unexplored by Indian companies.

There are relevant market prospects in various sectors. In 2021, we gladly closed the calendar year with a 24% growth in goods exports, marked primarily by the export of precision and medical equipment, which is currently our leading export sector,

“Costa Rica has been a key investment destination for Indian IT companies, given its proximity to the US, openness to FDI, and its skilled and bilingual workforce.”

whose sales abroad grew by 33%, followed by the agricultural sector, second in importance for Costa Rica, which grew by 6%. Other important sectors that experienced growth last year were the food industry, chemical-pharmaceuticals, electrical and electronic devices, plastics, livestock and fishing.

You have proposed the idea of a free trade agreement between India and the Central American region. Can you explain the scope and the sectoral coverage of this proposed agreement?

To best determine the scope of trade between India and Central America, we are proposing to carry out a joint study between CABI and the Exim Bank of India, with the purpose of analyzing the trade and investment potential. This study is intended to serve as a basis for a later negotiation between the Secretariat of Integration for Central America (SICA) where seven countries are represented and India.

In case of the Exim Bank, they have already published in collaboration with the Inter-American Development Bank (IDB), a joint analysis on the trade and investment relation between Latin America, the Caribbean and India. In the case of Central America, what we intend to have is a detailed outlook of the trade potential specific to our region. India maintains high levels of protection on certain products which has limited the imports of

Central American products to India. India's investments in Central America, on the other hand, have increased significantly and if there were more financing from Exim Bank and CABI there could be even more, especially related to infrastructure projects.

For our export balance with India to increase, it is necessary to do an FTA that would lower not only tariff and non-tariff barriers but also facilitate investment in services and establish clear rules of trade.

“India's investments in Central America, on the other hand, have increased significantly and if there were more financing from Exim Bank and CABI there could be even more, especially related to infrastructure projects.”

What are the tax and non-tax incentives offered by Costa Rican government to Indian investors? What is your message for Indian companies looking to invest in Costa Rica?

Costa Rica offers a unique export and investment promotion strategy called 'Free Zone Regime', which is a set of benefits and incentives specifically for offshore and customs

operations extended by the Costa Rican Government to the companies looking to make investments in the country. This restricted zone accommodates operations related to manufacturing, marketing export goods, and other export-related services. In this regard, the applications from prospective companies are submitted to PROCOMER, the Costa Rican Foreign Trade Promoter for review. In addition, through the free zone regime, the government offers other incentives by subsidizing education/training costs. These companies are also 100% exempt from import duties, excise taxes, customs duties, and remittance repatriation taxes. These are some of the general incentives that are afforded. One other important measure to be taken is an agreement on avoiding double taxation.

As part of our Embassy's investment attraction efforts, we maintain close communication with Indian companies operating in Costa Rica, as well as with potential foreign investors. Costa Rica should be considered as a favorable destination for expansion of operations to Latin America for different reasons, especially its strategic location that makes it an ideal hub and gateway to Latin America, its talented and bilingual workforce, its democratically elected government and political stability, institutional support for investors, connectivity by air, land and sea, among many others.

Our message to Indian companies wishing to explore the possibility of investing in Costa Rica is to first come and visit our country so that they can explore firsthand not only the beauty of our land and the warmth of our people, but also the comparative advantages that Costa Rica offers for nearshore operations.



Public Forum puts spotlight on Sustainable, Resilient and Inclusive economic recovery

A key highlight of World Trade Organisation (WTO) in recent weeks is the Public Forum, which is its largest annual outreach event that provides a unique platform for leaders from government, industry, academia and civil society to debate on topical issues of trade and development.

The Public Forum for 2022 was held on the overarching theme of 'Sustainable and Inclusive Recovery: Ambition to Action' during September 27-30, 2022. This four-day program had 144 sessions on various topics related to technology for an inclusive recovery and trade agenda for a sustainable future.

The objective of this year's Forum was to discuss how trade can contribute to post-pandemic economic recovery. Distinguished speakers at the forum shared their perspectives on framing trade rules for a more resilient, sustainable and inclusive trading system.

The program highlighted the key priorities of least developed countries (LDCs) that need to be incorporated in the global action plan for climate change adaptation and mitigation.

Parliamentarians and representatives from multilateral organizations discussed how to promote free global trade in agricultural commodities to elevate food security while also protecting the genuine concerns of domestic food sufficiency in the producing countries.

Revenue and customs authorities of various countries discussed the use of disruptive technologies to digitize customs procedures and promote trade in e-commerce.

Agriculture and food security was at the center of discussion in several sessions as global leaders explored ways to strengthen negotiations on liberalizing trade in farm goods, which started more than 20 years ago.

Industry leaders discussed the imperative for adopting the next edition of Information Technology Agreement (ITA3) that will liberalize trade in IT goods and services for bridging digital divide.

Removing tariff and non-tariff barriers to global trade in advanced technology products can help countries

mitigate climate change and offer better healthcare solutions.

Business leaders and experts from multilateral organizations discussed the opportunities and challenges in developing a resilient and sustainable fashion apparel supply chain. Apparel industry is a key driver of global economy as it contributes USD 2.5 trillion to global trade value and employs 120 million people globally.

WTO's country representatives and business leaders steered an impactful knowledge session on achieving a gender-inclusive society by enhancing the contribution of women in trade and economy.

Policy makers and experts from trade support institutions explored how technology can be leveraged to increase global footprint of micro, small and medium enterprises who are the key contributors to economic growth and job creation.

Since the conclusion of the 11th Ministerial Conference in 2017, like-minded WTO member countries came together to launch negotiation under the Joint Statement Initiatives (JSIs) on critical topics. WTO members have formed JSI on issues such as e-commerce, investment facilitation, MSMEs and liberalizing regulation for services trade. The Public Forum offered a platform for experts to discuss progress of negotiations under these JSIs and the way forward.

Experts from academia and civil society discussed the imperative for amendment of WTO's TRIPS Agreement to promote equitable access to medical technologies to developing and less developed countries.

In summary, the Public Forum generated insightful public discussion on trade topics such as technology for inclusive trade, sustainable development, gender inclusion, food security, MSMEs, resilient supply chain etc. These topics will guide discussion and global action on these topics of high policy importance for a sustainable, inclusive and a resilient global economy.

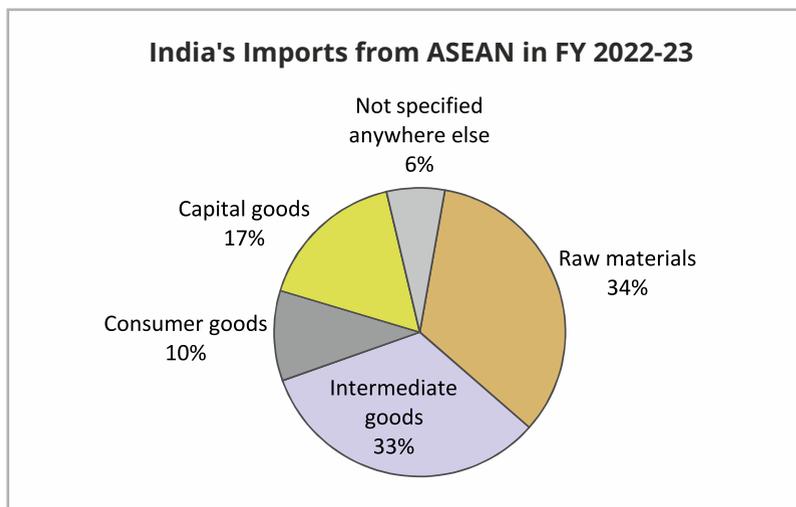
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India may diversify its import source for 27 goods in favour of ASEAN

The 10-country ASEAN (Association of South East Asian Nations) bloc emerged as India's fourth largest trading partner replacing the European Union with total trade of more than USD 47 billion during April-Jun 2022-23. The top three trading regions of India are North East Asia, West Asia and North America, with their respective trade value of USD 71 billion, USD 67 billion and USD 52 billion in the said quarter. In India's bilateral trade with the ASEAN bloc, Indonesia has the highest share of 31% followed by Singapore (25.3%) and Malaysia (16.2%).

Imports from ASEAN

ASEAN is also the third largest source of imports for India with more than USD 30 billion worth of imports during the quarter. India's imports from ASEAN grew around 63% in quarter 1 (Q1) of the current financial year as compared to the quarter a year ago. Compared to Q1 in the pre-pandemic period of FY 2019-20, imports have grown by 56%. ASEAN's share in India's imports has also grown from 11% to 13% during the same period. Of the total imports from ASEAN in Q1 of the ongoing financial year (2022-23), raw material (33%) and intermediate goods (34%) summed upto 67%. Capital goods contributed around 17% of the total import from ASEAN (see the chart below).



Sources- Ministry of Commerce, UNCTAD, Compiled by MVIRDC WTC Mumbai

Under sector-wise classification, energy (31%), edible oil (12%), Electrical & electronic equipment (10%), and Machinery & Mechanical appliances (8%) constituted around 60% of India's total imports from ASEAN.

A source of import diversification

India imported around USD 295 billion of manufactured goods excluding precious stones in FY 2021-22. Out of which, around USD 92 billion or around 33% were imported from China. This concentration of imports in a single geographical location should be a cause of concern for India as any disruptive event may adversely affect India's supply chain, compromising its economic and strategic interests. ASEAN, which shares geographical proximity with India and which has identical industrial structure similar to China is an ideal option for India to consider for import diversification and thus hedge against any supply-chain shocks.

MVIRDC WTC Mumbai analysis has identified 27 commodities (at HS 6-digit level) where ASEAN has the potential to substitute or complement imports from China. These 27 commodities belong to electronics, chemicals, textile, machinery, metals, plastics and auto-components, to name a few. India's import data for these 27 goods is given in the annexure. India's imports in these 27 commodities stood at around USD 31 billion in FY 2021-22, of which China's share is around 65% or USD 20 billion while ASEAN had just above 9% share or USD 3 billion. In each of these commodities, China has at least 50% share in India's total imports.

ASEAN has export competitiveness in these commodities as it already accounts for 24% of global exports of these goods or around USD 260 billion. In each of these 27 commodities, ASEAN commands at least 10% global export market share for these products.

Annexure:

List of 27 commodities where India can diversify import source in favour of ASEAN

Sr. No.	HS Code	Product Description	China's share in India's imports		ASEAN's share in global exports	ASEAN's share in India's imports	
			2021-2022	2022-2023 (Apr-Jul)		2021-22	2022-2023 (Apr-Jul)
1	854231	PROCESSORS AND CONTROLLERS, WHETHER OR NOT COMBINED WITH MEMORIES, CONVERTERS, LOGIC CIRCUITS, AMPLIFIERS, CLOCK	50.34%	45.45%	32.67%	9.41%	10.23%
2	851770	PARTS:	51.48%	NA	23.40%	7.19%	NA
3	854140	PHOTOSENSITIV SEMICONDUCTOR DEVICES, INCL PHOTOVOLTAIC CELLS W/N ASSEMBLED IN MODULES/ MADE UP INTO PANELS; LIGHT EMITTING DIODES	90.59%	NA	17.90%	3.42%	NA
4	852990	OTHER PARTS OF HDG 8525 TO 8528	78.67%	78.16%	23.84%	8.82%	11.03%
5	851712	TELEPHONES FOR CELLULAR NETWORKS OR FOR OTHER WIRELESS NETWORKS:	59.73%	53.16%	16.17%	23.28%	45.78%
6	871410	OF MOTORCYCLES (INCLUDING MOPEDS):	79.39%	77.27%	17.00%	11.43%	13.69%
7	760719	NON-ALUMINUM FOIL NOT ROLLED	51.90%	48.05%	12.78%	41.33%	46.89%
8	851830	HEADPHONES EARPHONES AND COMBINED MICROPHONE/SPEAKER SETS	58.79%	57.01%	29.62%	20.39%	21.19%
9	590210	TYRE CORD FABRIC OF NYLON/OTHER POLYAMIDES	58.50%	61.24%	20.98%	25.13%	27.62%
10	722090	OTHER FLAT-ROLLED PRODUCTS OF STAINLESS STEEL OF WIDTH LESS THAN 600 MM	75.00%	68.00%	15.50%	3.02%	2.42%
11	540247	OTHER, OF POLYESTERS	65.38%	74.91%	15.95%	27.71%	18.23%
12	845229	OTHER SEWING MACHINES	58.29%	60.96%	23.76%	26.38%	24.54%
13	731210	STRANDED WIRE, ROPES AND CABLES	59.28%	62.75%	14.72%	30.02%	20.94%
14	381800	CHEMICAL ELEMENT DOPED FOR ELECTRONICS IN DISC-WAFER-SMALLER FORMS-CHEMICAL COMPOUNDS DOPED FOR ELECTRONICS	97.68%	97.83%	11.64%	0.66%	0.57%
15	551011	SINGLE YARN CONTAINING 85% OR MORE BY WEIGHT OF ARTIFICIAL STAPLE FIBRES	75.77%	88.90%	38.55%	19.10%	8.60%
16	640299	OTHER FOOTWEAR OF 6402	53.68%	49.92%	14.20%	36.63%	40.29%
17	851822	MULTIPLE LOUD SPEAKERS; MOUNTED IN THE SAME ENCLOSURE	69.51%	70.84%	16.09%	15.04%	18.51%
18	291714	MALEIC ANHYDRIDE	54.05%	66.64%	10.45%	20.05%	16.80%
19	292249	OTHER AMINO ACIDS AND THEIR ESTERS OTHER THAN THOSE CONTAINING MORE THAN ONE KIND OF OXYGEN FUNCTION, SALTS THEREOF	83.88%	90.71%	20.47%	0.50%	0.24%
20	300190	HEPARIN SALTS; OTHER HUMAN/ANIMAL SUBSTANCES FOR THERAPEUTIC/PROPHYLACTIC USE	70.15%	81.93%	14.55%	0.00%	0.00%
21	291814	CITRIC ACID	98.10%	98.50%	11.75%	0.18%	0.91%
22	854190	PARTS OF ITEMS OF HDG 8541	88.29%	59.67%	46.60%	3.64%	13.63%
23	291611	ACRYLIC ACID AND ITS SALTS	50.70%	47.52%	14.90%	25.44%	29.86%
24	846729	OTHER MACHINES WITH SELF-CONTAINED ELECTRICAL MOTOR	70.98%	68.97%	10.58%	8.26%	7.65%
25	850511	PERMANENT MAGNETS AND ARTICLES INTENDED TO BECOME PERMANENT MAGNETS AFTER MAGNETING; OF METAL	67.50%	74.14%	10.95%	8.62%	6.55%
26	320415	VAT DYES (INCLUDING THOSE USABLE IN THAT STATE AS PIGMENTS AND PREPARATIONS BASED THEREON)	68.13%	48.80%	12.07%	30.88%	47.43%
27	540219	OTHER;	60.60%	68.46%	11.69%	21.44%	19.35%
		Total	64.45%	56.51%	24.00%	9.42%	13.13%

Source: Ministry of Commerce & Industry, Government of India; ITC, Geneva; Compiled by MVIRDC WTC Mumbai

India can raise its share in world export of footwear to 5% in 3 years



Mr. Sanatan Sahoo
Director, Central Footwear
Training Institute, Agra

Excerpts of the interview:

Give us an overview of India's footwear manufacturing sector, in terms of annual production, major production centres, employment, domestic sales, exports and India's position in world export.

Footwear industry plays a significant role in the socio-economic development of the country by creating ample employment opportunities on the one hand and earning substantial foreign exchange for the country on the other. India is the second largest global producer of footwear after China, accounting for 10.7% of global footwear production of 24.2 billion pairs, according to a report. India produces 2.6 billion pairs of different categories of footwear constituting almost equal percentage of leather and non-leather footwear. Out of these, India

Central Footwear Training Institute, Agra was established in 1963 to support Indian footwear industry through skill development, training, technology upgradation and by providing common facility center. In an interview to ON TRADE, **Mr. Sanatan Sahoo**, Director of the Institute raises concern about India's low share in world export of footwear products despite the country being the second largest producer of these products after China. He strongly feels that India can increase its share in world exports from 1.8% now to at least 5% in the next three years given the present business environment and favorable initiatives of the government.

exports nearly 5% of its production and rest 95% of its production goes to meet its own domestic demand. At the same time, India is the second largest Footwear consuming country after China with nearly 2.6 billion pairs per annum, average per capita consumption is nearly 1.75 pairs while average global consumption is 3.1 pairs. It is somewhat 7-10 pairs in developed countries. Thus, India sees a great potential in the near future keeping in view the growing economic conditions of the people and their disposable income. There are nearly 15000 units engaged in manufacturing footwear in India and nearly 1.3 Million people are employed directly and equal number indirectly in this sector.

Footwear industries are concentrated in a few states of the country like Chennai, Ambur, Ranipet, Vellore in Tamil Nādu; Agra, Kanpur, Noida, Saharanpur in UP; Mumbai, Kolhapur in Maharashtra; Kolkata in West Bengal; Ambala, Gurgaon, Panchkula, Faridabad, Karnal in Haryana; Jalandhar in Punjab; Jaipur in Rajasthan; Kozhikode, Ernakulam in Kerala; Hyderabad in Telangana and Bengaluru in Karnataka.

The total turnover of the footwear industry, including leather and non-leather footwear is estimated at Rs.

“ India is the second largest global producer of footwear after China, accounting for 10.7% of global footwear production of 24.2 billion pairs.”

50,000 crores including Rs 32,000 crore for Domestic market and Rs 18,000 crore for exports. India meets hardly 1.8% of the global import demand for footwear and it ranks 6th in exports. China holds the largest share of 64.7% in meeting world's import demand for footwear.

India has a miniscule share in world export market despite having abundance of raw material, viz. hides and skins. What is your estimate of the untapped export market for Indian footwear and what are the challenges faced by Indian cottage and micro units in realizing this untapped export potential?

Although India is the second largest producer of footwear, its share is



Central Footwear Training Institute, Agra

less than 2% in meeting the world import demand. Being endowed with vast raw material resource, huge labour force and easy access to technology and market manpower, it sees a great potential for increase in exports and penetration to new markets especially to developing and under-developed countries. According to the statistics for the year 2021-22, export of Leather & non-Leather footwear and footwear component is about USD 2.51 bn and more than 60% of our export has gone to only seven countries, viz. USA – (23.77%), Germany (11%), UK (9.37%), Italy (5.91%), France (4.45%), Spain (4.36%), China (2.80%) and 20 countries constitute about 80% of our total export market. Many markets such as Japan, South Korea, Singapore, UAE, Australia, South Africa, Russia and even the SAARC countries are very poorly tapped. Markets of under-developed African countries could be a better destination on one hand and focus on high value items to the developed countries on the other can be targeted.

Post-Covid era has created many opportunities for the world leaders to look at India while intending to shift their businesses from China, and it is the right time to be proactive to tap it. India can set a target to increase its share in world exports

from 1.8% today to at least 5% in next 3 years, which is quite realistic keeping in view the present business environment and favorable initiatives of the Government.

As such, Indian footwear industry is functioning on four different levels. One is 100% export-oriented units. Second is well organized units with its own established brands in the domestic market with certain percentage for exports. The

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remaining two groups are small and micro units with the employment from 3 to 300 workers. Most of them target local markets while some of them export indirectly. These two groups face numerous challenges in operating their business cycle even for sustaining in the domestic market. For targeting the export market, it is sometimes out of reach especially for the micro and artisanal units which are large in number. The challenges are huge but to name a few, some of them have a low scale of production, consistency in quality, adoption of modern technology, use of appropriate materials, exposure

to modern technology, designs, innovative packaging, credit worthiness to avail finance, branding and market promotion avenues, skill development, costing & pricing, awareness about government schemes and participation in international trade fairs or exhibitions. Shortage of efficient and competent manpower for dealing in different activities is a common challenge faced by every micro and small enterprise.

How do you assess India's position in creating globally renowned brands in footwear products? What are the steps the central and state governments need to take to make India a global hub for footwear design?

Many Indian brands like Bata, Liberty, Relaxo, Paragon, Red Tape, Lancer, Hitz, Metro, Lakhani and VKC have created their own place in the global market whereas many of the world's top brands outsource their products from India. The footwear

industry of the country is well capable of producing quality products of global standards undoubtedly, but marketing those products under its own brand name is a major challenge. Not only is it a costly affair but it also requires expertise of a higher level to establish the brand image even in the national market. Moreover, the scale of production with consistent quality and the supply chain networking is a major concern.

The role of the government is very significant to make India a global hub for footwear design and

“ The challenges are huge but to name a few, some of them have a low scale of production, consistency in quality, adoption of modern technology, use of appropriate materials, exposure to modern technology, designs, innovative packaging, credit worthiness to avail finance, branding and market promotion avenues, skill development, costing & pricing, awareness about government schemes and participation in international trade fairs or exhibitions.”

production. Different proactive initiatives and promotional policy decisions shall be instrumental to realize the intended targets. Establishment of Mega Leather Parks or dedicated Industrial estates not only for production of footwear but also for processing raw materials, components, accessories, grinders, fasteners, packing materials etc. is the need of the hour. Such parks or dedicated estates should have business development providers and other service providers such as transport, clearing and forwarding agents, design studio, training centers/ institutions, maintenance workshops etc. By creating such parks / industrial estates, India can strengthen the capacity of its footwear industry to go global with its own terms. Modern cluster villages can be developed by accommodating the footwear artisanal units providing both residential and workshop facilities with common facility center with design studio, common raw material bank, common marketing outlet run through Special Purpose Vehicle (SPV) and Consortiums would enhance their socio-economic conditions. Synergy between different promotional schemes of both state and central government can make the endeavor easy and achievable.

Design studios and incubation centers equipped with latest and advanced equipment with CAD/CAM facilities shall add impetus to foster new innovative ideas and creations to cater to the need of both domestic and external market. Research and development could be an integral part while developing new products and accessories of such a Center of Innovation. International tie-ups with some world class design centers or institutes and hiring services of International exporters will add value to the design platforms established at institutes or

industries. Continuous interactive sessions, symposiums, training programs, workshops and seminars will modify the knowledge and skill of the Indian designers and make them think in global perspective.

Special incentives for promotion of design development in area of high value and import substitution products like spike-athletic shoes, ski boots, riding shoes, mountaineering boots for high altitudes, thermostatic shoes, water and oil-resistant shoes etc. shall encourage new entrants and potential entrepreneurs.

What is the role of Central Footwear Training Institute in enhancing global competitiveness of local artisans and MSME units in the footwear sector?

Central Footwear Training Institute, Agra, by virtue of its name and nature, has been supporting footwear and allied industries through developing and supplying skilled and competent manpower since its inception in 1963. The curricula of its different courses are based on the need of the industry and comply with the norms of National Skills Qualification Framework (NSQF). In addition to technical subjects, applied management topics are also covered to make trainees aware and handle day-to-day affairs in their respective positions. All the courses are practical and the students get enough scope for hands-on-practice to understand the subject more intensively. Project work, assignments, industry exposure, in-plant training, workshops and seminar on different technical and management topics, visits to national and international trade fairs facilitate the competency level of the students.

The passed out students are well accepted in the footwear industry in different capacities like designers, pattern developers, production supervisors, stage inspectors, quality controllers, merchandisers, market executives, buying/purchasing representatives etc. while many trainees prefer to start their own enterprise.

Much emphasis is given on latest technological developments by adding modern machinery, equipment, CAD/CAM system, upgraded programmable facility every year in consultation with the industry experts. CFTI, with its state-of-the art machinery and equipment extends common facility services to MSMEs to execute different operations including designing and pattern development to enable them to produce quality products with advanced facilities. We have set up a Smart Conveyor with complete set of advanced machinery and equipment having multi-operational features for upper fabrication work. Modern management system with industrial engineering applications is practiced in this system for higher productivity while ensuring better quality. The set-up is being used to provide job work facility to MSMEs besides giving practical exposure to the students of the institute.

Technical workshops, seminars, short term training programs on different topics including productivity improvement methodology, technology upgradations and designing being organized by the institute facilitate the global competitiveness of the industry. The Institute has developed an Entrepreneurship Development Cell (EDC) with an objective to encourage its students and outsiders interested to start their own enterprises in footwear and allied field. Industrial Motivation Campaigns (IMCs),

Entrepreneurship Development Programs EDPs and Management Development Programs (MDPs) are being conducted inviting guest faculties and experts from the promotional organisations, industries and trade. Organizing awareness programs on different promotional schemes and initiatives of State and Central Government adds value to the knowledge circle of the entrepreneurs to avail of the benefit. Participation in different international fairs and exhibitions, discussions, and interactive sessions helps in strengthening the capacity and to transfer the knowledge forward by different means.

“ Establishment of Mega Leather Parks or dedicated Industrial estates not only for production of footwear but also for processing raw materials, components, accessories, grinders, fasteners, packing materials etc. is the need of the hour.”

Being a training and synergy partner to different state and central bodies, CFTI shoulders the responsibility to facilitate implementing different schemes of various ministries and departments like DPIIT, NSSH, CLRI, LIDCOM, UPSDM, ODOP, VSSY, MPCST, ATI, EDI and KVIC. The institute thus plays a significant role to foster new technologies, modern manufacturing methods, skilling, upskilling and reskilling the people working in the industry.

How can WTC Mumbai and Central Footwear Training Institute collaborate to support aspiring and existing entrepreneurs in design training, technology adoption and marketing?

The collaboration of WTC Mumbai and CFTI, Agra with their respective core strength would create new opportunities and possibilities both for the prospective and existing entrepreneurs in the footwear and allied sectors. Also, as mentioned earlier, India's export market for footwear is concentrated in only a few countries and this leaves many other developed countries unexplored. The African and other developing and underdeveloped countries can be targeted. Such a collaboration can help entrepreneurs explore new market, brand promotion, training of international participants, organizing B2Bs, facilitating visit of foreign delegates, organizing visit of Indian delegates to foreign countries (targeted market), new product development, technology transfer, connecting to world class E-commerce platforms and organizing international conferences of footwear designing and production technology.

Promoting local brand in foreign countries is a major challenge faced by small scale footwear manufacturing units of our country. Our collaboration can facilitate advertisement and publicity on international platforms through the wide network of WTC Mumbai. We can together support entrepreneurs in creating special web pages, promotional videos and promoting their brands through social media. We can also jointly conduct market studies and analysis of specific countries to identify promising export destinations.

WTC Mumbai can facilitate tie-ups with international institutes / organizations and experts having hands-on expertise and core strength in designs and/or manufacturing technology. It will benefit the institute by strengthening its capacity and by providing better service to the industry as well.

Moreover, the Collaboration of CFTI and WTC Mumbai will be helpful to conduct special training programs for international participants of the latter's members or affiliate organisations. These could be i) Managers/Supervisors/Employees of shoe industry (1-6 months) ii) Prospective Entrepreneurs interested in shoe industry (3 months) iii) Students aspiring technical position in shoe industry- as per regular courses conducted by the institute and iv) Industry Promotion Officers/ Executives of foreign countries (5 to 10 days). CFTI can also extend consultancy services to develop

to equip itself for providing better and effective training to its trainees and required services to the industry in different dimensions. Adding new facilities and upgrading the existing infrastructure is considered as a prime concern with the proactive support of the Ministry. The Design studio equipped with latest CAD/CAM facilities is aimed to provide complete design solution to the industry and to cater to the need of customized shoes especially for people having dimensional difference between both their feet. Training and exposure to the advanced system is another objective of this studio.

The institute is planning to expand its capacities in a new campus in an extensive area to have facilities of global standards in new verticals like non-leather shoes, orthopedic shoes and special-purpose footwear, testing laboratory, design

some reputed organizations facilitating direct and indirect exports like DGFT, IIFT, CLE, IIM, EXIM Bank, ECGC, International Chambers of Commerce and WTC Mumbai as well, for organizing different programs and events to explore new overseas market destinations. Short term courses on searching mechanism for new markets, export procedure & documentations and handling the challenges are a few identified topics to cover in such programs.

The institute is in the process of developing a B2B portal very soon to create a platform for both, the potential micro and small manufacturers as the seller group on one side and wholesalers, retailers, buying houses, merchant exporters and overseas importers on the other side. It is planned to accommodate the product information of nearly 500 MSEs and 50 large buyers looking for outsourcing. A virtual exhibition space can also be provided to showcase the product features, company profiles, business terms & conditions and other parameters to facilitate both the buyer and seller group to contact and interact with each other.

Joint collaboration with large footwear industries and Industry associations for organizing skill development programs for both fresh candidates and upskilling of existing employees are being planned. Special training programs for the supervisors, managers and CEOs especially for the younger generation of existing industrialists are also being thought of to empower the human resource and also to improve their preparedness to take their business to new heights.

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training institutes by deputing its expert faculties and /or providing training to the faculties of respective countries at Agra.

Your organisation has established Design Studio and it is also in the process of setting up Centre of Excellence to support footwear sector. What is your future plan of action in enhancing export competitiveness of this sector?

The institute is in continuous effort

studio with plug and play facility. It can be very much instrumental for effective training and to support MSMEs providing common facility services in a wider spectrum.

In the near future, the institute will be exploring the possibilities of tie-up with some Institutes of National and International reputation like CLRI, IIT, IIM, NID, EDI, NIFT, FDDI, Orthopedic Solution Providers to strengthen its technological base and management consultancy capabilities. It is also equally intending to have collaboration with

Strengthening India-Latin America Economic Relations

Despite much talk of enhanced Indian engagement with the region over the past decade, India-Latin America ties remain relatively limited. Last year, bilateral trade between India and Latin America totaled USD 45 billion and India's total foreign direct investment (FDI) was estimated to be USD 12-16 billion.¹ Although India-Latin America trade rebounded in 2021 and 2022 (see Figure 1), these numbers still pale in comparison to those of Latin America's other major economic partners. China's total 2021 trade with the region exceeded USD 445 billion, for instance, and FDI flows neared USD 159 billion, according to Red ALC-China calculations.² Yet, as Latin America grapples with the wide-ranging effects of the Covid-19 pandemic, expansion of Indian trade and investment with the region could certainly boost regional recovery, especially given an anticipated boom in India's economic performance this year, India's continued engagement within growth-promoting sectors in the region, and growing interest among Latin American leaders in sizable social spending and infrastructure programs.

In the short term, whether in the trade realm or in terms of foreign direct investment, prospects for



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enhanced India-Latin America engagement will center on those sectors in the region in which India is already active. Much like other Asian economic partners, India's trade



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with the region is largely focused in the region's extractive (mining) sectors. Latin American exports to India have mostly consisted of commodities, such as crude oil,

“Indian companies have also engaged with other growth-promoting sectors in Latin America, including the provision of information technology (IT) services, pharmaceuticals, and manufacturing inputs, with much of India's activity evident before China established a sizable presence in these industries.”

¹ Ambassador (ret'd) R. Viswanathan, "India's Exports to Latin America Increase by an Impressive 48% to a Record 18.9 Billion Dollars in 2021-22." Financial Express, May 24, 2022, sec. Defence. <https://www.financialexpress.com/defence/indias-exports-to-latin-america-increase-by-an-impressive-48-to-a-record-18-9-billion-dollars-in-2021-22/2535466/>; Jorge Heine and Hari Seshasayee, "Indian Foreign Policy: The Rise of the South and Indo-LAC Relations." In *Understanding Transition in South Asia Economy, Politics, and Society* (Essays in Honour of Partha S. Ghosh), edited by Vikash Kumar and Anasua Basu Ray Chaudhury, Ph.D. AF Press, 2020, 285.

² Mark P. Sullivan and Thomas Lum, "China's Engagement with Latin America and the Caribbean." In Focus. Congressional Research Service, May 4, 2022. <https://sgp.fas.org/crs/row/IF10982.pdf>; Enrique Dussel Peters, "Monitor of Chinese OFDI in Latin America and the Caribbean 2021." Red ALC-China, March 31, 2021, 6.

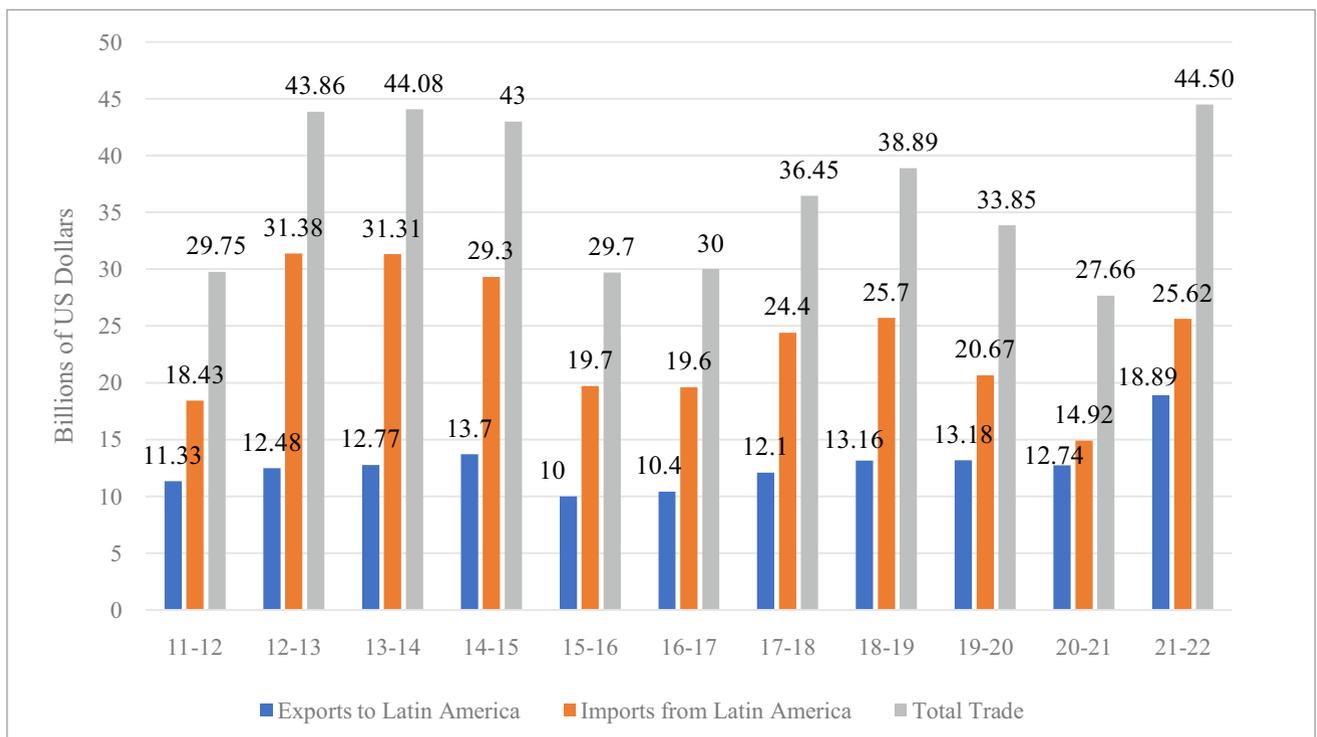
copper, and gold, which accounted for USD 17.085 billion (or approximately 67 percent) of India's total imports from the region last year.³ Agricultural products, such as vegetable oils, have also accounted for a sizeable share of regional exports to India. But, Indian companies have also engaged with other growth-promoting sectors in Latin America, including the provision of information technology (IT) services, pharmaceuticals, and manufacturing inputs, with much of India's

activity evident before China established a sizable presence in these industries.

In the IT sector, 18 Indian companies now employ more than 38,000 Latin Americans.⁴ Moreover, these companies play a significant role in the bilateral trade in services between India and the region, accounting for majority of the USD 13.4 billion of trade in services in 2019.⁵ According to Hari Seshasayee, trade advisor at the Colombian

government's official trade and investment promotion agency, Indian IT companies were among the first firms to invest in Latin America, motivated by their desire to diversify their global reach, establish a presence in the rapidly-expanding Latin American services market and engage with the growing pool of IT graduates in the region.⁶ India is well-positioned to further expand IT engagement with the region, helping to digitize and modernize LAC business processes as well as

Figure 1. India's Trade with Latin America, 2011-2022



Source: Ambassador (retired) R. Viswanathan, "India's Exports to Latin America Increase by an Impressive 48% to a Record 18.9 Billion Dollars in 2021-22." Financial Express, May 24, 2022, sec. Defence. <https://www.financialexpress.com/defence/indias-exports-to-latin-america-increase-by-an-impressive-48-to-a-record-18-9-billion-dollars-in-2021-22/2535466/>.

³ Ambassador (retired) R. Viswanathan, "India's Exports to Latin America Increase by an Impressive 48% to a Record 18.9 Billion Dollars in 2021-22."

⁴ Hari Seshasayee. "Latin America's Tryst with the Other Asian Giant, India." The Wilson Center, May 2022, 4.

⁵ Seshasayee, 12; Organization for Economic Cooperation and Development. "Balanced International Trade in Services (2005-2019)." OECD.Stat. https://stats.oecd.org/Index.aspx?DataSetCode=BATIS_EBOPS2010.

facilitate the growth of e-commerce, financial technology and digital banking across the region.

In the pharmaceuticals industry, 27 Indian companies operate 13 manufacturing units across the region, with relatively low-cost Indian medications often helping to reduce overall public healthcare costs.⁷ Indian companies such as Glenmark, offer as many as 280 products to a dozen countries in the region, including in the areas of dermatology, oncology and cardiology.⁸ Several others were active in providing Covid-19 vaccines amid the pandemic. Prospects for growth in this sector are relatively high—the Latin American pharmaceutical market is two times the size of the African and Middle Eastern markets combined, and was forecast back in 2018 to grow by nine percent per year through 2028.⁹ As Seshasayee notes, healthcare industries in the Latin American region are also growing at a rapid pace, particularly in Brazil, Mexico, and Argentina, possibly providing Indian pharmaceutical companies the chance to enter higher-value segments of the healthcare value chain.¹⁰

Beyond the region's copper and gold, lithium extraction and produc-

“ Indian IT companies were among the first firms to invest in Latin America, motivated by their desire to diversify their global reach and establish a presence in the rapidly-expanding Latin American services market.”

tion may additionally be of interest to Indian companies, just as they have been to other international investors. Almost two-thirds of global lithium reserves are located in five Latin American countries: Bolivia, Chile, Argentina, Peru and Mexico.¹¹ The metal is a key input for electric vehicles and an essential component for clean energy systems. Increased lithium-related engagement by Indian companies in the region is indeed possible, especially given that Indian investors such as Hero MotoCorp have reportedly expressed some interest in joint production of electric vehicles.¹²

Expanding India-Latin American economic cooperation will of course depend largely on the interests of Indian companies, many of which still regard the region as far away and sometimes difficult to engage. A relative lack of Spanish and Portuguese speakers in Indian companies puts some at a disadvantage in the region due to continued reliance on local partners.¹³ Additionally, those companies that have ventured to Latin America have had mixed experiences to date, as noted by former Indian Ambassador to Argentina, Uruguay, and Paraguay, Rengaraj Viswanathan. Uruguay revoked a mining license for Zamin Resources, run by Indian businessman Pramod Agarwal, as Viswanathan explained in a recent account of Indian investment in the region. An iron ore project in Bolivia and a sugar venture in Brazil also ended poorly for Indian companies.

There are just as many—if not more—success stories, of course. In the automobile sector, Indian companies invest more and provide more employment than their Chinese counterparts in the region, according to Seshasayee. Indian auto parts company Mutherson Group has established 27 auto parts manufacturing plants in Latin

⁶ Seshasayee, “Latin America’s Tryst with the Other Asian Giant, India,” 11.

⁷ Seshasayee, 13.

⁸ Glenmark web page, <https://glenmarkpharma.com/product-overview/global-presence-glenmark-latin-america/>.

⁹ Hari Seshasayee, “India and Latin America: Moving from Transactional to Permanent Healthcare Partners.” *Georgetown Journal of International Affairs*, March 18, 2021. <https://gja.georgetown.edu/2021/03/18/india-and-latin-america-moving-from-transactional-to-permanent-healthcare-partners/>; Guillaume Corpart, “Latin America’s Pharmaceutical Market Growing by 9% a Year.” *Global Health Intelligence*, June 18, 2018. <https://globalhealthintelligence.com/ghi-analysis/latin-americas-pharmaceutical-market-growing-by-9-a-year/>.

¹⁰ Seshasayee, “India and Latin America: Moving from Transactional to Permanent Healthcare Partners.”

¹¹ Emily Pickrell, “Latin America’s Lithium: Opportunity or a Fool’s Errand.” *Forbes*, February 26, 2022.

<https://www.forbes.com/sites/uhenergy/2022/02/26/latin-americas-lithium-opportunity-or-a-fools-errand/?sh=777486a52bcd>.

¹² Seshasayee, “Latin America’s Tryst with the Other Asian Giant, India,” 24.

¹³ Deepak Bhojwani, “India and Latin America: The Way Forward.” *Indian Foreign Affairs Journal* 13, no. 1 (March 2018): 68.

“ Healthcare industries in the Latin American region are also growing at a rapid pace, particularly in Brazil, Mexico, and Argentina, possibly providing Indian pharmaceutical companies the chance to enter higher-value segments of the healthcare value chain. Beyond the region’s copper and gold, lithium extraction and production may additionally be of interest to Indian companies, just as they have been to other international investors.”

America and employs 25,000 people in the region.¹⁴ With over 2,000 employees, South America is also a key node in Indian manufacturing supplier Aditya Birla Group’s global network. Three of the group’s companies—Novelis, Birla Carbon, and Swiss Singapore Overseas Enterprise—are active in the region. And UPL, India’s largest agrochemical firm, does more business in Latin America than in India.

Although much depends on the interests and capacity of individual companies, Indian government efforts to further prioritize engagement with Latin America would also do much to advance relations. This begins with the formulation of a clearly articulated policy toward the region, emphasizing areas of common interest. These would include shared economic goals, no doubt, but also common efforts to combat climate change and broader interests among India and many partner nations in Latin America in advancing the United Nations Sustainable Development

Goals. In fact, India has already noted some of these shared interests in its partnership with CARICOM. In 2019, Prime Minister Narendra Modi offered CARICOM countries USD 14 million in grants for quick impact community development projects, a USD 150 million line of credit for solar energy and climate change related projects, and special capacity building courses.¹⁵ An India-CARICOM Task Force was also proposed at the time to reinvigorate India-CARICOM cooperation.

Though operating without a comprehensive Latin America policy, India has nevertheless established a handful of preferential trade agreements (PTAs) with Latin American nations and trade blocs, including Chile and Mercosur. Furthermore, India is currently in the process of negotiating additional PTAs with Peru and Ecuador. New and expanded trade deals, including with other top trade partners in the region, such as Mexico and Colombia (see Figure 2), may very

well help to boost overall trade. A report issued in 2019 by the Inter-American Development Bank and Indian Export-Import Bank recommends increasing the coverage of trade and investment agreements, enhancing trade-facilitation measures, and undertaking targeted trade-promotion activities.¹⁶

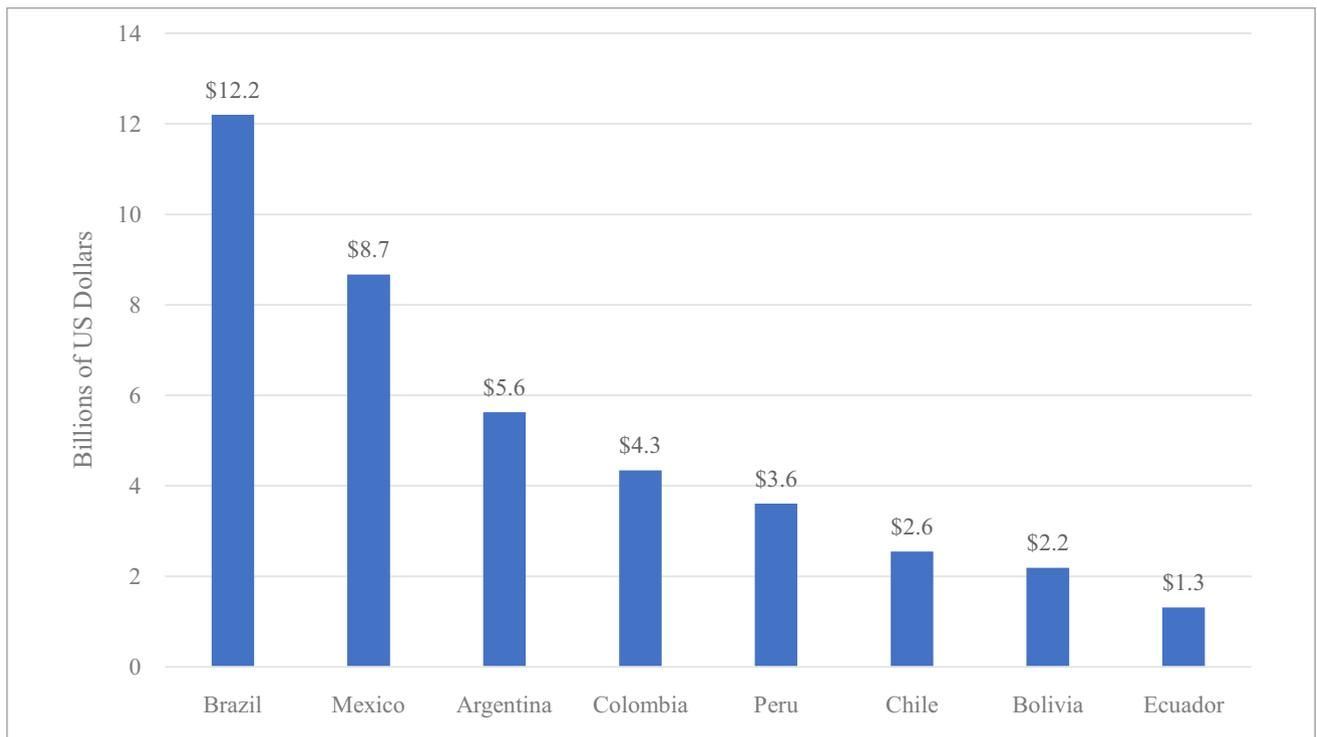
As a major shareholder in the New Development Bank (NDB), or BRICS bank, and the Asian Infrastructure Investment Bank (AIIB), India is additionally linked to these banks efforts to finance certain projects in the region. The NDB recently approved two loans worth USD 140 million to finance Brazilian infrastructure projects, but financing thus far has been restricted solely to BRICS members. To date, Uruguay, which is a prospective member, is the only Latin American affiliate of the NDB other than Brazil.¹⁷ China has raised the prospect of Argentina’s membership in the BRICS bloc and India affirmed its support for the idea during a recent high-level visit to the country. The

¹⁴ Hari Seshasayee, “Latin America: The Last Frontier for India’s Foreign Policy.” Observer Research Foundation, June 6, 2022. <https://www.orfonline.org/expert-speak/the-last-frontier-for-indias-foreign-policy/>.

¹⁵ “India-CARICOM Bilateral Relations.” Guyana: High Commission of India Georgetown, Guyana, February 2021. <https://www.hcigeorgetown.gov.in/pdf/5.%20India-Caricom.pdf>.

¹⁶ Paolo Giordano, et. al., “A Bridge Between India and Latin America: Policy Options for Deeper Economic Cooperation,” Inter-American Dialogue and Export-Import Bank of India, June 2019, <https://publications.iadb.org/en/bridge-between-india-and-latin-america-policy-options-deeper-economic-cooperation>.

¹⁷ New Development Bank. “List of All New Development Bank Projects,” August 25, 2022. <https://www.ndb.int/projects/list-of-all-projects/>; New Development Bank. “NDB’s Member Countries,” August 29, 2022. <https://www.ndb.int/about-us/organisation/members/>.

Figure 2. India's Total Trade with Top Latin American Partners, 2021/2022

Source: Department of Commerce, Export Import Data Bank. "Total Trade: Top 50 Countries." Government of India - Ministry of Commerce and Industry, August 29, 2022.
<https://tradestat.commerce.gov.in/eidb/iecnttopn.asp>.

AIIB's presence in Latin America is more expansive, having provided or approved finance thus far to Ecuador, Brazil, Chile, Colombia, Mexico, and Peru.¹⁸

Overall, there is reason to be optimistic about the future of Indian-LAC economic relations, as noted by Indian Minister of External Affairs

Dr. S. Jaishankar during his August 2022 visit to Brazil, Paraguay, and Argentina. As India and Latin America emerge from the immediate economic effects of the pandemic, the Minister considered prospects for making Latin America "a very big business hub" for India.¹⁹ With India positioned to lead the world in economic growth in 2023,

its companies may indeed be in a better than ever position to look to new markets. Furthermore, as the region grapples with implications of growing US-China competition, new sources of trade and investment, especially in growth-promoting sectors, would be largely welcome in Latin America and the Caribbean.

¹⁸ Juan Manuel Harán, "Ecuador and the First AIIB Project in Latin America." *The Diplomat*, December 10, 2021.

<https://www.aiib.org/en/projects/details/2021/approved/Multicountry-Global-Infrastructure-Partners-Emerging-Markets-Fund-1.html>; Asia Infrastructure Investment Bank. "Our Projects," August 25, 2022. <https://www.aiib.org/en/projects/list/index.html?status=Approved>.

¹⁹ "Latin America can be a major business hub in Latin America with concerted efforts," *The Hindu*, August 24, 2022, <https://www.thehindu.com/news/national/latin-america-can-be-a-major-business-hub-for-india-with-concerted-efforts-s-jaishankar-in-brazil/article65805759.ece>

Immense untapped potential for bilateral trade between India and Cuba



Ms. Rupa Naik, Executive Director, WTC Mumbai with H.E. Mr. Alejandro Simancas Marin, Ambassador of the Republic of Cuba to India.

“Cuba seeks World Trade Centre Mumbai’s assistance in supporting their effort to foster conventional trade relation with India” expressed **H.E. Mr. Alejandro Simancas Marin, Ambassador of the Republic of Cuba to India** at an interactive meeting organised by WTC Mumbai. He further added that India is a very important trade partner for Cuba, but due to lack of knowledge, Cuban companies are yet to recognise India as a potential market. However the Cuban government is working on educating our companies regarding the significance of the same. “Having no direct flights between both countries is yet another reason that makes it difficult for India and Cuba to trade with each other” he expressed. Referring to India’s massive film industries, Mr. Marin



announced that Cuba has a big tourism industry and there is a vast potential for Indian investments in Cuba, specifically in tourism and the film industry. He also pointed out that Cuba being the centre of the South American continent can be a gateway for Indian investors to enter Latin America and the Caribbean markets.



Mr. Abel Aballe Despaigne, Deputy Head of Cuba Mission in India highlighted five key sectors which have a huge untapped potential for India and Cuba to explore and collaborate for mutual economic development.

These five sectors are: Renewable Energy, Biotech and Pharma, Information and Communication technology, Agro and Tourism. He also pointed out that during the Cuban Business Forum of 2020, Indian companies had the highest number of participation, outnumbering China.

Assuring Cuban representative of all possible support,



Ms. Rupa Naik, Executive Director MVIRDC World Trade Centre Mumbai said that India and Cuba has a lot of unexplored potential and WTC Mumbai being India’s premier international trade promotion organisation would like to be the bridge between

Indian and Cuban traders. She extended her invitation to Cuban companies to participate in WTC Mumbai’s flagship event ‘**Connect India**’ (1st August – 30th November) which can further improve their understanding regarding Indian markets and opportunities therein.

The meeting was held on July 2, 2022 at WTC Mumbai.

Highlights of India - Cuba Economic Relations

Areas of future cooperation

- Today, our bilateral trade is hardly USD 27 million, which has potential to grow upto USD 500 million

- India's import from Cuba is dominated by traditional products such as metal scrap, tobacco and to some extent pharmaceuticals. We need to diversify our imports into other products such as nickel, biopharmaceuticals, copper and agro products, among others.
- Given the US sanctions, India can engage in barter trade with Cuba by buying nickel, copper and crude oil
- Indian firms can invest in Mariel Special Economic Zone (in Cuba), which can be a gateway to Latin America and the Caribbean.
- Both the countries can collaborate in pharmaceuticals, IT, tourism, renewable energy, sugar, biotechnology and infrastructure development.
- India can provide financial support for food processing plant, including sugar mills, fertilizer plants, wind, solar and other renewable energy projects in Cuba

About Cuba:

- Cuba is the largest island nation in the Caribbean sea and it is strategically located at the center of Arabian Sea, Gulf of Mexico and the Caribbean.
- India was among the first countries to recognize the new Cuba government in January 1959 after revolution. Cuba is among the top 10 producers of cobalt and nickel and has significant other mineral and petroleum resources.

India- Cuba Relationship:

- Despite sanctions from USA, India supported Cuba through financial assistance for renewable energy and infra projects, donation of food, COVID vaccines, medicine, agro machineries etc.
- India offered USD 250 million Lines of Credit to Cuba for milk processing plants, fertilizer plant, pharma and power generation projects.
- India offered financial assistance to Cuba for procuring rice from our country.

People to People Contacts:

- Cuba has a small Indian-origin population of 200 people who migrated from Jamaica in early 1900s as sugarcane plantation labourers.

Trade Statistics:

- Trade is in favour of India as India exports USD 26 million worth of commodities against import of just USD 1 million.
- India's exports to Cuba (2021-22): USD 26 million (Sectors: Pharmaceutical products, organic chemicals, plastic products, medical equipment, engineering goods, textile products, metal products, mineral oil products and tools.)
- India's imports from Cuba (2021-22): USD 1 million (Sectors: battery scrap, tobacco, iron & steel scrap, crude oil)

(Source: Ministry of External Affairs, Government of India)

Webinar to observe 20th WTCA Day



The emerging world trade order is being shaped by shifting global supply chain, trade restrictive policies by several countries, fourth industrial revolution and other factors. In order to discuss the role of World Trade Centers amidst this changing world trade order, WTCA Asia Pacific Regional Office (APRO) organised a webinar on the theme 'Shape Up WTC Business Operations for a New Era'. The webinar also focused on volatile commodity prices, depreciation in exchange rates of major currencies and their impact on world trade and food security of developing countries. The APAC Trade Services Member Advisory Council (MAC) also partnered with APRO in organising this webinar.

This webinar was organised to mark the 20th anniversary of the UN-designated WTCA Day, which is observed every year to display the spirit of solidarity among all the WTCs.

Speakers at the session highlighted major trends shaping up WTC business operations in the Asia Pacific region, and also examined their impact on trade facilities and services offered by WTCs in the region.



Speaking on this occasion, **Dr. Vijay Kalantri, Chairman, World Trade Center Mumbai and Board Director - World Trade Centers Association (WTCA), New York** explained the resilience of India amidst emerging

global economic shocks.

He said, "The recent depreciation in Indian rupee against

dollar is less than the depreciation seen in the currencies of other advanced and emerging markets, such as UK, Japan, South Korea and China. The better performance of Indian currency against these developed and emerging markets reflects India's prudent management of the challenges of pandemic, inflation and global supply chain disruption. India has managed to prevent shortage of essential commodities such as food, fuel, medicine and COVID vaccines in this challenging time."

Dr. Kalantri added that as a result of our economic resilience, the Indian currency has depreciated by only 6%, against 26% depreciation in the currency of Japan, 16-17% depreciation of Chinese renminbi and around 16% decline in the value of UK sterling.

Dr. Kalantri, who is also the Chairman of Agriculture Member Advisory Council (MAC) of WTCA, New York, informed that the Council will create a digital platform to promote global trade in agro products.



In her remarks, **Ms. Rupa Naik, Executive Director, MVIRDC WTC Mumbai** highlighted the role of the Center in connecting MSMEs and women entrepreneurs to global markets by launching a new age digital platform called wetrade.org.

Ms. Naik pointed out that the Center connected more than 1000 exhibitors to buyers in foreign countries by organising online bilateral exhibitions with Vietnam, Mauritius, Thailand, Zambia, Southern African region, Brazil and the Caribbean region.

The webinar was also addressed by Mr. Robin van Puyenbroeck, Executive Director-Business Development, WTCA, New York; Mr. Scott Wang, Vice President, Asia Pacific, WTCA, New York and functionaries of WTCs in India, Taipei, Beijing, Binh Duong New City, Metro Manila and Suzhou.

The webinar was held on July 6, 2022.



WTC Mumbai and IASA to boost trade with Australia



(From left to right): Dr. Vijay Kalantri, Chairman, WTC Mumbai; Mr. Eric Abetz, Former Senator for Tasmania in Australia; Dr. Jagvinder Singh Virk, Chairman of the India Australia Strategic Alliance; Capt. Somesh Batra, Vice Chairman, WTC Mumbai; Capt. Ramesh Gulati, Council Member, WTC Mumbai and Ms. Rupa Naik, Executive Director, WTC Mumbai.

India and Australia have huge untapped trade and investment potential given their complementarities in sectors such as mining, energy, agriculture, education and skill development. According to an estimate by ITC Geneva, India has an untapped export potential worth USD 2 billion in sectors such as auto & auto-components, pharmaceuticals, gems & jewellery, insecticides, textile, rice, shrimp and chemicals.

In order to discuss this untapped export potential, MVIRDC WTC Mumbai organised an interactive programme with an inbound business delegation led by Dr. Jagvinder Singh Virk, Chairman of the India Australia Strategic Alliance (IASA)

A key highlight of the event was the signing of Memorandum of Understanding (MoU) between MVIRDC WTC Mumbai and IASA to conduct various joint trade and investment promotion programs to strengthen economic ties between both the countries.

Speaking on this occasion, Dr. Virk remarked, "IASA proposes to form a quasi-government task force or think tank between the state of Maharashtra and Australia

with the support of WTC Mumbai, to promote trade and investment between the two countries. Through this MoU, both the organisations will work jointly to realise this objective."



In his remarks, **Mr. Eric Abetz, former Senator for Tasmania in Australia** emphasised the need for Australia to increase trade volume with India to diversify and de-risk its supply chain. He further added that currently Indians have become the largest migrant population in Australia and there should be no limitation to India- Australia co-operation. "Australia is willing to co-operate with India in fields of education, healthcare and knowledge transfers."



Earlier in his welcome remarks, **Dr. Vijay Kalantri, Chairman, MVIRDC World Trade Center Mumbai** pointed out that both the countries can collaborate in education, mining, aero-space, infrastructure, shipping & ports,

which are focus sectors besides the ones mentioned above.

Dr. Kalantri raised confidence that the recently signed trade agreement between India and Australia will accelerate bilateral trade. He called for the need to amend the double taxation agreement between two countries that was signed 30 years ago and also suggested setting up of a joint fund to promote research and development activities in India.



Ms. Rupa Naik, Executive Director MVIRDC World Trade Center Mumbai, in her remarks, extended an invitation to Australian business delegates to participate in WTC Mumbai's flagship Trade Show 'Connect

India 2022' which will further improve business relations between both countries.

Connect India commenced virtually on August 1, 2022 and is a digital platform to help Indian companies to connect globally.



Presenting Vote of Thanks, **Capt. Somesh Batra, Vice Chairman, MVIRDC WTC Mumbai** proposed collaboration between WTC Mumbai Education Institute and University Tasmania to provide courses on trade promotion and skill development to support

businesses from both countries.

The interactive programme was attended by members of trade and industry.

The interactive programme was held on July 19, 2022 at WTC Mumbai.



Highlights of India - Australia Trade Relations

In 2018, Australia adopted India Economic Strategy 2035 as a roadmap to strengthen bilateral ties

Huge Trade Deficit with Australia:

- Currently, Australia is the 10th largest trade partner of India
- India has a huge trade deficit with Australia
- Bilateral trade stands at USD 25 billion, with USD 8 billion Indian exports and USD 16.7 billion Indian imports
- To correct this trade deficit, India signed a trade agreement with Australia in April this year

Trade Agreement:

- India signed an Economic Cooperation and Trade Agreement with Australia in April this year.
- The agreement will be implemented post ratification by the Parliament of both countries
- Under this agreement, India will get duty-free market access in Australia for 96% of our exports or 6,000 products across textile, leather, furniture, jewellery etc.
- The agreement aims to double two-way trade and make India one of the top 3 export destinations for Australia
- Australia also aims to make India the top 3 investment destination in Asia

Proposed Amendment in DTAA:

- India wants Australia to amend the 1991 Double Taxation Avoidance Agreement
- Such an amendment will exempt Indian IT companies offering services in Australia from paying tax in that country. Currently, Indian IT firms are paying tax both in India as well as in Australia

Focus sectors:

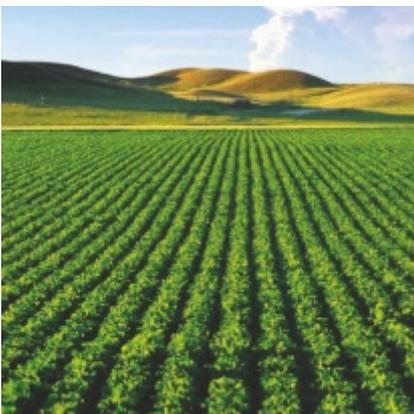
- Liquefied Natural Gas (LNG): India aims to import natural gas at lower duty from energy rich Australia
- India also has plans to collaborate with Australia in renewable energy
- Australia is a well-diversified economy, with high productivity in natural gas, education, health, tourism, mining and agri-business sectors.

Natural Resources:

- Australia is a leading producer of gold, iron ore and uranium. India can import some of these minerals from Australia

India Economic Strategy 2035:

- Under this strategy, Australia aims to increase air connectivity with India
- Upgrade Austrade office in Kolkata into a full Consulate General
- Establish Consulate General in Bengaluru
- Increase funding to Australia-India Research Fund
- Introduce Joint Research Fund to support doctoral students
- Establish Australia-India Food Partnership

**Agri-business****Renewable Energy****Mining**

WTC Mumbai signs MoU with Vietnam's Invest Global



Ms. Nguyen Thi Thu Ha, General Director of Invest Global exchanging MoU with Dr. Vijay Kalantri, Chairman, MVIRDC WTC Mumbai (second from left) at an interactive meeting. Also seen in the photograph are: Mr. Duong Duc Anh, Vice Consul, DCM, Consulate General of Vietnam in Mumbai (first from left) and Mr. Ajoykant Ruia, Vice Chairman, MVIRDC WTC Mumbai (extreme right).

Vietnam, a member of ASEAN, is a strategic and economic partner of India. In FY 2021-22, Vietnam was the 23rd largest trading partner of India globally and the 4th largest within the ASEAN region, following Singapore, Indonesia and Malaysia. Bilateral trade between the two countries grew more than seven times in the last decade, from around USD 2 billion in FY 2011-12 to more than USD 14 billion in FY 2021-22. Despite the rising bilateral trade, there still is a huge untapped trade potential for the two countries, especially in sectors such as electronics, pharma, textiles and agro products.

In order to realise this untapped trade potential, MVIRDC World Trade Center Mumbai organised an interactive meeting on 'Trade and Investment Opportunities in Vietnam' with **Mr. Duong Duc Anh, Vice Consul, DCM, Consulate General of Vietnam in Mumbai** and other delegates from Vietnam. The event was also addressed by **Ms. Nguyen Thi Thu Ha, General Director of Invest Global** and other members of the Vietnam delegation, which included representatives from large and small scale enterprises.



In his address, **Mr. Anh** remarked that India currently ranks as the 23rd largest trade partner of Vietnam and he hopes it reaches the 15th position in the near

future. "Even amidst the COVID pandemic, India-Vietnam trade grew from USD 12 billion in FY20 to USD 14 billion in FY22" he informed.

Mr. Anh invited Indian companies to invest in the pharmaceutical park dedicated for Indian companies in Vietnam. This park, he said, was being developed by the Government of Vietnam on 600 hectare land for Indian drug companies. "I assure that this park will help Indian drug companies to be recognized across the globe because of the excellent connectivity and numerous trade agreements of Vietnam" expressed Mr. Anh.

Earlier in his welcome remarks, **Dr. Vijay Kalantri, Chairman, MVIRDC WTC Mumbai** pointed out that India and Vietnam would be able to double their trade volume from USD 15 billion to 30 billion if a Rupee-Dong trade settlement mechanism is introduced on the lines of the Rupee-Ruble and Rupee-Rial trade mechanism.



Speaking on this occasion, **Ms. Nguyen** made a presentation on how her organisation can facilitate Indian companies foray into the Vietnamese market by helping



Ms. Nguyen Thi Thu Ha, General Director of Invest Global (right) felicitating Dr. Vijay Kalantri, Chairman, MVIRDC WTC Mumbai at the interactive meeting to promote India-Vietnam Trade and Investment.

them find right partners, liaising with Vietnam government for licensing and statutory approvals etc.

A key highlight of the session was the signing of Memorandum of Understanding (MoU) between WTC Mumbai and Invest Global to promote trade, investment, technology and other forms of co-operation between both countries.



Mr. Ajoykant Ruia, Vice Chairman, MVIRDC WTC Mumbai proposed vote of thanks for the event.

This programme was held on July 26, 2022 at WTC Mumbai.



India-Vietnam Relations

This year, India and Vietnam celebrate 50 years of diplomatic ties

Our relation has grown from strength to strength in these five decades

Focus Sectors:

Infrastructure, Maritime & Marine Products, Fisheries, Green Energy, Pharmaceuticals, Agriculture, Electronics, Import, Export of Goods and Investment

Investment:

Infrastructure and renewable energy are high potential sectors for both the countries.

Already, Indian firms are implementing more than 313 projects in Vietnam with total investment of USD 1 billion.

India is the 25th largest investor in Vietnam

EXIM Bank of India, Bank of India and other Indian banks are actively supporting Indian investments in Vietnam

Indian companies have invested in Vietnam in energy, mineral exploration, agro-processing, sugar, tea, coffee manufacturing, agro-chemicals, IT and auto components.

Vietnam has invested in six projects in India with total estimated investment of USD 28.55 million in pharma, IT, chemicals and building materials.

Pharmaceutical is another focus sector as India is the pharmacy of the world and Vietnam can supply key chemical ingredients used in pharma production

Electronics is another high potential sector for collaboration

Already, Vietnam is the 5th largest supplier of electrical and electronic goods to India

Trade:

Both sides can utilise duty-free benefits under India-ASEAN trade agreement

India is among top 8 trade partners of Vietnam

Vietnam is the 4th largest trade partner of India in ASEAN and 23rd largest in the world.

In 2021, bilateral trade reached USD 14.4 billion for the first time.

Both the countries set target of USD 15 billion trade in 2022.

Vietnam has recently reformed its FDI policy to attract foreign investments

Both countries can also collaborate in start-up sectors such as artificial intelligence, machine learning, blockchain, fintech, e-commerce etc.

Vietnam has FTAs with EU and UK, besides RCEP. So, it can serve as India's gateway to these regions.

Trade Statistics:

Bilateral Trade 2021-2022 (Apr-Mar): USD 14.4 billion

- **India's exports to Vietnam 2021-2022 (Apr-Mar): 6.70 USD billion**

- **India's imports from Vietnam 2021-2022 (Apr-Mar): 7.44 USD billion**

Source: Ministry of Commerce & Industry, Government of India

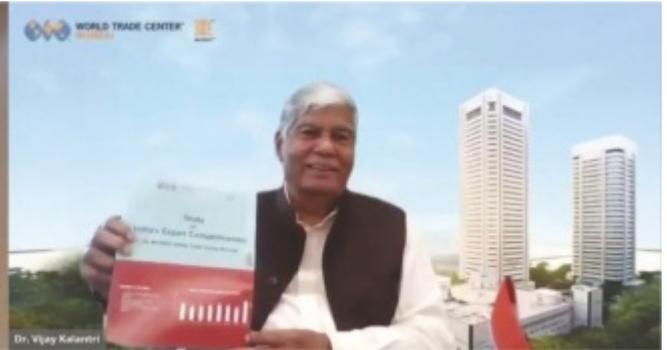
Key goods exported by India to Vietnam in 2021-2022 (Apr-Mar):

Iron and steel, cotton, cereals, meat and fishery products, electrical machinery, auto parts, cement, plaster, paper articles, inputs for leather articles, chemicals, chemicals, pharma, minerals and its products as well as animal feed

Key goods exported by Vietnam to India in 2021-2022 (Apr-Mar):

Electrical and electronic equipment, chemicals, machinery, plastic, copper and rubber, coffee, tea and spices, iron and steel articles, footwear, fertilizers, animal feed, inorganic chemicals, metals, silk, optical, medical and surgical equipment.

MVIRDC WTC Mumbai Releases Study on India's Export



India's merchandise exports witnessed phenomenal growth of 34% in the year 2021-22 from its pre-pandemic level in 2019-20. In order to sustain this growth momentum, Indian exporters need to be globally competitive in terms of cost, delivery timelines and quality. To understand the issue of competitiveness, MVIRDC WTC Mumbai conducted a study on 'India's Export Competitiveness' through an extensive primary survey and meticulous analysis of foreign trade data from authentic sources such as UNCTAD, ITC, Geneva and India's Ministry of Commerce.

Based on the survey and data analysis, the study made more than eight policy recommendations for boosting exports. The study identified 100 champion products for exports, highlighted export potential in North Eastern states and examined trends in services exports.

The study was released by **Mr. Suman Bery, Vice Chairman, NITI AAYOG** at a virtual event organised by MVIRDC WTC Mumbai on July 29, 2022. Speaking at this programme, Mr. Bery suggested that India should focus on promoting apparel export on mission mode. He strongly felt that there was no reason for India to lose out on export opportunity in this sector to neighbouring countries as it has been a global hub for textile manufacturing since time immemorial. "It is time we leverage our policy initiatives such as mega textile parks to aim for increased exports not only in yarn and fabrics, but also in apparel and clothing" recommended Mr. Bery.

The study highlighted that India's share in world export of high value added items such as apparel & clothing has remained stagnant at around 2.3% since 1990, even as our share in low value added items such as yarn, fabrics, made-up articles improved from 2% to 6% between 1990 and 2018.

Mr. Bery welcomed the idea of encouraging foreign trade settlement in local currency and suggested that RBI and banks may resolve practical difficulties such as free convertibility of local currencies, availability of hedging and trade finance in local currencies, development of alternative payment infrastructure etc.

He also suggested WTC Mumbai and other export promotion organisations to handhold MSMEs and integrate them in the global value chain in the new world order, where they have to comply with strict sustainability standards involving environment, labour and product traceability norms. "These sustainability standards are important issues in our negotiation of trade agreement with large partners such as European Union" pointed out Mr. Bery.

Earlier in his welcome remarks, **Dr. Vijay Kalantri, Chairman, MVIRDC World Trade Center Mumbai** suggested that the central government may set up a task force under NITI AAYOG to revive local MSME units that became sick due to unfair competition from imports, especially in printed circuit boards, white goods and electronic components.

During the programme, Mr. Suman Bery also launched WTC Mumbai's Connect India Trade Show 2022, which aims to facilitate global market access for more than 50,000 MSMEs through a digital platform. This platform enables local companies to showcase their products and services to their prospective buyers in India and abroad. The digital platform went live from August 1, 2022 and is scheduled to end at November 30, 2022.

The programme was held on July 29, 2022 at WTC Mumbai.

WTC Mumbai celebrates 75 years of Independence



Ms. Harshita A. Narwekar, Ex-Corporator, Brihanmumbai Municipal Corporation hoisting the Indian flag at WTC Mumbai to celebrate Azadi Ka Amrit Mahotsav. Also seen in the photograph are: Dr. Vijay Kalantri, Chairman, WTC Mumbai (5th from left); Capt. Somesh Batra, Vice Chairman, WTC Mumbai (4th from left) and Ms. Rupa Naik, Executive Director, WTC Mumbai (next to Ms. Narwekar).

WTTC Mumbai celebrated India's 75 years of Independence from August 13, 2022 to August 15, 2022. The inaugural session of the event was attended by members of trade & industry and diplomatic corps from various countries, including Indonesia, Japan, Iraq, Argentina and UAE. **Ms. Harshita A. Narwekar, Ex-Corporator, Brihanmumbai Municipal Corporation** was the Chief Guest at the event.

Ms. Narwekar presided over the flag hoisting ceremony at the event and addressed the participants by sharing her views on the journey of 75 glorious years of Independent India. She remarked, "Today, India stands tall in the global map in terms of its resilient economy and excellent relations with foreign countries. The residents of Cuffe Parade and Nariman Point have responded with zeal and enthusiasm to the Hon'ble Prime Minister's call

of 'Har Ghar Thiranga'. All the residential, commercial and government buildings in this area are well decorated with the national flag. Within a short span of time, the entire administrative machinery of the state government and the Municipal Corporation has made arrangements to celebrate Azadi Ka Amrit Mahotsav (75 years of Indian Independence)."



Ms. Narwekar further spoke about her vision to transform Cuffe Parade and Nariman Point into a sustainable habitat by protecting the coastline from the rising sea level. She also plans to revive localities in Colaba, Nariman Point and Cuffe Parade by collaborating with urban planners and designers. "Already, we have started urban revival project at Kala Ghoda area with the cooperation of residents in that area" highlighted Ms. Narwekar.



In his welcome remarks, **Dr. Vijay Kalantri, Chairman, MVIRDC World Trade Center Mumbai** pointed out that the entire nation has come together to celebrate 75 years of Indian Independence with pride and vigor. Speaking about India he mentioned that it is the sixth largest and also the fastest growing economy. It stands tall by achieving overall progress in economy, tourism, food security, information technology and space science. Dr. Kalantri further expressed that in this historic moment, every Indian citizen should take the pledge to add on to the country's progress by working towards realizing the dream of USD 30 trillion economy before we reach 100 years of Independence. He also highlighted that India should aspire to be a global leader in renewable power, green energy and sustainable development. Dr. Kalantri concluded by raising hope that India will be an economic, cultural and political superpower to reckon with in the next two decades.

During the event, Ms. Narwekar and Dr. Kalantri inspected Guard of Honour and hoisted the national flag. **Capt. Somesh Batra, Vice Chairman, MVIRDC WTC Mumbai** proposed the vote of thanks for the event.

The event was held on August 13, 2022.

Costa Rica mulls India, Central America trade pact



H.E. Mr. Claudio Ansorena, Ambassador of the Republic of Costa Rica to India (middle) addressing the audience at the programme. Also seen in the photograph are (from left to right): Ms. Rupa Naik, Executive Director, MVIRDC WTC Mumbai and Dr. Vijay Kalantri, Chairman, MVIRDC WTC Mumbai.

Costa Rica may be a small nation with 5.5 million people; but it is centrally located in the South American continent to become the potential logistics and distribution hub for Indian companies seeking to enter the continent. The country has cultural and business ties with India as there are 18 Indian IT companies, 12 Indian restaurants and an Indian diaspora of 700 people living in Costa Rica.

WTC Mumbai in association with Indian Chamber of International Business organized an interactive meeting with **H.E. Mr. Claudio Ansorena, Ambassador of the Republic of Costa Rica to India** to discuss the roadmap for strengthening commercial, tourism and technology cooperation between both the countries.



Speaking on this occasion, the Ambassador mentioned that Costa Rica is keen to lead negotiation for a free trade agreement (FTA) between India and other Central American countries such as Panama and Dominican Republic. He said that this is the best time for Indian firms to do business with Costa Rica as three months ago, the country got a new government which is more liberal and also has withdrawn a lot of import restrictions. According

to him there is immense opportunity to develop infrastructure such as roads, ports and airports in Costa Rica and suggested Indian companies to bid for these projects.

Speaking about opportunities for collaboration, the Ambassador pointed out, that both countries can collaborate in sustainable marine ecosystem, plastic waste recycling and green hydrogen. "In Costa Rica India has an export potential in sectors like pharmaceuticals, wellness & traditional medicine, auto-components and electric vehicles besides export of services such as IT, tourism & hospitality and construction" he highlighted. H.E. Mr. Ansorena proposed to exchange a trade mission to promote trade, investment and technology cooperation between both countries.

Earlier in his welcome remarks, **Dr. Vijay Kalantri, Chairman, MVIRDC World Trade Center Mumbai** pointed out that the current bilateral trade is hardly USD 180 million, which can be increased to at least USD 1 billion under the leadership of the Ambassador. Both countries can collaborate in technology cooperation for hydrogen fuel and green energy.



Ms. Rupa Naik, Executive Director, WTC Mumbai while proposing the vote of thanks invited companies from Costa Rica to participate in WTC Mumbai's flagship online trade show 'Connect India 2022', which is a collaborative initiative of WTC Mumbai and WTCA, New York. "More than 25 countries are participating in this exhibition and it is an excellent opportunity to increase



global market presence for MSMEs and women entrepreneurs" explained Ms. Naik.

The programme was attended by members of trade & industry, academia, financial institutions and consular corps.

The programme was held on August 17, 2022.

Highlights of India - Costa Rica Economic Relations

Costa Rica is the most politically and socially stable country in Central America, with a population of just 5 million

Indian nationals with valid US or Schengen visas can enter Costa Rica without a Costa Rican Visa.

Bilateral Trade: Costa Rica is the 5th largest export destination of India from the Central American region

India has a trade surplus with Costa Rica as it exports USD 147 million and imports hardly USD 64 million.

Bilateral trade has fallen from USD 270 million in FY11 to USD 210 million in FY22 due to sharp fall in imports from Costa Rica

India exports automobiles, auto-components, chemicals, pharmaceuticals, machineries, rubber and plastic articles, medical devices etc. to Costa Rica

India imports wood articles, printed circuits, iron & steel scrap, medical devices etc. from Costa Rica.

Potential Sectors: Potential sectors for collaboration are: medical devices, biotechnology, artificial intelligence, bio medicine, nano-technology, agri products as well as space cooperation.

Costa Rica is known as the 'silicon valley' of Central America due to the presence of IT companies such as Cisco, VMWare, DHL Express, Amazon and Intel. Costa Rica has a strong manufacturing sector in high-end medical devices, IT hardware and software, logistics and BPOs services.

MASESA is a leading distributor of motorcycles in Costa Rica and it imports Bajaj Auto's two-wheeler and three-wheeler parts for subsequent assembly and sales in the local market.

Five leading IT companies, viz Infosys, Wipro, Cognizant, TCS, and CSS Corp are operating in San Jose.

Costa Rica has the best healthcare system in Latin America after Cuba and this makes it an ideal partner for India in promoting each others healthcare system.

Costa Rica has adopted environment-friendly technologies and renewable energy and can support in India's growing thrust on electric vehicles.

Costa Rica has 5% of the world's bio-diversity, national parks, eco-tourist spots and coastline to promote tourism and entertainment industry.

Suggestions to promote economic ties: Indian companies can benefit from tax incentives in Costa Rica and set up manufacturing plant to cater to the north and south American markets.

India can also sign a Free Trade Agreement (FTA) to boost two-way trade and investment.

Costa Rica opened its Embassy in India in 2010; but India does not have an Embassy in that country. India can consider setting up a permanent mission in Costa Rica as currently our Panama Embassy is accredited to Costa Rica.

Similarly, Costa Rica can appoint Honorary Consuls in major Indian cities to strengthen economic ties. ■

Boson Energy floats Hydrogen Group with WTC Mumbai



(From left to right): Ms. Rupa Naik, Executive Director, WTC Mumbai; Mr. Aditya Sharma, Senior Vice President, Boson Energy and President, Indian Business Chamber of Luxembourg; Dr. Vijay Kalantri, Chairman, MVIRDC WTC Mumbai; Mr. Perses Billimoria, Hon. Consul General, Honorary Consulate of Luxembourg and Lt. Col (R) Monish Ahuja, Chairman, Biomass Energy Association of India.

Green hydrogen has emerged as a promising fuel to meet energy security without emitting greenhouse gases into the atmosphere. Business organizations and research institutions are investing heavily on research and development to develop advanced technologies for green hydrogen solutions to meet our energy needs.

Luxembourg-based Boson Energy has shown interest to partner with WTC Mumbai in promoting green hydrogen in India. In this regard, WTC Mumbai organized an interactive meeting on 'Creating a Hydrogen Eco-system' to discuss the potential of hydrogen in reducing our dependence on fossil fuel that pollute our environment.



Mr. Jan Grimbrandt, CEO and Founder, Boson Energy addressed this event virtually. He said, "We believe in creating economic value for urban and agro waste through thermal treatment. We have the technology to convert 100 tonne of waste into 100 MWh of electricity, 100 tonne of fresh water and 70-80 cubic meter of high quality construction material, without carbon emission. We are keen to bring this technology to India by establishing the 'Net Zero Hydrogen Interest Group' in partnership with WTC Mumbai."

The vision of Boson Energy is to leverage next generation technologies to produce hydrogen directly from biomass and waste. The company produces hydrogen, in a carbon negative way, through gasification of waste wood and urban mixed waste.

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Punjab Renewable Energy Systems Pvt Ltd. and the Consulate of the Grand Duchy of Luxembourg in Mumbai have also partnered to steer the 'Net Zero Hydrogen Interest Group', which aims to develop bio-energy value chain in India, including skill development for youth.

Earlier in his welcome address, **Dr. Vijay Kalantri, Chairman, MVIRDC WTC Mumbai** pointed out that green energy and green hydrogen are the most promising solutions for sustainable development and he is looking forward to close cooperation with Boson Energy to take this initiative forward and promote a green hydrogen ecosystem for sustainable development. He further highlighted that India has enormous opportunities to convert Agri, Bio and other waste to energy, the only thing needed is good technology.



Speaking on this occasion, **Lt. Col (R) Monish Ahuja, Chairman, Biomass Energy Association of India** remarked that the number one risk our society faces today is climate change. He pointed out that around 82% of India's energy

mix comprise of non-electricity sources such as petroleum and natural gas, for which the country is dependent on imports. He further mentioned that Bio-energy produced through bio-waste, can play an important role in reducing our reliance on fossil fuel and thus help us in attaining energy security.

During the event, WTC Mumbai signed a memorandum of understanding (MoU) with Indian Business Chamber of Luxembourg to strengthen trade and economic cooperation between India and Luxembourg.

The event was also addressed by **Mr. Aditya Sharma, Senior Vice President, Boson Energy** and **President,**

Indian Business Chamber of Luxembourg and Mr. Perses Billimoria, Hon. Consul General, Honorary Consulate of Luxembourg.

The meeting was held on August 19, 2022. ■

Recent trends in India's Green Hydrogen sector

After solar and wind energy, green hydrogen will be the next big revolution in India's energy sector.

Green hydrogen can substantially reduce carbon emissions from industries such as iron & steel, refining, fertilizers and transportation. The hydrogen used in these industries today is derived from natural gas, which emits carbon dioxide and hence it is called grey hydrogen.

From grey hydrogen, we need to move towards green hydrogen, by producing hydrogen from water or biomass, instead of natural gas.

Policy Push

In February 2022, India introduced the Green Hydrogen policy that waives taxes and surcharge on electricity used for producing green hydrogen. The policy provides land and other incentives for green hydrogen.

Now, the government is widely expected to release Green Hydrogen Mission to make this policy more effective. The proposed Mission will make it mandatory for fertilizer and refining companies to use green hydrogen, instead of grey hydrogen (which pollutes the environment).

India plans to produce 5 million tons of green hydrogen by 2030 and add 175 GW of green hydrogen based energy in 10 years.

High cost of green hydrogen

But the cost of generating hydrogen from splitting water (using renewable energy) is too high. With right policy incentives, India can reduce the cost of producing green hydrogen to USD 1 per kg from more than USD 5.5 per kg today

Electrolysers are the key equipments used to produce green hydrogen by splitting water. India needs to manufacture electrolysers locally instead of depending on imports to reduce cost of green hydrogen. Government can come out with a PLI scheme to encourage local manufacturing of Electrolysers

Companies such as OIL India, Indian Oil Corp., NTPC, L&T have started investing on green hydrogen projects in the country.

Conglomerates such as Adani and Reliance Industries have also planned ambitious projects in green hydrogen.

Green Hydrogen using Biomass

Apart from water, green hydrogen can also be produced using solid waste or biomass. India can improve energy security, water security and waste management by producing hydrogen from biomass and waste.

Indian companies can invest in projects to generate green hydrogen from municipal waste, agro-waste and crop residue. We can convert 100 tonne of waste into 100 MWh of electricity, 100 tonne of fresh water and 70-80 cubic meter of high quality construction material, without carbon emission. The electricity generated through this process can be used for running automobiles and supplying to power grid.

Around 82% of India's energy mix comprise of non-electricity sources such as petroleum and natural gas, for which the country is dependent on imports.

Bio-energy, produced through bio-waste, can play an important role in reducing import of fossil fuel and thus help us in attaining energy security. ■

I am optimistic about growth of WTC brand in India, says Mr. Scott Wang



(From left to right): Ms. Rupa Naik, Executive Director, WTC Mumbai; Mr. Scott Wang, Vice President- Asia Pacific, World Trade Centers Association, New York; Dr. Vijay Kalantri, Chairman, WTC Mumbai.

MVRDC WTC Mumbai hosted a networking programme for **Mr. Scott Wang, Vice President-Asia Pacific, World Trade Centers Association, New York** who was in Mumbai as a part of his official tour to Asia. The event was attended by senior officials from WTC Mumbai, Goa, Jaipur and Bhubaneswar.

Speaking on this occasion, Mr. Wang remarked, "I am glad to visit India after three years. India is witnessing remarkable growth recovery after the pandemic and the country will also benefit in attracting foreign direct investment (FDI) as global supply chain is shifting in the new world order. In this context, I am optimistic about the expansion of WTC brand in India. Already, there are around 30 WTCs in India and in the coming decade, I see more WTCs in the country in response to the growing demand for trade support services."



Stressing the importance of trade support services and global network, Mr. Wang mentioned, "Brand, Service, Network and Facility are the four pillars of the WTC ecosystem. While trade facility is the body of any WTC, trade service is its soul. Network is another pillar that helps WTCs provide unique trade services to their

business members, especially small and medium enterprises that lack resources to take their business to the global market. WTCs across the world should collaborate with each other to strengthen this global network. We have one World Trade Centers Association that brings together more than 300 WTCs based on common values and goals. In order to make sure that this global network works for everyone, we need to support each other by exchanging trade delegation, market intelligence and best practices. To make this network more effective, we can periodically release the list of active WTCs, in-active WTCs and super-active WTCs. WTC Mumbai is our active member that offers excellent service to the local business community."

Delivering welcome remarks at the session, **Dr. Vijay Kalantri, Chairman, MVRDC World Trade Center Mumbai** suggested, "The global network of WTCs can explore partnership with global institutions such as USAID, World Bank, ITC-Geneva and others for providing technical, financial and capacity building support to local MSMEs."



Dr. Kalantri pointed out that there is huge scope for promoting WTC brand in South Asia as trade and economic development is picking pace in this region

remarkably. He suggested that all member WTCs should actively communicate with each other by sharing market intelligence and exchanging trade delegation to serve their business community better.



Speaking on this occasion, **Ms. Rupa Naik, Executive Director, MVIRDC WTC Mumbai** suggested, "The Member Advisory Council in the Asia Pacific Region may work jointly to support the start-up enterprise ecosystem in

the region. Start-up enterprises can immensely benefit from business incubation, B2B matchmaking and other trade support services of WTCs."

Senior functionaries from WTC Bhubaneswar, Jaipur and Goa shared information about their trade support activities and how WTCA, New York can leverage its global network to promote trade and investment in their respective regions.

Ms. Nimeshika Natarajan, Assistant Director, World Trade Center Bhubaneswar suggested that WTCs in the Asia Pacific region may coordinate with each other in exchanging trade delegation for the mutual benefit



of their business members. She remarked, "There are many small and medium enterprises in Odisha, who aspire to scale up their business operation by leveraging the global connection of WTCA. If all the WTC members

coordinate in leading trade delegation, then the overall size of the delegation will increase and it will reduce the cost of participation for delegation members."

Mr. Navneet Agarwal, Assistant Director, World Trade Center Jaipur also echoed similar views at the session.



In his remarks, **Mr. Anil Velde, DGM - Trade Promotion, IT and Marketing, MVIRDC World Trade Center Mumbai** pointed out that MSMEs in Maharashtra will benefit immensely if WTCs in North America and Europe support them in connecting to the local business community in their respective countries. Mr. Velde also stressed on the need to strengthen the Reciprocity Desk for exchange of trade leads and market intelligence across WTC network.

The event was also attended by **Mr. Firoze B. Andhyarujina, Senior Counsel, Supreme Court of India**, senior officials from IDBI Bank and the staff of MVIRDC WTC Mumbai.

The programme was held on August 25, 2022 at WTC Mumbai.



Mr. Scott Wang, Vice President- Asia Pacific, World Trade Centers Association, New York with officials of WTC Mumbai, Goa, Jaipur and Bhubaneswar.

WTC Mumbai hosts Iran delegation in agro sector



(From left to right): Mr. Jafar Nikzad, President of West Azerbaijan Union of Agro Products, Iran; Mr. Seyed Muhammad Miraei, Trade and Economic Section, Consulate General of the Islamic Republic of Iran in Mumbai; Dr. Vijay Kalantri, Chairman, MVIRDC WTC Mumbai and Mr. Benham Tajaddini, President of Agriculture and Food Industries Commission of Iran.

India and Iran cherish centuries old cultural and trade ties. Agriculture is a focus sector in bilateral trade as India is the second largest supplier of fruits & nuts, fourth largest supplier of legumes & vegetables and fifth largest supplier of cereals to Iran. For India, Iran is the fifth largest supplier of edible fruits. There is still untapped trade potential in the agriculture sector between both countries.

In order to discuss this untapped trade potential in the agriculture sector, MVIRDC WTC Mumbai in association with All India Association of Industries and the Consulate General of the Islamic Rep. of Iran organized an interactive meeting for an in-bound trade delegation (on Agriculture) from Urmiah Province of Iran. The members of this trade delegation were food processing companies, owners of cold storage facilities and traders of edible fruits in the Urmiah Province of Iran. **Mr. Benham Tajaddini, President of Agriculture and Food Industries Commission of Iran** led this trade delegation.



Mr. Tajaddini remarked that the Urmiah Province has great potential in agro business as it produces 60% of processed and concentrated food products of the country. This province is the largest producer of apples, with annual output of 1.5 million tonne. It is also a major

producer of other fruits such as grapes, pears and apricot. Further Mr. Tajaddini informed that they were keen to promote agro trade between Urmiah Province and India, particularly the state of Maharashtra. "We seek the support of WTC Mumbai in addressing the trade barriers and logistics challenges affecting agriculture trade between the two countries" he expressed.

Earlier in his welcome remarks, **Dr. Vijay Kalantri, Chairman, MVIRDC WTC Mumbai** suggested



that Iran and India can contribute to the food security of both the nations by promoting bilateral trade in agro products. He said that India needs to regain the lost growth momentum in export of agro products to Iran by expediting cargo clearance at Chabahar Port, signing preferential trade agreement with Iran and addressing high shipping cost. He further pointed out that today, Iran is the ninth largest destination for India's agro products compared to third largest destination before the pandemic and our agro exports to Iran declined from USD 1.3 billion in FY20 to USD 960 million by 2021-22.

Highlighting the potential goods for promoting bilateral trade, Dr. Kalantri mentioned that India is already a major exporter of basmati and non-basmati rice, fresh fruits, juices, nuts, groundnut, pulses and processed food items to Iran. "Similarly, we can import fresh fruits and vegetables from Iran to control inflation in these commodities in the domestic market" highlighted Dr. Kalantri.

The event was also addressed by **Mr. Jafar Nikzad, President of West Azerbaijan Union of Agro Products, Iran** and **Mr. Seyed Muhammad Miraei, Trade and Economic Section, Consulate General of the Islamic Republic of Iran in Mumbai**.

The meeting ended with a B2B and B2G networking among the members of the incoming trade delegation and senior representatives of Agricultural and Processed Food Products Export Development Authority (APEDA) in Mumbai, members of Fresh Vegetables and Fruits Exporters Association of India and other representatives from agro product industry in India.

The interactive meeting was held on August 30, 2022 at WTC Mumbai.

Connect India 2022 can help India and Philippines explore USD 3 billion untapped trade potential



"Philippines and India have untapped trade potential worth USD 3 billion, of which India's untapped exports is USD 2.5 billion and Philippines' untapped export to India is USD 650 million.

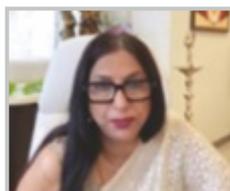
This trade potential exists in sectors such as Healthcare, Chemicals, Pharmaceuticals and Medical devices, to name a few," said **Ms. Pamela Pascual, Chairperson and CEO, WTC Metro Manila, Philippines**, while speaking at the inaugural session on Connect India 2022 organised virtually by WTC Mumbai.

Connect India 2022 is a flagship programme of WTC Mumbai providing digital platform for participating companies to connect and network globally. She further suggested Indian companies to collaborate with Philippine companies in Research and Development activities and technology transfers.

Announcing WTC Metro Manila's support for Indian companies who are willing to explore opportunities offered by the Philippines market, she added, "WTC Metro Manila would be keen to play the role of an enabler for Indian companies by providing them WTC Metro Manila's platform, match-making, trade related and consultancy services."

Quoting the historical diplomatic and trade relation between India and Philippines, Ms. Pascual further added that the pandemic has exposed the deep-rooted vulnerability of supply chains for both countries and it has therefore become increasingly important for India and Philippines to co-operate beyond the realm of economic benefits and work for social welfare for the people of both countries.

Earlier in her welcome address, **Ms. Rupa Naik, Executive Director, WTC Mumbai** highlighted the importance of MSMEs in a country's economic development and inclusive growth. She said that Connect India 2022 would support MSMEs across



regions and industries to develop and foster trade and investment relations, in developing business collabora-

tion and partnership and exploring new markets.

Ms. Naik announced that WTC Mumbai has set a target of bringing around 1,000 MSMEs to this digital platform in the ongoing edition. She also requested World Trade Centres Association, New York to promote this digital platform among WTCs and MSMEs in Europe, North and South America.

Speaking at the webinar, **Mr. Scott Wang, Vice President WTCA, Asia-Pacific** congratulated WTC Mumbai for successfully hosting Connect India 2022, which according to him has outperformed in many parameters. He



gave a presentation on the WTCA "Market Access Programme", which has match-making events, one-to-one meetings, seminars, dedicated pavilions and booths for exhibitors to promote their products and services. He also invited Indian companies to use the WTCA global network to expand their business and explore new markets around the globe.



The webinar was also addressed by **Mr. Akhilesh Mahurkar, Director, WTC Shamshabad and Visakhapatnam** who made a presentation on the business opportunities in the state of Telangana and Andhra Pradesh.

He assured full support to companies looking to invest in the two states. Mr. Mahurkar informed that within one month, Connect India 2022 programme has received an overwhelming response from more than 30 companies in Andhra Pradesh and Telangana, besides receiving participation from the Telangana state investment authority "Invest Telangana". "I am hopeful that more companies will join and benefit from this Trade Show in the coming month," he added.

The webinar was attended by **Dr G.D. Singh, Founder & Chairman- Asian-African Chamber of Commerce & Industry Foundation** along with other members of business fraternity.

The webinar was held on August 30, 2022.



Uganda plans dedicated park for Indian industry



Hon'ble Mr. Oryem Henry Okello (M.P), Minister of State for Foreign Affairs, Republic of Uganda (3rd from left) receiving formal invitation for the proposed India-Africa Conclave from Ms. Rupa Naik, Executive Director, MVIRDC WTC Mumbai (2nd from left). Also seen in the photograph are: (from left to right) Mr. Madhusudan Agrawal, Hon. Consul General of Uganda in Mumbai, Dr. Vijay Kalantri, Chairman, MVIRDC WTC Mumbai, Capt. Somesh Batra, Vice Chairman, MVIRDC WTC Mumbai.

The East African country of Uganda holds huge economic potential in sectors such as agro-processing, mining, oil & gas, tourism, healthcare, real estate and other sectors. The Government of Uganda is inviting Indian companies to explore the untapped business potential in their country by organizing Afro-Indian Investment Summit at Kampala, the capital city of Uganda, on September 29-30, 2022.

In order to create awareness about this Summit, **Hon'ble Mr. Oryem Henry Okello (M.P), Minister of State for Foreign Affairs, Republic of Uganda** visited India along with a delegation of Indian industrialists doing business in that country. WTC Mumbai organized an interactive meeting for the visiting delegation



Speaking on this occasion, the Hon'ble minister remarked, "I invite Indian investors to come and experience the attractiveness of doing business in Uganda, which has been a preferred

destination for Indian businessmen for more than 100 years. Today, Indians account for 0.65% of Uganda's population, but they contribute nearly 70% to the government revenue of Uganda. Government of Uganda is considering a proposal to announce a 600-acre Indian Industrial park dedicated to attract more Indian investment in the country. Indian manufacturers can develop their plants in this park without the need to bear cost of land.

Highlighting the investment attractiveness of Uganda, the Hon'ble Minister informed, "Our government offers full safety and guarantee to foreign investors. They have the freedom to repatriate profit after paying the withholding tax of 6%. India has signed a Double Taxation Avoidance Agreement with Uganda to prevent dual taxation of investment income in both countries. Foreign investors can make Uganda a gateway to the 300 million consumer market of the 7-country East African Community, where companies can trade across borders without customs procedures or duties."

Pointing out to the sectoral opportunities for doing business in Uganda, the minister remarked, "Agro processing, mining, oil & gas exploration, refining, power, healthcare, information & communication technology and tourism are potential sectors for investment in the country."

Earlier in his welcome remarks, **Dr. Vijay Kalantri, Chairman, MVIRDC WTC Mumbai** pointed out, "The Afro-Indian Investment Summit is a rare opportunity for Indian companies to explore trade and investment opportunity in Uganda and the entire Africa. Bilateral trade volume has grown from USD 615 million in FY16 to more than USD 840 million last year, largely led by 3-fold growth in imports from Uganda into India. I expect bilateral trade to surpass USD 1 billion mark in two years with the active participation of Indian business community in Uganda."



The event was also attended by H.E. Ms. Margaret Kyogire, Acting High Commissioner of the Republic of Uganda in India, Mr. Madhusudan Agrawal, Hon. Consul General of Uganda in Mumbai, other consular officials and a delegation of Indian industrialists in Uganda.

Some of the members of the delegation were: Mr Mohan Rao, Chairman, Indian Association Uganda, Mr Mohan Reddy, Secretary General, Indian Business Forum in Uganda and Mr. Muhammad Vaheed, General Secretary, Indian Association Uganda.

Capt. Somesh Batra, Vice Chairman, MVIRDC WTC Mumbai proposed vote of thanks for the event.

The meeting was held on September 7, 2022.



AREAS/SECTORS OF OPPORTUNITY



Source: www.ugandainvest.go.ug

MVIRDC pays rich tribute to Bharat Ratna Sir Dr. M. Visvesvaraya on his 162nd Birth Anniversary



Dr. Vijay Kalantri, Chairman, MVIRDC WTC Mumbai garlanding the bust of Bharat Ratna Sir Dr. M. Visvesvaraya at his 162nd Birth Anniversary. Also seen in the photograph are (from left to right): Mr. Sharad P. Upasani, Vice Chairman, MVIRDC WTC Mumbai; Mr. Abhijit Das, IDBI Bank; Ms. Rupa Naik, Executive Director, MVIRDC WTC Mumbai.

MVIRDC World Trade Center Mumbai paid a rich tribute to eminent engineer and statesman, Bharat Ratna Sir Dr. M. Visvesvaraya on the occasion of his 162nd Birth Anniversary. Sir M. Visvesvaraya played a significant role in the socio-economic development of India through his exemplary contribution to irrigation, education, industrialization, banking & finance and economic planning.

Remembering the manifold contribution of Sir. Visvesvaraya to society and economy, **Dr. Vijay Kalantri, Chairman, MVIRDC World Trade Center Mumbai** remarked, "This is a proud moment for India as we celebrate 162nd Birth Anniversary of Sir. M. Visvesvaraya. Government of India has designated this day as Engineers Day as a befitting tribute to his outstanding contribution in the field of engineering. His iconic irrigation and flood protection projects stood the test of times. His visionary idea of linking Indian rivers is all the

more relevant today when water conservation and security has assumed heightened policy priority."

"MVIRDC World Trade Center Mumbai is the living monument of Sir. M. Visvesvaraya's vision of a world-class industrial research and trade promotion center in the commercial capital of India. This birth anniversary is a great opportunity to propagate the extraordinary service of Sir M. Visvesvaraya to the society," Dr. Kalantri added.

On this occasion, senior functionaries of MVIRDC World Trade Center Mumbai honoured Sir M. Visvesvaraya by garlanding his bust at the entrance of the building.

Tribute to Bharat Ratna Sir Dr. M. Visvesvaraya was paid on September 15, 2022.

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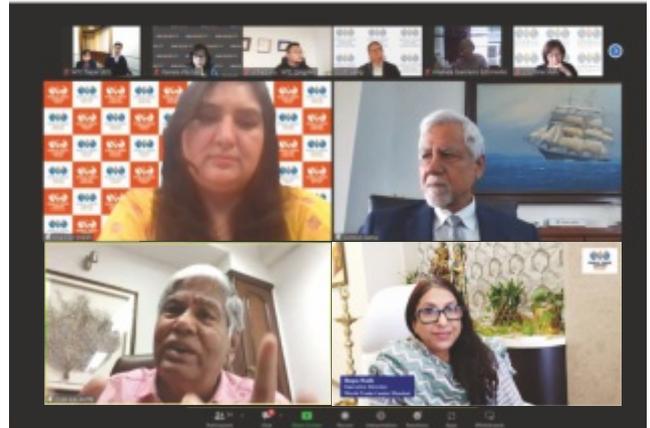
WTCA organizes 2022 Asia Pacific Regional Meeting

Senior functionaries from more than 20 World Trade Centers across Asia Pacific region participated at the 2022 WTCA Asia Pacific Regional Meeting and shared their latest initiatives and proposed plan of action to promote trade and investment in their region/country. The meeting was addressed by senior officials from WTC Taipei, WTC Metro Manila, WTC Haikou & Sanya, WTC Xiamen, WTC Shenyang and other WTCs from the region. From India, representatives from WTC Mumbai, WTC Bhubaneswar, WTC Jaipur, WTC Goa, WTC Faridabad and other WTCs shared key activities and initiatives of their organizations in recent months.

Speaking at this session, **Dr. Vijay Kalantri, Chairman, MVIADC WTC Mumbai** emphasized the need for all the WTCs to collaborate in promoting trade and investment in agriculture sector through information sharing and exchange of delegation. He mentioned that the Agriculture Member Advisory Committee of WTCA is committed to promote its mission of creating a sustainable agriculture sector through innovation and technology. "All the members of this Committee should actively collaborate in exchange of innovative ideas, market insights and business leads through newsletters, Vlogs, virtual seminars and exchange of virtual trade missions" he said.

In his remarks, **Capt. Somesh Batra, Vice Chairman, MVIADC WTC Mumbai** remarked that collaboration and partnerships are essential to add value to the WTC brand. WTCs in Asia Pacific region can collaborate with WTC Mumbai in trade promotion, trade education and conducting joint research studies. "WTC Mumbai seeks to collaborate with other WTCs in the region in skill development and business acceleration services through its recently established Center of Excellence" informed Capt. Batra.

In her remarks, **Ms. Rupa Naik, Executive Director, WTC Mumbai** pointed out that WTC Mumbai remodeled its trade support initiatives to respond to the ever changing market environment and to transform into a promising gateway for global connections. "Our new age digital platform wetrade.org and our education programs on global market access, risk management and entrepreneurship are tailor-made to support enterprises in this uncertain market environment. As the importance of trade information assumes significance in today's



world, WTC Mumbai's cutting edge research on market intelligence, trade agreements and government policy offer critical inputs to businesses and policymakers. Responding to the emerging need for promoting employability, entrepreneurship and exports, WTC Mumbai has launched a new Center of Excellence in the commercial capital of India" explained Ms. Naik.

During the event, senior officials from WTC Jaipur, WTC Bhubaneswar, WTC Goa, WTC Metro Manila and other WTCs shared their latest activities and key developments in their respective regions. Chairs of various Member Advisory Committees shared the mission and key updates of their Committees to the participating delegates. Member Advisory Committees for Conference & Exhibition, Real Estate, Agriculture, Trade Services and Business Club outlined their recent initiatives during the session.

Earlier in the session, **Mr. Robin van Puyenbroeck, Executive Director-Business Development, WTCA** and **Mr. Scott Wang, Vice President-Asia Pacific, WTCA** gave an overview about the objective of this session and how it will benefit the participating delegates.

The session ended with a lively moderated panel session, where participating delegates shared their perspectives on facility as a service, trade show as a service, collaboration to support service and services to start-up entrepreneurs. The session was moderated by **Ms. Khair Ull Nissa Executive Director, WTC Noida**.

The webinar was held on September 21, 2022.

Taiwan keen to strengthen economic ties with India



(From left to right): Ms. Sangeeta Jain, Senior Director, All India Association of Industries (AIAI); Capt. Somesh Batra, Vice Chairman, WTC Mumbai; Dr. Vijay Kalantri, Chairman, WTC Mumbai; Ms. Estela Chen, Executive Director, Economic Division, Taipei Economic & Cultural Center- India; Mr. Edison Hsu, Director, Taipei World Trade Center, Liaison Office in Mumbai and Ms. Rupa Naik, Executive Director, WTC Mumbai.

India and Taiwan witnessed a record high trade value of USD 8.9 billion in 2021-22 because of keen interest among business communities from both the sides to explore untapped market potential in each other's country. In order to maintain this growth momentum, WTC Mumbai organised an interactive meeting with **Ms. Estela Chen, Executive Director, Economic Division, Taipei Economic & Cultural Center-India.**

Speaking on this occasion, Ms. Chen remarked, "I am optimistic about the outlook for India-Taiwan economic relation. The recent investment by Taiwanese companies in India is just the beginning for bilateral trade and investment flows. As supply chain between India and Taiwan gets robust, more and more Taiwanese companies would be eager to setup their manufacturing plants in India."



Ms. Chen highlighted language and cultural barrier as the biggest challenges for India-Taiwan trade and investment relationship. She remarked, "In recent years, we have seen several partnerships between Taiwanese companies and Indian start-ups in different technological sectors like semi-conductors and aerospace. However,

language and cultural barriers are hampering effective communication. Trade support institution like WTC Mumbai can help us bridge the language gap."



Dr. Vijay Kalantri, Chairman, MVIRDC WTC Mumbai assured all possible support in facilitating trade and investment relations between both countries. He remarked, "India and Taiwan share common values of democracy and rule of law. To address language and cultural barriers, we need to set up language training institutes. Both the countries can collaborate in joint manufacturing of semiconductors, electronic white goods, personal computers, laptops etc. Taiwan can help India diversify its source of imports to make its supply chain resilient. Both the countries can have a scheduled investment plan by initially focusing on 10 sectors to gradually scale up two-way commercial relations."

Currently, Taiwan is the 32nd largest trade partner of India with a two-way trade of USD 8.9 billion as of 2021-22. Taiwan exports USD 6.2 billion worth of goods to India, while it imports USD 2.7 billion worth goods from India.

Capt. Somesh Batra, Vice Chairman, MVIRDC WTC Mumbai suggested that WTC Mumbai can facilitate a trade delegation from India to Taiwan to explore untapped business potential between both the countries. He also invited Taiwanese companies to participate in the flagship program of WTC Mumbai, Connect India International Trade Show 2022.



The event was attended by **Mr. Edison Hsu, Director, Taipei World Trade Center, Liaison Office in Mumbai** and other officials from the Liaison Office.

Ms. Rupa Naik, Executive Director, MVIRDC WTC Mumbai proposed the vote of thanks for the event. Ms. Naik recommended that India and Taiwan can work together to jointly organise trade shows and exhibitions to promote local brands in each other's market.



The meeting was held at WTC Mumbai on September 28, 2022.

India-Taiwan Economic Relations

- Taiwan is the fifth largest trade partner of India in the North East Asia and the country holds immense potential for strengthening bilateral relations.
- Specifically, Indian industries can benefit from exchange of technical knowhow, partnership in skill development and joint research projects.
- Government of Taiwan introduced the ambitious New Model for Economic Development in May 2016. This model seeks to promote economic growth through innovation, employment and ensuring the equitable distribution of economic benefits.
- Taiwan, through its South bound policy, aspires to enhance its relations with India, besides other South and South East Asian countries.
- India's engagement with Taiwan has grown since the days of its economic reforms in early 1990s.
- Bilateral economic relations got a fillip with the decision of both the countries to set up representative offices in each others country in 1995.
- India-Taipei Association in Taipei is India's representative office in Taiwan, while Taipei Economic and Cultural Center (TECC) in India is Taiwan's representative office in India.
- Given its well developed electronics and communication sector, Taiwan has expressed interest to partner with India in the latter's Digital India and Smart City initiative.
- India has attracted around USD 238 million worth investments from Taiwan since the year 2000. More than 100 Taiwanese companies have commercial presence in India. However, this pales in comparison to the fact that more than 80,000 Taiwanese companies have a presence in China or 25,000 Taiwanese companies have operations in Southeast Asian countries.
- Taiwanese companies have invested in sectors such as auto components, chemicals, engineering, financial services, information and communication technology.
- In August 2021, WTC Mumbai made a presentation on potential Indian market opportunity for around 11 Taiwanese companies manufacturing a range of goods, viz. industrial sewing machines, injection moulding machines, power supply equipments, baby strollers, IoT Smart Care products, induction cookers, Tortilla Maker, Hand tools etc.

Da Nang seeks Indian investment in Hi-Tech Park



Mr. Tran Phuoc Son, Vice Chairman, Da Nang People's Committee, Vietnam (2nd from right) felicitating Dr. Vijay Kalantri, Chairman, WTC Mumbai. Also seen in the photograph are (From left to right): Mr. Ajoykaant Ruia, Vice Chairman, WTC Mumbai; Mr. Hoang Tung, Consul General, Consulate General of Vietnam in Mumbai and Capt. Somesh Batra, Vice Chairman, WTC Mumbai.

India and Vietnam are celebrating 50 years of diplomatic relations in 2022. Over these five decades, bilateral relation has grown tremendously in areas such as economy, tourism and cultural exchange. Da Nang city in Vietnam holds tremendous potential for bilateral trade and investment with India as the city is emerging as an economic growth center in the country.

In order to explore untapped trade, investment and tourism potential with India, a high level delegation from Da Nang City visited India recently. World Trade Center Mumbai organized an interactive meeting with the delegation that was led by **Mr. Tran Phuoc Son, Vice Chairman, Da Nang People's Committee, Vietnam**. The other members of the delegation were senior officials from Department of Information and Communication, Department of Industry and Trade, Department of Foreign Affairs and Department of Tourism in Da Nang city.

In his opening remarks, Mr. Son informed, "Our vision is to transform Da Nang city into an economic, IT, innovation and Hi-Tech Center of Vietnam and Asia. We invite Indian investment from



five focus sectors, viz. i) Tourism, ii) Sea Port & Airport, iii) Hi-Tech Manufacturing, iv) IT & Digital Economy and v) Fisheries,".

In order to promote tourism and business ties, Vietnamese airline Vietjet will soon launch direct flight services connecting five Indian cities, viz. New Delhi, Mumbai, Hyderabad, Ahmedabad and Bengaluru with Da Nang.

Mr. Son invited Indian companies to invest in the Da Nang Hi-Tech Park, which has state-of-the-art logistics, incubation, IT & telecom infrastructure. This park seeks investment in six priority sectors, viz. micro-electronics, IT, automation & precision technology, new energy, nano technology and petrochemicals. Mr. Son also invited Indian companies to explore investment opportunity in the 341 hectare IT park, which is adjacent to the Da Nang Hi-Tech Park.

Earlier in his welcome remarks, **Dr. Vijay Kalantri, Chairman, MVIRDC WTC Mumbai** raised hope that the current level of bilateral trade value of USD 14.4 billion between India and Vietnam can be doubled in the coming



years through focused trade promotion efforts. He pointed out, "WTC Bhubaneswar recently led a 20-member delegation to Vietnam to strengthen bilateral commerce. A few months ago, we have also signed MoU with Invest Global, which is a Vietnam-based trade, tourism and investment promotion agency."

During the event, officials from the Vietnam delegation made a presentation about how Da Nang can be an ideal tourist destination for weddings, honeymoon and leisure travelers.

The event was attended by **Mr. Hoang Tung, Consul General, Consulate General of Vietnam in Mumbai;**

Mr. Duong Duc Anh, Vice Consul, DCM, Consulate General of Vietnam in Mumbai and representatives from tourism, hospitality, agro-processing, pharma, healthcare and other industries in India.

Capt. Somesh Batra, Vice Chairman, MVIRDC WTC Mumbai proposed the vote of thanks for the event.

The programme was held at WTC Mumbai on September 28, 2022.



India-Vietnam Relations

This year, India and Vietnam celebrate 50 years of diplomatic ties

Our relation has grown from strength to strength in these five decades

Post pandemic, India-Vietnam trade and investments are growing in leaps and bounds

Trade and Investment Potential

Already, Indian firms are implementing more than **313 projects** in Vietnam with a total investment of **USD 1 billion**.

India is the **25th largest investor** in Vietnam

EXIM Bank of India, Bank of India and other Indian banks are actively supporting Indian investments in Vietnam

Indian companies have invested in Vietnam in energy, mineral exploration, agro-processing, sugar, tea, coffee manufacturing, agro-chemicals, IT and auto components.

Vietnam has invested in six projects in India with a total estimated investment of **USD 28.55 million**, in pharma, IT, chemicals and building materials.

Trade

Both sides can utilise duty-free benefits under India-ASEAN trade agreement

India is among top **8** trade partners of Vietnam

Vietnam is the **4th** largest trade partner of India in ASEAN and 23rd largest in the world.

In 2021, bilateral trade between India and Vietnam reached **USD 14.4 billion** for the first time, of which, India exported USD 6.70 billion and imported USD 7.44 billion worth of goods from Vietnam

Both the countries set a target of **USD 15 billion** trade in 2022.

Top exports and imports

India exports iron & steel, buffalo meat, marine products, aluminium products, auto-components & rice to Vietnam

Vietnam exports telecom instruments, consumer electronics, copper products, computer hardware, inorganic chemicals to India

Other sectors

Maritime transport and shipbuilding are potential sectors due to the long coastline

Pharmaceutical is another focus sector as India is the pharmacy of the world and Vietnam can supply key chemical ingredients used in pharma production

Electronics is another high potential sector for collaboration

Already, Vietnam is the **5th largest supplier of electrical** and electronic goods to India

Vietnam has FTAs with EU and UK, besides RCEP. So, it can serve as India's gateway to these regions.

Tourism potential of Da Nang city

Da Nang, known as city of modern architecture, is an international tourist attraction

The city has many UNESCO World Heritage sites, the Golden Bridge, Dragon Bridge and the ancient town of Hoi An.

This coastal city is strategically located at the centre of Vietnam, on the North-South transport axis of land, rail, sea and air routes

It is an important node in the East-West Economic Corridor, a gateway to Pacific Ocean of Laos, Thailand and Myanmar

Da Nang is set to become ASEAN logistics center and is an upcoming smart city

Number of Indians applying for visas to Vietnam grew **24 times** from 250 visas per day pre COVID-19 to **6000 visas per day**.

Vietnamese airline Vietjet plans to connect five Indian cities, viz. New Delhi, Mumbai, Hyderabad, Ahmedabad and Bengaluru with Da Nang by the end of 2022.

Currently, Vietjet operates services connecting Ho Chi Minh City and Hanoi with Mumbai and Delhi

Government needs to address administrative bottlenecks and facilitate credit to exporters



In an interview to ON TRADE, **Mr. Rajen Padhi, Commercial Director - B One Business House Pvt. Ltd. and Director, EXIM Consultancy**, shares his views on logistics infrastructure in Odisha, the challenges faced by exporters in India as well as in the state of Odisha and actionable policy suggestions to address these challenges.

Logistics is a key for exports to progress. How do you evaluate Odisha on the logistics parameter appropriate for exports?

I personally feel that Odisha has a long way to go in developing a robust infrastructure for logistics. The state's major ports Paradeep and Dhamra, Gopalpur are predominantly bulk cargo handlers designed for minerals. Although, PICT (Paradeep International Container Terminal) seems like a positive development in the last 4-5 years for containerised cargo, data suggests that it basically caters to coastal shipping and the export cargo is limited. Also, the Biju Express Highway is a boon for Western Odisha where most aluminum manufactures are located. Road transport has become faster, competitive and cost effective. From my perspective, the express highway near Kalinga Nagar (hub of Iron and Steel manufacturing) should be developed well to handle the load when the anticipated production fructifies. Also, The National Waterway project should be completed at the earliest. The Khurdha Boalngir rail link is very vital as it reduces travel time and distance by 50% or more. A Dedicated Freight corridor running between Kharagpur to Vijayawada junction running all along the Industrial corridors of Odisha and AP will be a

tremendous boost for export cargo.

Can you please throw some light on RBI's recent guidelines on settlement of International Trade in rupee?

For more than 70 years, since 1944 perhaps, USD has been accepted as base currency for International trade. Considering the changing headwinds of International Trade and to protect the value of the Indian rupee, it is imperative to reduce our dependence on US Dollar for settling our foreign trade transactions. Particularly, in crude oil, which constitutes 60% of the import basket. Iraq, Iran, Russia and UAE, which are the major suppliers of crude oil, if they can accept INR as payment terms, our demand for USD comes down substantially. High import cost would have an inflationary effect on logistics which India cannot afford. On the exchange rate, thanks to government policies, the Indian rupee has done much better than developed currencies like Euro, Yen, GBP etc.

What is your view on the future prospect of Odisha's exports?

According to me, following are the ways to enhance take Odisha's exports: i) Remove administrative bottlenecks, ii) Make effective

Excerpts of the interview:

Odisha is well known for its natural resources. How do you look at its export potential other than minerals & metal-lurgy sector?

Indeed! Odisha is endowed with rich deposits of mineral resources and has multiple sectors which hold tremendous export potential. With a coastline of 485 kms and the Chilika lake of 1100 sq kms, it's a veritable store house of Fish and Fishery products. Revenue from marine products touched Rs 4300 crore last year. The other sector that is consistently growing in Odisha is IT and ITeS. An electronic park can be a major hub for semi conductor manufacturing and exports. Apart from this, sectors that have a high export potential are Food Processing - which includes spices, millets, jackfruit, turmeric, arrow root, red chillies, etc. and also Handicrafts and Handlooms sector.

clusters for MSMEs, iii) Access to bank finance should be simpler, iv) Banks should adopt pragmatic sanctions up to 50 lakhs, depending upon project viability, v) Traditional considerations is a big constraint, vi) CGTMSE by Government should act as a catalyst for Bankers to extend loan, vii) Include International Trade as a subject in regular academic curriculum and help young entrepreneurs understand the nuances and rich dividends of exports from institutional levels.

Please share your insights on the current export scenario of the country.

I completely endorse the initiatives taken by the Government to stimulate India's exports. There may be a few expectation gaps, yet I believe that the process has begun to provide a major thrust to our exports. I am positive that Atma Nirbhar Bharat scheme would soon yield results and all facets of industry, trade and commerce stand to be benefit. The forward linkage and integration to global market would certainly raise India's export figures. The USD480 billion merchandise export target no longer seems a pipe dream as it is eminently achievable given the favourable policy environment and growing competitiveness of Indian exporters in the world market. Strategically in this crucial time, UAE, Russia, China and ASEAN can be potential trading partners.

What are the challenges that undermine India's export growth in sea food sector?

The ever improving export trajectory is encouraging. However, non tariff barriers are a matter of concern

(Technical Barriers to Trade - TBT agreement) under WTO. Talking about the two major export destinations of Indian Seafood, Anti Dumping Duty by USA continues even after four sunset reviews. Similarly, zero covid policy in China hampered our exports to China. Finally, seafood export figure of USD 7.76 billion was almost 98% of the given target and this year the target is USD 8.6 billion.

With the growing number of Start-ups in the country, how the start-up ecosystem can help with the export framework and enable India to become the powerhouse of Global Economy?

From personal observations, I can say that at least 65% of the Start ups are based on IT and ITeS sectors. Services such as IT and ITeS have been flourishing ever since the onset of the pandemic, and in the first six months, it has shown a tremendous growth of about 24.3%. Start ups in Bio Technology can contribute to export baskets, with target markets being under-developed nations like in the African region. As solar power-driven small pack houses in interiors and remote places are making raves, solar energy-based products also hold a big export potential.

Do you see inflation as a matter of concern in the export scenario across the globe?

I certainly do! As we all know that the pandemic hit the economy tremendously followed by Inflation. Livelihood of the average working class was disrupted and they began saving rather than spending. With

the disruption in global supply chains and the shipping services, price of commodities started rising. Currently, high fuel and energy prices across Europe and USA have resulted in high inflation. The average consumer demand has declined, which has adversely affected imports into these countries.

What are the few crucial aspects one should consider before starting an export business? Please share your insights.

i) Political stability and legal framework of the target export destination
ii) Strengths of exporters in the competing countries, iii) Economic stability and credibility of banks and other trade finance institutions, iv) Tariff and non-tariff measures, including quality control standards of importing country including SPS and v) Product knowledge

Do you feel India's export potential can be unleashed through digital-led (e-commerce) growth? How can MSMEs benefit from it?

The current e-commerce volume in India is about USD 46 billion and it is likely to touch USD 188 by 2025, while the global e-commerce is likely to reach USD 9.09 Trillion. The Digital revolution is a life-time opportunity for MSMEs as marketing their products is now as easy as a click of a mouse in the comfort of home. This truly is a revolution and with 5G round the corner, sky is the limit for e-commerce.

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Capacity Building Program-with a focus on the Engineering sector



(From left to right): Mr. Kaushik Mitra, Senior Manager (BM), ECGC Limited, Bhubaneswar; Mr. Vishram Patel, Vice President (MSME), Balasore Chamber of Industries & Commerce; Mr. Sanjay Kumar Das, President, Balasore Chamber of Industries & Commerce and Mr. Kousik Bhattacharjee, Assistant Director, EEPC India.

To serve as a knowledge sharing platform for exporters and MSMEs for boosting the state's export scenario and also to handhold MSMEs to manufacture export quality engineering goods World Trade Center Bhubaneswar in association with Engineering Exports Promotion Council (EEPC India) and Balasore Chamber of Industries & Commerce (BCIC) organized a 'Capacity Building Program on Basics of **How to Export and Business Opportunities in INDEE Tanzania 2022 Road Show**' focusing on the Engineering Exports from the state of Odisha.



Mr. Kousik Bhattacharjee, Assistant Director, EEPC India made a presentation on business opportunities at the INDEE Tanzania Road Show as well as basics of how to export. He deliberated on how EEPC as a trade

and investment promotion body has been catering to the Indian Engineering Sector. He highlighted the salient features of the Indian Engineering Sector, category of goods having export potential and the stellar performance of the sector in the financial year 2021-22. In

addition to that, he also spoke various things like the transformation of the Engineering Export Basket, gradual shift towards capital goods and heavy machinery, diversification in export destination, top export destinations for India, major drawbacks and loopholes in engineering exports etc. Mr. Bhattacharjee also emphasised on keeping a few things in mind before starting exports, like basic information and knowledge about exports, supporting agencies, financial institutions, selection of company name, basic legal registration, brand identity/logo/website design, social networking platforms etc. Further, he spoke about the launch of a new DGFT Platform, RCMC Certification, benefits for the members of EEPC, ICEGATE Login, product selection for exports, international classification of products, key factors for selection of export markets, tools to find foreign buyers and export potential products for India-East Africa trade.



Mr. Kaushik Mitra, Senior Manager (BM), ECGC Ltd., Bhubaneswar during his address gave an overview of ECGC and its present scenario and

functionalities, methods of payment in International Trade, Inco terms, risks in export transaction and role of ECGC along with its services. He also deliberated on short term covers facilitated by ECGC, political and commercial risks covered and its service network.



Earlier in the session, **Mr. Pawan Sureka, Convenor, EEPC India (Cuttack), Odisha Chapter** delivered the welcome address and highlighted various initiatives undertaken by EEPC India to

handhold exporters and support them to strengthen operations in the international market.

Ms. Nimeshika Natarajan, Assistant Director, World Trade Center Bhubaneswar in her address highlighted on various initiatives being undertaken by the center to

handhold MSMEs and promote international trade in the state.

Mr. Sanjay Kumar Das, President, Balasore Chamber of Industries and Commerce (BCIC)

during his address emphasized to accelerate the export scenario of the state and the role of BCIC in handholding the regional industry bodies. He also extended support to further collaborate with EPCs and trade promotion bodies to help businesses grow. Further, he proposed the vote of thanks.



The programme was held on July 8, 2022 at Balasore Chamber of Industries and Commerce (BCIC).



Entrepreneurship Awareness Session: Focus on – Alternate Source of Equity funding through IPO & Listing on Emerge Platform

Entrepreneurship in general is the ability to effectively learn, strategize, focus, communicate, market, sell and upgrade. Alternate Source of Equity Funding comprises of Initial Public Offering (IPO), Small Business Investment Companies, Angel Investors for Equity Financing, Mezzanine Financing, Venture Capital and Royalty Financing. IPO is announced by a company not listed in the stock exchange to raise funds through sale of securities or shares for the first time to public in the primary market. In this regard, World Trade Center Bhubaneswar organized an Entrepreneurship Awareness Session, focusing on Alternate Source of Equity Funding through IPO & listing on Emerge Platform in association with National Stock Exchange (NSE), Association of Industrial Entrepreneurs of Bhubaneswar (AIEBA), State Bank of India, Bhubaneswar and Utkal Chamber of Commerce & Industry Limited.

The session was a knowledge sharing platform where NSE deliberated on its Emerge listing platform for growing companies to raise Equity capital through IPO & Listing of equity share.

In addition to that, other necessary facilitation initiatives were discussed to assist the MSMEs/Start-ups to avail various schemes, learn about financial avenues and manage their enterprise.

Mr. Prosenjit Pal, Senior Manager-Business Development-Eastern Region, National Stock



Exchange (NSE) made a presentation on NSE & its Emerge Platform,

SEBI Eligibility as well as NSE Eligibility criterias required for a company to enlist on the Emerge Platform. He further spoke about the Regulatory Framework like IPO on Emerge, post listing compli-

ance, migration and investors. In addition, Mr. Pal deliberated on the steps to register on the Emerge platform, its benefits, value proposition for Issuers, value proposition for Intermediaries, NSE initiatives like Awareness Sessions as well as Tie-up for Strategic Developments. Additionally Mr. Pal also gave an introduction to NIFTY SME Emerge Index.



(From left to right): Mr. Prosenjit Pal, Senior Manager-Business Development-Eastern Region, National Stock Exchange (NSE); Mrs. Nimeshika Natarajan, Assistant Director, World Trade Center Bhubaneswar; Mr. Bijaya Kumar Mohanty, Assistant General Manager (SME), State Bank of India, Bhubaneswar; Mr. Ashok Kumar Sharda, President – In Charge, UCCIL; Mr. Ali Kishore Patnaik, President, AIEBA and Mr. Rajan Jha, Senior Vice President, Merchant Banking, Hem Securities Ltd.



Mr. Rajan Jha, Senior Vice President, Merchant Banking, Hem Securities Ltd. Made a presentation on Equity Funding through IPO for the MSMEs. He further spoke about how SMEs have emerged as the critical

component of the economy with a significant contribution to the economic development of the nation. Mr. Jha also spoke about modern trading technologies and various services offered by Hem Securities.

Mr. Bijaya Kumar Mohanty, Assistant General Manager (SME), State Bank of India made a detailed presentation on Asset Backed Loan, Lease Rental Discounting (LRD) Scheme, Electronic Dealer Finance Schemes, Electronic Vendor Finance Schemes, Surya Shakti Solar Finance, SBI Start-ups Funding etc. He further explicated on Financial Assistance to Project



Proponents for Enhancement of Ethanol Capacity for producing 1st Generation Ethanol from Feed Stocks.

Earlier in the session, **Mr. Ali Kishore Patnaik, President, AIEBA and Mr. Ashok Kumar Sharda, President – In Charge, UCCIL** during their special address spoke about their associations and initiatives undertaken under them to develop entrepreneurship and support MSMEs in their entrepreneurial journey.



Mrs. Nimeshika Natarajan, Assistant Director, World Trade Center Bhubaneswar proposed the vote of thanks.

The programme was held on July 22, 2022 at Utkal Chamber of Commerce & Industry Limited (UCCIL), Bhubaneswar.

World Trade Day & Annual Members Meet 2022

Observed for the fifth consecutive year in the State of Odisha with a view to create awareness on International Trade and its impact on the economic development as well as regional growth of the State, World Trade Centre Bhubaneswar organised the **'World Trade Day'**. This programme was marked by a

discussion on the theme **'International Trade & Exports – A view of Odisha's Growth Trajectory'**. Senior government officials and eminent experts from the industry were present on the occasion to share their views. World Trade Day coincided with World Trade Week organized by World Trade Centers across the world.



(From left to right): Mr. Rajen Padhi, Convener, WTC Bhubaneswar International Trade Promotion Think Tank; Mr. Santosh Sarangi, IAS, Directorate General of Foreign Trade, New Delhi, Govt. of India; Mr. Rohit Pujari, Hon'ble Minister of State, (Ind. Charge), Higher Education Department, Govt. of Odisha; Mr. Pratap Keshari Deb, Hon'ble Cabinet Minister, Department of Industries, MSME & Energy, Govt. of Odisha; Dr. Madan Mohan Sethi, IFS, Consul General of India, Ho Chi Minh City, Vietnam and Dr. Rina Routray, Advisor, WTC Bhubaneswar Women Forum during the virtual address of Shri. Sujeet Kumar, Hon'ble Member of Parliament, Rajya Sabha.

World Trade Day celebration placed a unique platform for the entrepreneurs of the State of Odisha to learn and discuss key issues pertaining to global business. It also gave due recognition to business leadership, achievements and best practices. The program through its networking sessions helped MSMEs of the State to explore export opportunities with other countries encouraging them to participate in International Trade.

The program kicked off with a presentation on the activities and initiatives taken by World Trade Center Bhubaneswar to help businesses/entities from the state to foray into the global market across sectors followed by lighting of the lamp.



Mr. Pratap Keshari Deb, Hon'ble Cabinet Minister, Department of Industries, MSME & Energy, Govt. of Odisha during his address deliberated on the sincere and proactive measures needed to be undertaken to elevate the economic scenario of the state, and further extended

assistance in building a roadmap & policy making.

He further added that there has been a shift in the mindset in terms of export and quality control, and that marketing assistance should be provided in this case to compete with other states.



Mr. Rohit Pujari, Hon'ble Minister of State, (Ind. Charge), Higher Education Department, Govt. of Odisha highlighted how Odisha has the suitable environment & ecosystem for entrepreneurship. "Industry and Higher Education go hand in hand and the youth has to be facilitated to be job ready through collaborative measures" he added.

Mr. Sujeet Kumar, Hon'ble Member of Parliament, Rajya Sabha joined the session virtually and during his address lauded the center for its contribution in leveraging the export scenario of

Mr. Sujeet Kumar, Hon'ble Member of Parliament, Rajya Sabha joined the session virtually and during his address lauded the center for its contribution in leveraging the export scenario of



the state. These efforts made by WTC Bhubaneswar in building an effective platform for the exporters and potential exporters ultimately helped them to explore and penetrate into the global markets. He also spoke about the potential of the state in various sectors and urged to collectively contribute in accelerating Odisha's trade which would make it the export hub of the country.

Mr. Santosh Sarangi, IAS, Directorate General of Foreign Trade, New Delhi, Govt. of India

lauded WTC Bhubaneswar for providing a platform with international linkages for entrepreneurs and potential exporters. He highlighted how India has performed phenomenally in terms of Global trade in spite of the pandemic. He further shared his insights on how certain factors/elements work collectively in the entire supply chain to reap the maximum benefits. Mr. Sarangi also emphasized on the need for diversification of tertiary sectors and value-added products to scale up exports from the state of Odisha. He also assured infrastructure and logistics related issues to be addressed by the DGFT, Govt. of India.



Dr. Madan Mohan Sethi, IFS, Consul General of India, Ho Chi Minh City, Vietnam during his address highlighted the trade opportunities to foster bilateral between India and Vietnam while focusing on the state of Odisha. He

also deliberated on the emerging trends of trade and businesses in Vietnam while emphasizing on the unexplored resources possessed by Odisha in terms of natural resources, art & craft, textile, skilled manpower etc.



Dr. Rina Routray, Advisor, WTC Bhubaneswar Women Forum during her address spoke about various initiatives and activities WTC Bhubaneswar undertakes to facilitate and handhold MSMEs. WTC Bhubaneswar has been

working effectively to uplift entrepreneurship from the grassroot level and its focus has been to work locally for global outreach, she added.

Earlier in the session, **Mr. Rajen Padhi, Convener, WTC Bhubaneswar International Trade Promotion Think**



Tank delivered the welcome address and deliberated on the recent announcement by RBI (Reserve Bank of India) to settle Foreign Trade in rupees. She mentioned that the center designated and announced

Honorary Convenorship and Co-Convenorship to the industry representatives & stakeholders among the member base for its six verticals like IT & Startups, Smart City & Infrastructure, Agriculture & Food Processing, Tourism & Hospitality, International Trade Promotion and Women Forum. "The idea has been to seek guidance from the industry experts which shall help the center in advancing & promoting each sector not just in the state but also globally" she highlighted. The Convenors of the Center deliberated on the upcoming plans & future course of action.

In addition, **Mr. Aditya Dash, Managing Director/CEO, Ram's Assorted Cold Storage (MSME Export Achievement); Ms. Priyadarshini Das, Founder, Ecodarsini (Best Innovative Startup); Mr. K.K. Singh, MD, Surya International Private Limited (Small Business Global Trade); Ms. Panchami Manoo Ukil, Founder Trustee, The DN Wisdom Tree Global School (Special Recognition - Education Sector); Mr. Rajen Padhi, Commercial Director, B—One Business House (Growth and Promotion of Trade) and Dr. Rina Routray, Chairperson, Mahila Atmanirbhar Abhiyan (Special Recognition - Social Sector)** were awarded and felicitated for their tremendous efforts and achievements in the respective sectors.



Ms. Nimeshika Natarajan, Assistant Director, World Trade Center Bhubaneswar proposed the vote of thanks.

The programme was held on July 31, 2022 at Welcome hotel by ITC Hotels, Bhubaneswar.

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Market Outreach Initiative for Women Entrepreneurs



Women owned businesses or enterprises play a significant role in the country, bringing in significant demographic shifts and inspire other women to take up entrepreneurship. Women as entrepreneurs add significantly to the business and economic growth of the country.

As a business promotion initiative for Women Entrepreneurs, World Trade Center Bhubaneswar

organized a Market Outreach Program to showcase their unique products/services for better visibility and to develop a strong brand value by reaching out to the potential customers, generate sales lead and assist in effective product development. The initiative acted as a cost-effective method for the business members to upsell their products, enhance and improve customer service, empower business collaborations and also helped in understanding the market demand and strengthen credibility of the brand.

Some of the products showcased were Handloom, Handicrafts, Handmade Chocolates, Essential Oils, Home Furnishings & Décor, Processed Food, Terracotta, Sustainable Jewellery etc.

The program was inaugurated by Shri. Priyaranjan, Deputy General Manager, Estate Department, RBI Bhubaneswar.

The programme was held on August 6 & 7, 2022 at the Convention Hall, RBI Colony, Bhubaneswar.

Awareness Session on Food Processing Sector

India comprises one of the largest food processing sectors in the world which has a classic role in linking farmers to consumers in domestic as well as international markets. A strong and dynamic food processing sector plays a pivotal role in preventing wastage of perishable agricultural produce, ensuring value addition to agricultural produce and diversification & commercialization of agriculture.

In this context, World Trade Center Bhubaneswar organized an awareness session on the Food Processing Sector in association with Yes Bank Foundation, Entrepreneurship Development Institute of India (EDII)-Bhubaneswar, MSME-DFO-Cuttack, The National Small Scale Industries Corporation Ltd. (NSIC)-Bhubaneswar, State Bank of India-Bhubaneswar, Juggernaut Association of Entrepreneurs (JAE) and Wow Mom Foods. The session was a knowledge sharing platform for

constructive interaction among the industry experts, academic experts and bankers on the subject, helping identify more areas and explore various schemes/financial avenues, licensing norms and assistance available.



Dr. Subrat Biswal, Regional Head, Eastern Region, Entrepreneurship Development Institute of India (EDII), Bhubaneswar made a detailed presentation on the role of EDII

and how it acts as a nodal agency for the SFURTI Scheme. He then spoke about EDII's Institutional Network, their associate & corporate partners and snapshot of entrepreneurship growth in India. He further deliberated on funds for regeneration of traditional industries (SFURTI) clusters, interventions in clusters, major CDP Schemes, Major stakeholders in

SFRTI Scheme, role of technical agency, project implementation etc.



Mr. Subas Sahu, Assistant Director, MSME-DFO, Cuttack, Ministry of Micro, Small & Medium Enterprises, Government of India spoke on Udyam Registration, Khadi & Village Industries Commission,

National Small Industries Corporation, National Institute for MSME, The Coir Board, Mahatma Gandhi Institute for Rural Industrialization (MGIRI), brief activities of MSME-DIs, Major Schemes of Ministry of MSME, Financing for MSMEs, Prime Minister's Employment Generation Program etc. He further spoke about the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), other credit schemes like Standup India & MUDRA Scheme, major current schemes of Ministry of MSME like Up-Scaled Entrepreneurship and Skill Development Programme, Procurement & Marketing Support Scheme, International Co-operation Scheme, SFURTI, MSME Innovative Scheme and My MSME Portal. In addition to that, he highlighted the MSME Sustainable (ZED) Certification Components, ZED Certification levels, it's parameters, role of various agencies, MSME Kawach, Public Procurement Policy 2012, GeM, Startup India Seed Fund Scheme (DPIIT), Odisha Startup Policy 2016, Odisha Industrial Policy Resolution 2015, Odisha MSME Policy 2016, Odisha Food Processing Policy 2016 and steps to set up an enterprise.



Dr. Anupam Gayen, Branch Head, National Small Scale Industries Corporation (NSIC), Bhubaneswar spoke about the role of NSIC in supporting the Food Processing Sector. He stated the constraints faced by the Indian

Food Processing Sector, Challenges for the Food Processing Industries, SWOT of Food Processing Industries, Schemes of NSIC, Marketing support by NSIC, Single Point Registration for Government Purchase and the benefits extended to MSEs having valid SPRS Registration. He further deliberated on the MSME Global Mart B2B Web Portals for MSMEs, Consortia and Tender Marketing Schemes (CTMS), Credit Facilitation through Banks, RMA against Bank Guarantee, Bill Discounting, Raw Materials Distribution, NSSH launched by Hon'ble Prime Minister, interventions for SC-ST entrepreneurs and MSME Sambandh – Public Procurement Policy Monitoring Portal.



Mr. Bibhudatta Tripathy, Food Safety Officer, Government of Odisha delivered a precise presentation on Food Licensing norms. He demonstrated on the FSSAI, functions in belief, Centralized Food Safety

Compliance Regulatory Platform, standardized food products and business eligibility criteria, FSSR 2011, Schedule III of FSS ACT 2006, Schedule IV of FSS act 2006 and Food Safety and Standards (Licensing & Registration of Food Businesses) Regulation 2011. He further spoke about the authorities responsible for licensing and registration.

Mr. Sidharth Rath, Branch Head, SME, State Bank of India, Bhubaneswar in his address illustrated various financial assistance offered by SBI to be availed by the entrepreneurs.



Earlier in the session, **Ms. Shyama Jha, Founder, Millet Magic Foundation** delivered the opening remarks and shared her entrepreneurial journey.



Mr. Nandiki Gangadhar Reddy, Vice President, Juggernaut Association of Entrepreneurs proposed the vote of thanks.

Ms. Nimeshika Natarajan, Assistant Director, World Trade Center Bhubaneswar moderated the session.

The programme was held on August 19, 2022 at IDCO Conference Hall, IDCO Towers.

■

Business Delegation from Odisha, India to Ho Chi Minh City, Vietnam



(From left to right): Mr. Dilip Sahoo, Director, Directorate of Export Promotion & Marketing, Odisha; Mr. Rajen Padhi, Commercial Director, B One Business House Pvt. Ltd. (third from right), Mr. JK Moanty, Managing Director, Swosti Group of Hotels (second from right) and Ms. T Sweta, Officer – Trade Promotion, WTC Bhubaneswar felicitating Dr. Madan Mohan Sethi, Consul General, Consulate General of India, Ho Chi Minh City, Vietnam (second from left).

As a part of International Trade Promotion initiative, World Trade Center Bhubaneswar mobilized a Business Delegation to Ho Chi Minh City, Vietnam with an objective to provide international exposure focusing on the MSME sector. The initiative aimed at enhancing visibility and outreach of the unique potential products from the state of Odisha. The business delegation was supported by the Consulate General of India, Ho Chi Minh City, Vietnam and the Department of Micro, Small & Medium Enterprises, Government of Odisha.

The delegates represented various sectors like Tourism & Hospitality, Agriculture & Food Processing, Seafood & Marine Products, Millets & Processed Food, Handloom & Textiles, Machinery & Equipments, Indian Spices and IT & Technology.

The first day of the four day schedule kicked off with a luncheon meeting hosted by Dr. Madan Mohan Sethi, Consul General, Consulate General of India, Ho Chi Minh City. The meeting witnessed active discussions on the

trade potentials between the two regions, emerging sectors as well as the upcoming plan of action between the delegates and the special invitees.

Subsequently, the day three witnessed an interactive meeting at the Consulate General of India where the delegates made a brief presentation about their businesses to the key officials of the Consulate. They further discussed the business prospects in Vietnam for the particular sectors. Dr. Sethi also made a presentation deliberating on a detailed analysis of the Vietnamese market and the bilateral trade prospects between Vietnam and India, focusing on the State of Odisha. The program was followed by a meeting with the key office bearers of the Vietnam Chamber of Commerce & Industries (VCCI) in order to develop business linkages at the VCCI premises.

In addition to that, a networking dinner was hosted by the consulate with local industry bodies and prospective business houses like Vinh Loc Food Processing & Trading Co. Ltd, Indian Importers Chambers of Commerce &



Delegates during interaction with Vietnam Chamber of Commerce and Industries (VCCI).



Delegates at the residence of Dr. Madan Mohan Sethi, Consul General, Consulate General of India, Ho Chi Minh City, Vietnam (center) for understanding the prospects of bilateral trade between India and Vietnam over a luncheon.

Industry, Vietravel, Ho Chi Minh City Computer Association etc.

B2B meetings and sector wise industry visits were scheduled as part of the program on day four. The delegates also paid a visit to tourist & historical places in Ho Chi Minh City for sightseeing on a Sunday (leisure day) which added to the better understanding of Vietnamese culture while helping them get familiar with their market and products.

The business delegation could thus help in paving way for trade between both the regions and acted as a big morale booster for the focus MSME sectors to think of trading beyond their regional boundaries, making the endeavour a successful one.

The Business Delegation visit was conducted from 3rd to 6th September, 2022.



Management Development Program (MDP) on Digital Marketing



Participants during the training program

Digital Marketing is extremely crucial in today's era as it helps us focus on targeted audiences with a global reach, unlike traditional methods of marketing. Digital Marketing refers to the use of the digital channels to market products and services to reach consumers. This method of marketing involves the usage of social media, websites, search engines and other similar channels.

In this context, World Trade Center Bhubaneswar organized a five day's training program in association with MSME-DFO, Cuttack and Directorate of Export Promotion and Marketing (DEPM), Odisha. The initiative was a part of the Up scaled Entrepreneurship Skill Development Programmes Scheme by Ministry of Micro, Small and Medium Enterprises, Government of India.



The first day of the training program commenced with an inaugural address by **Ms. Nitisha Mann, Deputy Director, MSME-DFO Cuttack**. In her address she briefed the participants about the program and deliberated on the role of MSME-DFO, Cuttack in handholding and implementing various schemes and policies framed by the Government of India for the Micro, Small & Medium Enterprises.



Mr. Shantanu Nayak, Founder, Webboons Pvt. Ltd. as a resource person demonstrated on the basics of digital marketing, its objectives and benefits, difference between traditional and digital marketing, strategies for digital marketing, business listing on Google, Amazon / Flipkart Seller, Search Engine Optimization (SEO), Pay Per Click (PPC) marketing, e-mail marketing and affiliate marketing.



Mr. Rajen Padhi, Commercial Director, B One Business House Pvt. Ltd. and Convener, WTC Bhubaneswar International Trade Promotion Think Tank during his address made a detailed presentation on export import procedures and documentation. He started off with basic fundamentals of international trade and progressed to international business transactions, The General Agreement on Tariffs and Trade (GATT), World Trade Organization (WTO), World Customs Organization (WCO), Import Export Code (IEC) Registration, Registration cum Membership Certificate (RCMC) and Inco Terms. He also gave a simplified overview on FAS (Free Alongside), Fob (Free on board), CFR (Cost and Freight), CIF (Cost

Insurance Freight), DDP (Delivery Duty Paid) and EXW (Ex-works). In addition to that, he deliberated on Merchandise Exports (MEIS) Scheme, types of L/C (Letter of Credit), Payment Risk Coverage, Payment Regulators and Custom Tariff Act 1975.

Ms. Sony Samal, Founder, 72 DPI Skillz Pvt. Ltd. highlighted the significance of Digital Marketing for Women Entrepreneurs. She guided them on the process of identifying the business aspirations & goals, target audience, basics of marketing techniques, market research, web design and development etc. In addition to that, she deliberated on content strategy, website wireframe, information architecture, brand colours, content strategy, branding and marketing communications.

Ms. Gayatri Kampa, Assistant General Manager, Bank of India in her session deliberated on the Credit Facilities and opportunities available for MSMEs.



Mr. Subhasis Das, Chief Manager, National Small Scale Industries Corporation (NSIC) in his session made a detailed presentation on the various schemes of NSIC and the features of NSIC Global Mart which provides

for a marketing platform for MSMEs.

Dr. MD Washim Raja, Assistant Professor - Marketing, Xavier Institute of Management, Bhubaneswar made a detailed presentation on the importance of marketing in the current business scenario. He explained the theory and application of digital marketing. He further deliberated on building the digital marketing plan, digital application of 7Ps to ASOS and Boohoo, digital marketing objectives and tactics, resource planning, online marketplaces, ethical insights, budgeting and consumer response.



Mr. Sudhansu Pradhan, Expert, Government E- Market (GeM) from Government of India deliberated on the digital marketing strategies and GeM registration procedures.

During the Valedictory Session, **Ms. Nitisha Mann, Deputy Director, MSME-DFO Cuttack** proposed the vote of thanks.

Ms. Nimeshika Natarajan, Assistant Director, World Trade Center Bhubaneswar moderated the session.

The training program was conducted from September 12 - 16, 2022 at Conference Hall, DEPM Odisha.

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OBJECTIVE

- Facilitates Trade & Investment Promotion of Odisha
- Assist local businesses to foray in to global markets

TRADE SERVICES

Trade related Programmes | Export Counselling | International Market Connections
Education & Training Programmes | Opportunity to participate in International Trade Shows

World Trade Center Bhubaneswar
Facilitates Businesses to Access Global Markets

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Boosting Goa's Food Processing Capacity

Goa's climate is conducive for growing a variety of food crops that include rice and types of vegetables and fruits. Although most of the produce is consumed by locals, value addition for the remaining cannot be made due to lack of processing facilities.

However, things are changing and a new beginning has been made with the setting up of a Multiproduct Processing Centre, Pale, situated in the Bicholim Taluka of North Goa, which is an initiative of the Goa Biodiversity Board and supported by the Goa Shipyard Limited. The objective of this initiative is to create livelihoods for the locals as well as add value to the locally produced food crops. This initiative is the brain child of the dynamic Dr. Pradip Sarmokadam, Member Secretary of the Goa Biodiversity Board.

World Trade Center Goa, organized a business cum educational field trip to the food processing center to understand its workings and figure if this model could be replicated in more areas of Goa to enable more utilization of local resources.

Laid out in a lush green landscape, the center has various facilities like a dry area for receiving and storing various products, a pantry area for carrying out various processing activities, an oven and pulverizer along with cold storage facilities that help in creating an end to end solution for completing the processing process. It is a perfect blend of minimalistic design, good hygiene, suitable machinery and compact space which together lead to produce world class products.

The range of products include lime and jackfruit pickles, amla juice, jackfruit and mango foodpulp, masalas, banana & jackfruit chips etc. All these products branded and marketed under the "GoVan" brand are fast moving and have established themselves well in the market.



Participants at the Multiproduct Processing Centre, Pale, situated in the Bicholim Taluka of North Goa.

The center encourages locals to try and increase their produce, and then purchases the excess from them. Also, employment opportunities are provided to locals who carry out various processing activities by adding value to the raw materials. This helps the locals generate good

returns by earning an extra income. This center currently employs around 12 to 15 women professionals. Participants discussed and debated on the business structure and feasibility of setting up such centers in various talukas of Goa, with the idea of catering to the local market as well as

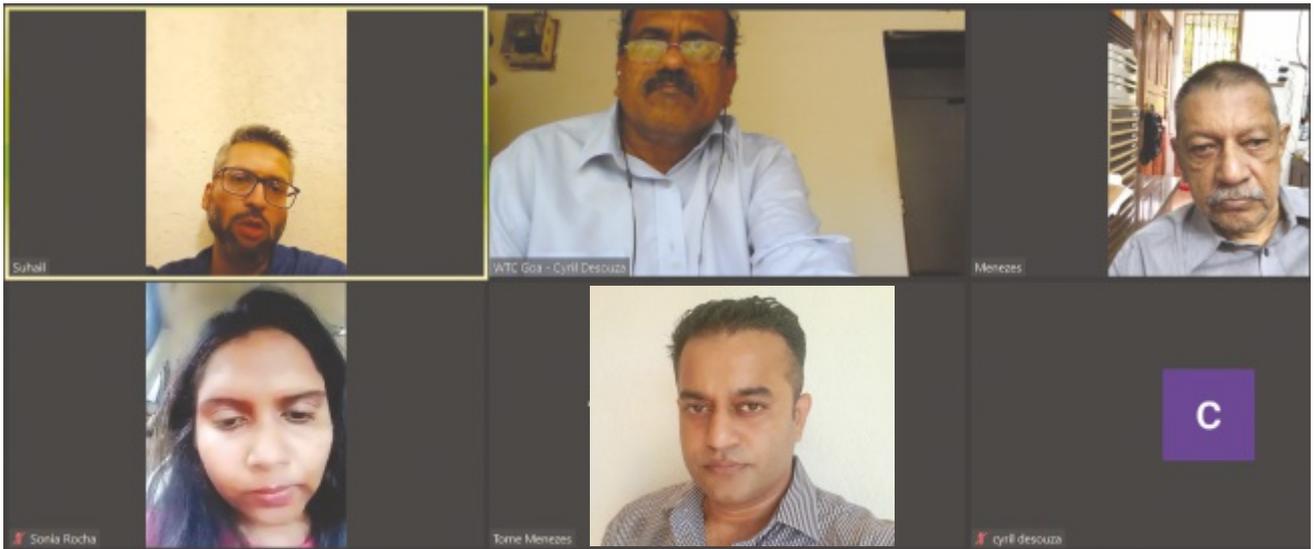


producing marketable surplus that could be exported to the global markets with the help and support of WTC Goa's network.

The entire operations of the Center were well explained by Mrs. Jyostna Fatrekar who leads part of the team that runs the day to day activities of the center.

The visit was conducted on July 30, 2022 at Pale, Ussgao, Bicholim Taluka.

Truefitt & Hill, London – soon in Goa!



The men's grooming sector is a fast moving one given the fact that personal grooming is now becoming an important facet across genders.

Keeping this in mind World Trade Center Goa (WTC Goa) arranged a webinar to invite Lloyds Luxuries Ltd, to consider bringing Truefitt & Hill to set shop in Goa. Truefitt & Hill has a legacy of over 215 years and a presence in Goa would not only benefit the company itself but also the State of Goa through enhanced investments and provision of jobs and livelihoods to professionals operating in the Men's Grooming and Wellness Sector.

Established in 2013, Lloyds Luxuries Ltd. has successfully acquired the Master Franchise License of Truefitt & Hill for India and some neighboring countries. They have already set up an International Store in Dhaka, Bangladesh and are also operating stores in major cities in India like Delhi, Mumbai, Pune and Ahmedabad to name a few.

Mr. Suhail Khan, Senior Manager- Franchise Development, Lloyd's Luxuries Ltd. spoke with passion



about the luxury brand, it's royal heritage and how it could change the way men's grooming and wellness is currently understood in Goa. Mr. Khan also threw light on the business models that the company could consider namely,

'Company owned Company Operated' or 'Franchisee Owned and Franchisee operated'. He also informed about the ability of the company to help in selecting the right personnel to operate the store as well as lend a helping hand in constructing the building infrastructure as well as internal design and layout that should be complementary to the global standards of Truefitt & Hill. Mr Suhail Khan also touched upon the ideal location, the base amount of initial investments and the Returns on Investment (ROI) that could be expected both in the short and long run.

Mr. Eric Menezes, Founder, MPCL Pvt. Ltd. who has more than



five decades of experience in men's grooming through his association with brands like Old Spice and Blue Strattos, said that he has visited the Truefitt & Hill stores both in India and overseas and is happy that the brand was looking to enter Goa soon. According to Mr. Menezes, initial investments that are required may be a point of concern along with the ROI, which he thought might be a challenge for some.

Mr. Thome Menezes, Founder, MPCL Pvt. Ltd. having close to two



decades of experience in the men's grooming and wellness sector, spoke on the importance of choosing a central location for the

store, well trained personnel as well as quality infrastructure that would be in line with the brands international stature. He anticipated that this would be an ideal initiative for Goa, but attracting quality footfalls that would justify the Investments as well as ROI may be a little challenging.



Mr. Cyril Desouza, Assistant Director - Trade Promotion, WTC Goa suggested ways to attract footfall at the store and also assured to extend WTC Goa's help and support in successfully establishing this venture in Goa

Truefitt & Hills natural progression to enter into Goa is truly well timed as Goa has a select High Net worth Individuals (HNI) who have experienced the services of Truefitt & Hill during their travels across the Globe.

Further, Goa being India's top tourist center, attracts both International and National HNIs who are already clients of Truefitt & Hill worldwide and would be delighted to avail of quality Men's Grooming and wellness services in Goa.

On the Business front, Goa has a potential to transform itself as a world class Meetings, Incentives, Conferences and Exhibition (M.I.C.E) destination, which will attract top class delegates to Goa. The International Film Festival of India (IFFI) that is held annually in Goa attracts a large number of HNIs including , film stars and eminent personalities that could play a large part in making the Truefitt & Hills venture in Goa a very successful and profitable one.

The webinar was held on August 31, 2022.

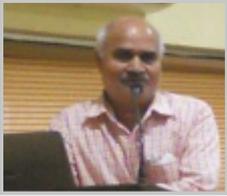
Goan entrepreneurs can now fast track their business success



(From left to right): Mr. Cyril Desouza, Assistant Director – Trade Promotion, WTC Goa; Mr. Gavin D'Souza, Director, Lila Digital and Environmental Solutions Pvt Ltd; Mr. D. R. Johari, Assistant Director, Grade 1 MSME D&FO; Mr. M. K. Meena, Joint Director, MSME D&FO Goa; Mr. Atul Anand, Chief Manager, State Bank of India; Mr. P. P. Kulkarni, Assistant Director, MSME D&FO and Mr. Himanshu Patnekar, Functional Manager, Directorate of Industries Trade and Commerce.

For a Business to thrive it is imperative that they receive appropriate support at the right time. The Central and State Governments have a number of schemes to help entrepreneurs but often times entrepreneurs are not aware of the schemes that are currently available to them. Thus in order to make entrepreneurs

aware of these schemes, World Trade Center Goa along with the Micro Small and Medium Enterprises Development & Facilitation Office (MSME D&FO) Goa, jointly organized an Entrepreneurs Awareness Programme.



Mr. M. K. Meena, Joint Director, MSME said that he would like to address the infrastructural challenges that some of the Industrial Estates are facing in Goa. He was very positive that if these challenges could be addressed

then the businesses could thrive better and it would be much easier and viable for stake holders to utilise the schemes. Mr Meena emphasised that good infrastructure would also result in better movement of raw materials and finished products. This would result in a lot of savings for the enterprises which will in turn add a positive result to their profits.

Mr. D. R. Johari, Assistant Director, Grade 1, MSME D & FO

in his opening remarks highlighted that access to correct information is the key for entrepreneurs to run their businesses successfully. Mr Johari mentioned that the platform of MSME D & FO is an ideal platform which offers a host of schemes for entrepreneur who should take maximum advantage of the same to enhance their businesses. Mr. Johari was confident that this programme would be helpful for entrepreneurs to understand the options open to them for successfully running their businesses.



Mr. P. P. Kulkarni, Assistant Director, MSME D & FO, explained the delegates about the importance of the Udyam Registration for availing the various schemes that are available. He then elaborated on various schemes for start-ups like Gram Udyog Vikas Yojana Scheme and the Credit Guarantee on loans to MSME. Mr. Kulkarni also informed the participants about other available schemes like the 'Procurement and Marketing Support', 'Public Procurement Policy for MSMEs' for providing marketing support to the MSMEs, 'Micro and Small Enterprises Cluster Development Program' and the ZED certification scheme.

Mr. Himanshu Patnekar, Functional Manager, Directorate of Industries Trade and Commerce, (DITC) Goa apprised the delegates on the



various schemes available with the DITC, he spoke on schemes like, 'Capital Subsidy Scheme', 'Interest Subsidy Schemes', 'Employment Subsidy Scheme', 'Incentive to Local Purchase Scheme' and 'Incentive to Green Investor Scheme'. He explained each scheme in detail and the parameters and conditions required for availing the schemes. He said that it is necessary to register with the department to avail the various schemes bundled under the umbrella schemes.



Mr. Atul Anand, Chief Manager, State Bank of India made a detailed presentation on the various schemes that were available to the entrepreneur through the State Bank of India. He highlighted and explained

some of the important schemes like, 'Pradhan Mantri Mudra Yojana', 'Electronic Dealer Financial Scheme', Lease Rental Discounting', Export Packing Credit', Export Bill Abroad Re-discounting Scheme' and Pre-shipment Credit in Foreign Exchange'



Mr. Gavin D'Souza, Director, Lila Digital and Environment Solutions Pvt. Ltd., an established entrepreneur who also successfully runs business groups related to Finance, IT and education, in his address informed participants that

MSME Samadhan has been a good support to get back disputed claims. He also noted that Udyam registration along with the Government E- Market place portal are very important for enhancing business potential. Mr D'Souza was of the view that such programmes are necessary as entrepreneurs can get first hand information of various schemes available and also present a platform for effective interaction with the officials of various Government bodies.

Mr. Cyril Desouza, Assistant Director - Trade Promotion, World Trade Center Goa in his concluding address spoke on the role of WTC in promoting international trade from Goa. He spoke on the support that WTC Goa can offer entrepreneurs wanting to export their products from Goa. Mr Desouza also expressed that he would like to see many more entrepreneurs take advantage of the services offered by WTC Goa.

The programme was held on September 27, 2022 at Nalanda Hall, EDC House, Panaji Goa.



Skilling youth and women to become successful entrepreneurs



(From left to right): Mr. Navneet Agarwal, Assistant Director -Trade Promotion, World Trade Center Jaipur ; Mr. S. S. Naik, Regional Director, RD-RDSDE - Rajasthan; Dr. Yogesh Agarwal, Dy. Director -Training, NSTI (W) Jaipur; Mr. Anoop Singh Parihar, Deputy Director NSTI (W) - Jaipur and Mr. Sanjay Gaur, Sr. Journalist & OSD to Chairman, VSDC, Government of Rajasthan.

World Trade Center Jaipur partnered with National Skill Training Institute (W) to support the flagship initiative of the central government and Rajasthan Government of skilling young aspirants to become successful entrepreneurs.

Inaugurating the session, **Mr. S. S. Naik, Regional Director, RD-RDSDE - Rajasthan** informed that women constitute about 48% of the total population in the country. But in the employment market, out of the 397 million employed population in 1999-2000, women are only about 123 million, and out of which, only around 5 million women are in the organized sector, while the remaining 118 million are in the un-organized sector. To reduce gender inequality, special gender specific programs are formulated and organized by the government to mainstream women into economic activities.



Mr. Sanjay Gaur, Sr. Journalist & OSD to Chairman, VSDC, Government of Rajasthan spoke about the importance of skill development. He opined that low skill results in poverty and inequality and that more skill development

programs should be organized which would help artisans get a fair chance to earn a livelihood.



Mr. Anoop Singh Parihar, Deputy Director NSTI (W) - Jaipur pointed out that NSTI organizes regular training programs in trades having high employability. These training programs are designed on industrial pattern, which include

eight hours of regular training for five days a week with no vacations in between. Leaves during these programs are as per the rules of Government of India.

Dr. Yogesh Agarwal, Dy. Director -Training, NSTI (W) - Jaipur

informed that Women's Vocational Training Programs at Directorate General of Employment and Training (DGE&T), Ministry of Labour & Employment were designed and launched in 1977. These programs are now looked after by the Ministry of Skill Development and Entrepreneurship in an attempt to promote women's employment in the industry (mainly organized sector) as semi-skilled or skilled & highly skilled workers through skill training facilities under Craftsmen Training Scheme, Advanced Skill Training Scheme and Apprentices Training Scheme.



“Programs for higher skill training for instructors of various skill training organizations are also organized to achieve this objective. The government has also set up women exclusive Institutes, both under Central Sector and Centrally sponsored Schemes,” informed Dr. Agarwal.

Mr. Navneet Agarwal, Assistant Director -Trade Promotion, World Trade Center Jaipur proposed vote of thanks.

The program was held on July 15, 2022.

Handicraft sector needs government support to overcome challenges



Rajasthan is a prominent Indian state in handicraft making, which is an age-old sector that supports livelihood and also generates foreign exchange to the nation through exports. The prolonged period of pandemic tested the resilience of handicraft units who faced several challenges such as lack of buyers, high cost of raw material, shortage of labour, dearth of finance and logistics issues. Despite these challenges, this traditional sector is showing signs of revival, in terms of manufacturing and exports of products across multiple categories.

World Trade Center Jaipur organized an online discussion on ‘Export Potential of Handicrafts from Rajasthan’ to discuss the opportunities in this sector and how it can lead to employment generation.

Mr. Paresham Modi, Director, Prakash Handicrafts



Pvt. Ltd. & Founder, Hindustan Radiators and Heat Exchangers, Jodhpur was the key speaker at the event. He informed that Jodhpur -

the cultural capital of Rajasthan, has lately emerged as a hub of wooden artistic furniture and

handicrafts, retaining the leadership status in exporting wooden crafts from India. He pointed out that these products are unique and sophisticated in design, besides representing our cultural heritage.

Mr. Modi continued, “Today, the handloom and handicraft sectors are of National Importance, providing employment to nearly 110 Lakh people in the organized and unorganized sectors. It also contributes to the economy in billions from its exports revenues. Despite

this, handicraft artisans suffer from lack of training and development facilities, formal education, product marketing skills, lack of exposure to new age technologies, lack of market intelligence and the biggest challenge of flight of talent with inability to retain the newer generation to the trade.”

To cope up with this problem, Mr. Modi suggested a few ideas viz. tackling the problem of middlemen, developing market linkages, skill upgradation, access to economic independence by providing flexible finance opportunities and last but not the least, the release of a compressive package by the Government which, according to him, would address the challenges and boost the artisans' morale.

Delegates from multiple states attended the webinar to understand the underlying opportunities in the rapidly emerging sector.

Mr. Modi addressed multiple questions from the participants on how to set up small handicraft stores with limited budget and raw material.

Mr. Navneet Agarwal, Assistant Director, World Trade Center Jaipur proposed the vote of thanks.

The Webinar was held on July 27, 2022.

■

ZED Certification Scheme to make MSMEs Efficiency Champions

To promote adaptation of quality tools and systems and also energy efficient manufacturing, World Trade Center Jaipur and MSME DFO Jaipur organized a webinar on 'Awareness Programme on MSME Sustainable ZED Certification Scheme' and invited manufacturers from all over the state of Rajasthan to join and understand the nuances of the scheme from subject matter experts.

Mr. Japan Trivedi, ZED Certified Consultant, Effort Consulting, Ahmedabad (Gujarat)



in his address pointed out that MSMEs are among the strongest drivers of economic development, innovation and employment and it become imperative to strengthen their ecosystem. "The Government of India envisioned the Zero Defect Zero Effect (ZED) initiative to enhance MSME competitiveness, and make them sustainable and transform them as National and International Champions. Through the journey of ZED Certification, MSMEs can reduce wastage substantially, increase productivity, enhance environmental consciousness, save energy, optimally use natural resources, expand their markets, etc." he remarked. Mr. Trivedi further highlighted that MSMEs will be motivated to adopt best practices in work culture, standardization of products, processes, systems etc. in order to enhance their global competitiveness and sustainability. "The ZED

Certification aims at enhancing the competitiveness of an MSME through assessment, handholding, managerial and technological intervention etc., hence it is much more than just a Certification" expressed Mr. Trivedi.



Mr. A K. Goyal, ZED-Lean QMS Expert, Arun & Sons Engineering, Jaipur

in his presentation informed that any number of units registered under one Udyam Registration can apply for subsidy under this Scheme. Each Unit (under one Udyam Registration) will need to apply for Certification separately to avail subsidy/benefits/incentives. He further mentioned that MSMEs will be given financial assistance/subsidy for obtaining a ZED Certification Level and moreover there will be an additional subsidy of 10% for the MSMEs owned by Women/SC/ST Entrepreneurs or MSMEs in NER/Himalayan/LWE/Island territories/aspirational districts. "There will be an additional subsidy of 5% for MSMEs which are also a part of the SFURTI or Micro & Small Enterprises - Cluster Development Programme (MSE-CDP) of the Ministry" he said. Further, Mr. Goyal mentioned that MSMEs may opt for upgrading their Certification Level at any point of time before the expiry of validity of their existing ZED Certification. Cost and subsidy will remain the same for the applied level.

Mr. V. K. Sharma, Director, Mr. Girish Kumar Sharma, Assistant Director and Mr. Balram Meena, Investigator (Mechanical) from MSME-DFO Jaipur urged manufacturers to come forward and register their units for ZED scheme.

Later, Mr. Goyal responded to multiple queries from participants.

The program was supported by District Industries & Commerce Centre - Rajsamand; District Industries & Commerce Centre - Chittorgarh; District Industries &

Commerce Centre - Sirohi; District Industries & Commerce Centre - Jalore; District Industries & Commerce Centre - Banswara; Industry Associations Rajsamand; Industry Associations Chittorgarh; Industry Associations Sirohi; Industry Associations Jalore and Industry Associations Banswara.

Vote of thanks was proposed by **Mr. Navneet Agarwal, Assistant Director, World Trade Center Jaipur**

The programme was held on August 30, 2022.

With better educational standards, global opportunities are evident

To commemorate Teachers Day and to organize a thinktank discussion, World Trade Center Jaipur organized a panel discussion on 'Broadening Educational Goals for Global Opportunities in Trade' with the support of SGVU-Jaipur, Mimansa Infotech and JW Media. The program set a benchmark discussion which dwelled upon the best standards to be set and how our leaders for tomorrow should prepare themselves today in educational and training centers and make themselves industry ready.

Chief Guest for the programme **Mrs. Manju Sharma, Vice President, Vipra Welfare Board, Government of Rajasthan** threw light on the State Government's steps in empowering students and also emphasized on the development of vocational training centers to prepare professionals. Mrs. Sharma said, 'today expenditure on education has significantly risen, Government of Rajasthan has been welcoming ideas from youngsters and provided incubation support, and most importantly student teacher ratio which has been always a subject of discussion is steadily rising. Qualified teachers have been recruited in all districts.'



Guest of Honor, **Prof. Ritu M. Gilhotra, Pro-President, SGVU Jaipur**, advocating Public Private Mode (PPM), said that PPM in school education can operate to provide infrastructural facilities, sustenance of amenities and educational services. "It is expected from the government

to provide infrastructure for education and policy framework whereas the private sector with best of their capabilities can handhold scholars and help them prepare for an extraordinary career by bringing best practices to academic institutions." Prof. Gilhotra also urged that steps must be taken to standardize the quality of education across the country and the biggest challenge of making education affordable should be addressed immediately.

Mr. Madhusudan Dadhich, Specialist, Technical Education & Skill Development, Jaipur said



that there have been many schemes that have been implemented to benefit our entire community of students, notable among them have been the 'Sarva Shiksha Abhiyan', 'National Programme for Education of Girls at Elementary Level', 'Mid-Day Meal Scheme', 'Rashtriya Madhyamik Shiksha Abhiyan', 'Scheme for Infrastructure Development in Minority Institutes' and 'Beti Bachao Beti Padhao'

Distinguished panelist addressed queries of the participants and recommended them on courses for personality development and foreign trade certification programs.

Mr. Navneet Agarwal, Assistant Director, Trade Promotion proposed the vote of thanks.

The programme was held on September 5, 2022 at SGVU-Jagatpura, Jaipur.

WTC Jaipur organizes session to inspire aspiring engineers

Bharat Ratna Sir Dr. M. Visvesvaraya's birthday on September 15 is observed as Engineers Day every year to honour his extraordinary contribution to the field of civil engineering, irrigation and flood control systems.

World Trade Center Jaipur organized a panel discussion on 'Rebuilding India: Role of Engineers in Sustainable Development' to inspire aspiring engineers to step forward and contribute towards Nation Building. The session brought together luminaries and leaders from the construction industry.



Chief Guest **Ms. Pooja Ranawat, Director, Pooja Square, Jaipur** describing the significance of the day said that engineers play a vital role in the growth of a nation. The day is celebrated as a tribute to the first, and one of India's greatest

ever engineer, Bharat Ratna Sir Dr. Mokshagundam Visvesvaraya whose contribution and teaching in the field of engineering are significant. He received the Bharat Ratna Award for his excellent skills and was pioneer to help establish educational & engineering institutions across the country. "Since 1968, India has been celebrating Engineer's Day on this date every year," she highlighted.

Enlightening participants and showcasing India's capabilities in the engineering sector, Special panel Guests **Mr. Manoj Srivastava, DGM Contracts and Mr. Kapil Kumar, Senior Manager Materials Management (C & MM), Nuclear Power Corporation of India Ltd., Rawatbhata Rajasthan Site** said, "Nuclear Power Corporation of India Limited (NPCIL) is a Public Sector Enterprise under the administrative control of the Department of Atomic Energy (DAE), Government of India. NPCIL is responsible for design, construction, commissioning and operation of nuclear power reactors. It is a profit making and dividend paying company with the highest level of credit rating (AAA rating by CRISIL and CARE)."

Mr. Kumar added that NPCIL is presently operating 22 commercial nuclear power reactors with an installed capacity of 6,780 MW. The reactor fleet comprises two Boiling Water Reactors (BWRs), 18 Pressurized Heavy Water Reactors (PHWRs) including one 100 MW PHWR at

Rajasthan which is owned by DAE, Government of India. It also owns two VVER reactors of 1000 MW capacity each. Kakrapar Atomic Power Project (KAPP) Unit - 3 was synchronized to the grid on January 10, 2021 and is expected to commence commercial operation soon. "Apart from KAPP Unit-3 of 700 MW capacity, NPCIL has nine more reactors under construction with a total capacity of 7500 MW," he highlighted.

Guest of Honour, **Mr. Madan Yadav, Director, SSBC Group, Jaipur** said, "Engineers are the essential human



resource for nation building. They naturally have the required skills and educational background that leads to the construction of great factories, bridges and dams, infrastructure development on highways, nuclear reactors for power, and not just this they now

make ships and submarines for the country too. In totality, they generate wealth by putting in place the infrastructure for economic development."



Dr. Om Prakash Sharma, Principal, GVSET, Jaipur, in his address, emphasized, "Today, due to globalization, consumption has increased and demand will continue to rise coupled with constant quality consciousness

putting ultimately all expectations on engineers. On the contrary, we are facing the rising problem of talent drain in our country, as good engineers tend to take assignments abroad. We must make available good opportunities that can interest our nation builders."

The event ended with a question & answer session where participants engaged with the speakers in a lively discussion.

Mr. Navneet Agarwal, Assistant Director, World Trade Center Jaipur proposed vote of thanks.

The programme was held on September 15, 2022 at SGVU, Jaipur.

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Three-month Course on Export-Import Prepares Businesses to Scale-up

The 12th batch of the Certificate Course in Export Import Business (CCEIB) was conducted by World Trade Center Mumbai – Academy of International Trade. This three-month course will be held virtually thrice weekly on Tuesdays, Thursdays and Saturdays from 6-8 pm.

As global supply chains are realigning, India has a lifetime opportunity to take advantage of world export markets. Multinational companies are looking for reliable supply chain partners like India to de-risk their supply chains. In this moment of historic opportunity, the academy rolled out this batch of CCEIB.

The experienced faculty will impart their years of knowledge in the five taught modules through case studies, preparing participants to face an ever-changing global economic landscape.

The course curriculum has been designed for those individuals who are already in business or are into family-owned ventures as well as entrepreneurs who are export ready. The knowledge received will provide job seekers



an edge as they look to further in their careers in international trade.

The topics that will be covered are overseas markets, marketing methods, documentation, finance, insurance, shipping and logistics as well as importing goods from other countries, foreign exchange and regulations pertaining to exports and imports.

The course commenced on August 13, 2022.



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Memorandum for Reforms in GST System

India has completed five years since introducing the Goods and Services Taxes (GST), which is billed as the path-breaking reform in the country's indirect tax system since Independence. The objective of GST was to introduce the concept of One Nation One Tax by harmonizing the indirect tax structure across different states. Before the introduction of GST, the Indian market was fragmented, as every state had different tax laws and tax structures.

Introduction of GST was a seminal attempt to create one single market by subsuming 17 different taxes and 13 cesses into one tax system. GST was envisaged to reduce logistics cost in transferring goods across the borders of different states by removing inter-state checkpoints. It was also assumed to improve ease of compliance through a simplified registration system, filing of returns and claiming input tax credit. These benefits could stimulate economic growth by boosting the country's annual GDP by as much as 1.0%-3.0%, besides enhancing the government's revenue.

However, there were several challenges faced by trade and industry in the initial years of the introduction of GST. The government has timely addressed many of these challenges by fine tuning the GST compliance procedures and tax slabs. The government has also made compliance stringent to prevent tax evasion and illicit claim of input tax credits.

As a result of the concerted effort of the government, monthly GST revenue collection has been improving in recent months and the industry is also getting used to this new form of taxation. At the same time, there are still several areas which need focused intervention to improve the efficiency of the GST regime, enhance revenue collection, reduce compliance burden and promote economic growth.

Following are some of the recommendations in this regard:

Rationalise GST rates: GST is a path-breaking reform in the indirect taxation history of post-independent India. However, the reform is far from complete as India needs to reduce multiple GST rates and bring fuel and other commodities that are outside the purview of this tax system. There is also a need to reduce compliance burden under GST and address operational issues plaguing input tax credit, e-way bills and other features of GST.

Indian GST has a broad structure of four slab rates namely: 5%, 12%, 18% and 28%. Also, there are special rates for precious metals such as gold, silver, etc. Multiple tax rates complicate the structure and increase both administrative and compliance costs.

In this context, rate rationalization would be a good step

GOODS AND SERVICES TAX
Board the benefits of single taxation

GST	SIMPLIFIED TAX STRUCTURE	EASY COMPLIANCE	PROMOTING TRADE AND INDUSTRY	SPURRING ECONOMIC GROWTH
<p>FREE FLOW OF GOODS</p> <p>SIMPLE TAX REGIME</p> <p>EASING COMPLIANCE</p> <p>UNSHACKLING ECONOMY</p>	<p>Harmonization of laws, procedures and rates of tax across the country</p> <p>Reduction in multiplicity of taxes now leviable on goods & services, leading to simplification</p>	<p>Compliance burden to come down with one pan-India tax replacing multiple taxes</p> <p>Automated procedures for processes like registration, returns, tax payments, refunds & credit verification</p>	<p>More efficient neutralization of taxes to make our exports more competitive internationally</p> <p>Seamless flow of tax credit from manufacturer / supplier to user / retailer to eliminate cascading of taxes</p>	<p>To make India a manufacturing hub</p> <p>To create a unified common national market</p>

Source: Central Board of Excise & Customs

in fine-tuning the complex structure. The GST Council should begin with the rate rationalization exercise at the earliest and merge the slabs of 12% and 18%.

Bring fuel products under GST: The government may bring petroleum products, power and real estate under GST so that industry can claim input tax credit for taxes and levies paid on these items. Such a move will further reduce cascading effect of taxes, reduce cost of doing business and also improve tax compliance.

Reduce GST rates on all goods except sin goods: Government may reduce GST rates on those goods that fall under the highest slab of 28%, except alcohol, tobacco and other sin goods. Such a move will not only benefit the industry, in terms of reduced cost of production, but also benefit the government through rise in tax collection. By reducing GST rates, government may be able to increase revenue collection because of improvement in tax compliance.

Reinstate provisional ITC credit: In the Finance Bill 2022, government has removed provisional ITC credit for recipients of intermediate goods as such credit will now be dependent on the compliance of suppliers. This will unnecessarily penalize recipients for any error of misreporting or unethical practices on the part of the seller. Such a move may adversely affect manufacturers of exportable goods who depend on a long supply chain of input suppliers. Therefore, we suggest the government to reinstate the provisional ITC credit system.

Waive interest on late payment of GST: Many MSME vendor units struggle to pay GST on time as their corporate buyers do not settle invoices on time. In such cases, the government may waive charging of interest and late fees on such delayed payment of GST. Many MSMEs render job work to large enterprises and typically their receivable cycle is 90-120 days. However, they have to pay GST every month within due date and failure to do so attracts interest and late fee. Considering the stretched receivable cycle of these MSME vendors, government may reconsider interest on GST overdue.

Rationalise GST rates in fruit processing sector: Government may consider reducing GST rates on fruit juices and zero-sugar beverages to promote domestic production and consumption. Currently, zero-sugar carbonated drinks and carbonated fruit-based drinks attract 40% tax (28% GST + 12% compensation cess). A study by ICRIER suggests that India can support fruit

processing sector by reducing GST on zero-sugar drinks and charging the lowest rate of 5% on nutritious beverages such as fruit juices. The study found that less than 10% of fruits grown in the country are used by beverage processing companies and 25-30% of fruits are wasted because of poor supply chain infrastructure. There is a need to lower GST rate on fruit juices and also to take steps to improve cold storage infrastructure to prevent wastage of fruits.

Waive mandatory registration for e-commerce sales: Government of India imposed a condition that small scale units need to register on GST to be eligible to sell their goods through e-commerce websites. Currently, small scale retailers with an annual turnover of less than Rs. 40 lakhs are exempted from GST registration as long as they sell their goods offline. But under the new norms, even small retailers with a turnover of less than Rs. 40 lakhs have to mandatorily register with GST if they wish to sell their goods through online platforms. This puts additional compliance burden on small scale retailers and hence government may reconsider this decision.

Miscellaneous suggestions:

Apart from the above suggestions, the government may also correct inverted duty structure in textile and other sectors to prevent accumulation of input tax credit with the industry. Also, there is a need to strengthen the Authority of Advance Ruling and Appellate Dispute Resolution Body for timely settlement of litigation. There is also a need to provide additional columns in GSTR 3B to allow for correction of past entries.

The government may amend the Place of Supply Rules to exempt intermediary services where payment is received in foreign currency and services rendered to foreign suppliers. In order to improve ease of compliance, the government may exempt tax on advances received for supply of services, in line with similar treatment given for supply of goods.

We are confident that these reforms will improve ease of compliance, increase tax collection and also promote economic growth, as was envisaged at the time of the introduction of this revolutionary tax regime.



Memorandum to promote economic development

Hon'ble Prime Minister has set a milestone of becoming a 'Developed India' by the time we celebrate 100 years of Independence by 2047. This ambitious target requires a well-orchestrated action plan by policy makers, industry, research institutions, think tanks and civil society. A developed country is one that is more advanced in terms of economic size, per capita income, technology adoption, infrastructure facilities and quality of living.

Need for labour Intensive economic growth:

Although GDP and per capita GDP are narrow definitions of the stage of development, it is widely used as a critical indicator of the development status of an economy. On this metric, India may be the sixth largest economy by GDP size; however, the country ranks at a poor 137th out of 217 UN recognized countries/territories globally in terms of per capita income, which stood at USD 2,277 in 2021. India has miles to go in terms of improving the nutrition and health indicators of its children and women, education and healthcare infrastructure.

The remarkable progress made by some developing countries such as Bangladesh holds worthwhile lessons for India. In the last decade, per capita income in Bangladesh more than doubled from around USD 1000 to USD 2,500 in 2021, higher than India's USD 2,277.

According to a research by Azim Premji University, Bangladesh produced more jobs per unit of GDP growth than India as its economic growth model was more labour-intensive than India's. For every 1% of economic growth, Bangladesh generated three times more employment than India during 2010-18, the research shows. Research also reveals that the high economic growth in India has reduced dependence of labour on agriculture, but this labour migration happened from agriculture to informal sector such as construction. Bangladesh has also achieved higher women's participation in its workforce, at 35%, compared to 21% in India, as Bangladesh has been able to generate high quality jobs in the formal sector outside agriculture.

As a result of its labour intensive economic growth model, Bangladesh could increase the real living standard of its population in the last eight years. Real living standard is adjusted for inflation and difference in currency purchasing power. As a result, real living standard of an average Bangladesh citizen is just 4% lower than it is in

India in 2021. In 2013, this living standard in Bangladesh was 11% lower than the living standard of an average Indian.

Need for Urban Infrastructure: Another indicator of economic development is the rate of urbanization. Countries that are at an advanced stage of development have high urbanization rate compared to others. In India, hardly 35% of the population lives in urban areas compared to the world average of 57%. In the next 25 years, around half of the Indian population is expected to live in urban areas. As Indian economy grows, more and more people will shift away from agriculture and seek employment in urban areas, which calls for greater investment in urban infrastructure such as mass rapid transit system, airports, housing, drainage and water supply.

As the world becomes more digitally advanced, digital inclusion is another metric to attain inclusive economic growth. In India, hardly 43% of the population uses internet, compared to the world average of 60%. The use of internet increases access to financial services, healthcare, education and government schemes, which are increasingly delivered through digital modes.

Globalisation was once for large multinational corporations, but digital platforms have enabled small enterprises to participate in global trade. This is particularly significant for countries such as India, where MSMEs account for 28% of GDP, 45% of manufacturing and provide more than 110 million jobs. In this context, it is essential for the government to invest more in urban infrastructure, upgrade digital infrastructure and support the MSME sector. Apart from these three priorities, the government may also consider the following policy suggestions to support trade and industry.

Creating future-ready workforce: As India embraces the fourth industrial revolution and the next phase of internet - Web 3.0, there will be rise in demand for skilled manpower in blockchain, artificial intelligence, machine learning, cyber security and other cutting edge technologies. There is a need to upskill our youth and labour force to make them future ready. If India does not have adequate labour force trained in these skills, it may not be able to attract investment from domestic and foreign companies looking for skilled manpower in these

sectors. According to a report by industry body NASCOMM, India will have 2,000 Global Capability Centers (GCCs) of foreign companies employing at least 2 million people and generating USD 60 billion revenue.

India is currently the second most populous country in the world and it is expected to overtake China in population by next year. India also has the second largest working age population (18% of the world working age population), which is a potential asset that needs to be tapped to drive economic growth. To make its workforce a true asset, India needs to step up investment in skilling its labour. The employability of our workforce has risen from 33% in 2014 to 46% by 2022, according to India Skill Report 2022. But still a large part of our working age population lacks skills that are relevant to the rapidly advancing technological landscape.

Building capability in digital technologies and semiconductor: The data driven digital economy is evolving amidst huge digital divides in terms of digital readiness, according to Digital Economy Report 2021. USA and China are frontrunners in harnessing data as they account for 50% of the world hyperscale data centers. These two countries also account for 70% of world's artificial intelligence (AI) researchers and 94% of all funding for AI start-ups. These two countries also make up 90% of market capitalization for the world's largest digital platforms. These platforms control all the stages of global data value chain.

Countries across the globe are planning to reduce import dependence for semiconductor, which is essential to advance in the age of Fourth Industrial Revolution. Semiconductor is a critical input in electronic gadgets and hi-tech electronic instruments that will power digital economy. Currently, the global export of semiconductor is dominated by companies in Taiwan and South Korea, while India does not figure in the top manufacturers' league. The US government passed the 'CHIPS and Science Act' of 2022 to offer USD 52.7 billion incentives to semiconductor manufacturers in that country. Similarly, European Union plans to spend Euro 43 billion under its 'European Chips Act' to step up semiconductor manufacturing in that country.

Web 3.0 Policy: The world is entering into the third internet revolution or Web 3.0, which is characterized by de-centralised infrastructure that will democratize internet by empowering creators and developers to own digital assets. Web 3.0 will be dominated by blockchain

technology, Non Fungible Token and Cryptocurrencies. Web 3.0 will allow users to create or trade digital assets without having to gain authorization from a governing body and they can interact with each other without an intermediary through programmable trust or smart contracts.

Policymakers need to work closely with industry and think tanks such as NITI AAYOG to evolve a conducive policy to encourage research and innovation by start-up enterprises and entrepreneurs in Web 3.0 enabling technologies such as AI, Machine Learning, blockchain etc. The government may introduce sandbox regulatory framework for live testing of new Web 3.0 products and also set up an expert committee to facilitate dialogue between industry, government and research institutions.

Measures to Reform GST: It has been more than five years since the rollout of GST regime, which has consolidated several indirect taxes to bring about efficiency, simplification and integrate the country into one single market. The government may address some of the existing flaws as follows in the GST regime to improve ease of doing business, increase compliance and also tax buoyancy.

- Currently, main contractors who supply goods and services to special economic zone units or developers can avail of the benefit of zero-rated supplies. However, this benefit is not available to sub-contractors who serve these main contractors. There is a need to extend this benefit to sub-contractors as well so that it will not block working capital of main contractors.
- Government may consider reducing GST on cement, which is currently taxed at the highest rate of 28%, and hence it adds to the cost of infrastructure and construction companies.
- Under the GST regime, e-commerce operators are required to deduct TCS on the sale proceeds. Government may reduce the compliance burden of e-commerce operators who have to fulfill additional compliances in states where their sellers are registered. The current guidelines also require e-commerce operators to register in the states where they do not have physical presence if their sellers are registered in those states. Government may relax this registration requirement as it adds undue compliance burden on e-commerce marketplace operators.

- The government may consider waiving GST on stock transfers between branches of a single e-commerce operator. Currently, such stock transfers are considered as supplies and hence subject to GST, which blocks the working capital of e-commerce operator as the GST paid is offset only at the time of final supplies.

Balancing the interest of Operational Creditors

in IBC resolution: There is a need to amend the Insolvency Resolution Process to balance the interest of financial creditors and operational creditors such as MSME vendors. It is alleged that operational creditors receive lower realization from the insolvency cases in recent years. The realization of operational creditors as a percentage of their claims has declined from 52% before 2019 to 19% by the end of 2019 and further down to 2.2% in the last two years.

There is a need to put in place a reasonable mechanism for distribution of proceeds between financial and operational creditors. In 2019, the IBC was amended to include distribution of proceeds within the commercial wisdom of Committee of Creditors, which is outside the judicial scrutiny. This amendment empowered the Committee of Creditors and thereby resulted in lower realization of claims for operational creditors.

Therefore, there is a need to strengthen the rights of operational creditors to protect their interest in the resolution process. Firstly, the government may allow operational creditors to attend the meetings of the Committee of Creditors. If a resolution process yields more proceeds than the liquidation value, then the excess proceeds over the liquidation value should be equally distributed between financial creditors and operational creditors.

Discourage practice of charging foreclosure fees

with MSME borrowers: Reserve Bank of India may instruct both the public sector and private banks to abide by the 'Code of Bank's Commitment to Micro and Small Enterprises. Recently, there were complaints that some private sector banks are charging exorbitant foreclosure fee from MSME borrowers for switching their loan account from one bank to another bank.

MSME borrowers should be given the flexibility to close their loan account by repaying the outstanding loan amount with their existing banks and shift their loan account to another bank that offers better terms of credit. Charging of exorbitant fees for foreclosing the

loan account is against the principle of 'Code of Bank's Commitment to Micro and Small Enterprises adopted by banks. Therefore, RBI and Government of India may look into this matter and urge banks to reconsider the foreclosure fees.

Review draft OEIF guidelines: In its draft, Online Export-Import Facilitators Guidelines (dated April 7, 2022), Reserve Bank of India (RBI) excluded 'services' from the list of exports that can be facilitated by online payment service providers for shipment. This exclusion will affect online delivery of services by around 4 lakh exporters who provide various kind of services such as accounting, online tutoring, web designing, data entry etc. to overseas clients. Therefore, RBI may suitably amend the clauses 3.8 and 5.1 of the draft guidelines to include 'services' as permissible category of exports that can be facilitated by online payment service providers.

RBI may also review the clause which requires online payment service providers to collect KYC details of foreign importers, before processing their payments. It is argued by the industry that online payment service providers may find it difficult to collect KYC details of overseas importers as they may not possess KYC documents such as Aadhar and PAN Cards, which are common in India.

Review Press Note 3: Government of India may relax norms under Press Note 3, which was issued at the height of the pandemic in 2020, to discourage opportunistic or 'predatory' investment and acquisition of Indian assets in strategic or sensitive sectors by investors or entities based in neighbouring countries. Given that the Indian economy is recovering from the pandemic-led disruption, the central government may revisit Press Note 3, which brought all such foreign investments under government approval route.

Specifically, the government may exempt investment by 'pooled funds', which are independently and professionally managed by foreign fund managers, from such mandatory government approval clause. Similarly, government may relax such approval requirement for investment from restricted entities as long as such investment is less than 10% of the economic interest in an Indian company, in non-strategic sectors. At a time when Indian start-up enterprises and other companies need foreign capital for business expansion, relaxing the onerous conditions of Press Note 3 will encourage more foreign investors to invest in Indian companies.



Policy Memorandum

India's merchandise export is showing signs of slowdown in recent months because of weakening demand in the global market. In the month of September 2022, our merchandise exports declined 4% to USD 32.6 billion led by fall in shipment of engineering goods, textile, readymade garments, organic chemicals etc. Even in our competitive sectors such as pharmaceuticals and marine products, exports are showing signs of weakness. It is only in the electronics and petroleum products, India has managed to post strong growth in exports.

Western economies such as USA and Europe are bracing for the sharpest rise in interest rates in recent decades as central banks in these regions are hiking benchmark policy rates to control inflation. This hike in policy rates has led to fears of recession in these markets, which may affect export prospects for Indian goods. USA and Europe are the major destinations for Indian goods.

At the same time, the ongoing depreciation of Indian rupee against the dollar may increase the competitiveness of Indian exporters in the global market. India's rupee has almost touched Rs. 82 per US dollar in recent trading sessions as foreign investors are withdrawing their investment in Indian market in response to the interest rate hike in USA.

In this backdrop, government and trade support institutions need to work in coordination to help our MSMEs find new markets for their products and services. There is a need to organize more virtual buyer-seller meetings, virtual trade missions to help our small scale exporters find potential buyers in the foreign market.

In order to enhance the competitiveness of Indian exporters, Government of India has also been taking various policy measures in recent years. The government has introduced some progressive policies such as Logistics Policy, Production Linked Incentive Scheme, RAMP scheme for MSMEs to promote manufacturing and export competitiveness.

These policies need to be implemented in letter and spirit at the ground level to realize their intended objectives and promote economic growth. The government may also consider the following policy suggestions based on the recent reading of macro economic and MSME data.

Slowdown in labour-intensive manufacturing

The recent data on Index of Industrial Production (IIP) shows decline in production activity in labour-intensive sectors such as food products, tobacco and paper products in July 2022. While production of food products declined 2%, tobacco products fell 9% and production of paper & paper products contracted 0.9% during July 2022 from the year ago.

There is a need to support manufacturing in these labour intensive sectors by addressing their demand for raw material, credit cost, skilled labour and also by providing marketing and branding support.

Economic growth losing momentum

The ongoing geopolitical tension in Europe and the rise in interest rates across the world have increased risk of recession in advanced countries such as USA and Europe, which are the major destinations for our manufacturing exports.

India's exports and GDP may lose growth momentum in the coming months if the advanced economies slip into recession and interest rate in India continues to rise. In this scenario, India's GDP growth in 2022-23 is expected to be lower than 7.2% projected by Reserve Bank of India. Many investment banks and multilateral organizations such as Asian Development Bank have revised down the GDP growth projection of India for the current financial year. Asian Development Bank trimmed its GDP growth forecast for India from 7.2% earlier to 7.0 now for 2022-23. More specifically, economic growth in the second half of the current fiscal year may fall as low as 4% because of likely slowdown in exports, rising interest cost and other factors.

Rehabilitation of stressed MSME units

Government data shows that the number of MSME units that closed their operation during 2021-22 grew 17 times to 5577 from 330 units in the previous year (data from Ministry of MSME shows). The state of Maharashtra itself witnessed 1,608 MSME units closing operations because of the disruption caused by the pandemic. Other major affected states are: Bihar, Tamil Nadu, Uttar Pradesh, and Gujarat, in terms of large sized shutdown of MSME units.

Set up Export Guidance Cell for MSMEs

Industry reports suggest that contribution of MSME sector to India's exports fell to 45% in FY22 from 49 in the previous year. The central and state governments may coordinate to set up export guidance cell for MSMEs to support them in adhering to global quality standards, branding and marketing of their products in foreign countries.

Similarly, the central government may also set up grievance cell at different districts to address the tax and procedural grievances related to licensing, access to credit, raw materials and skilled labour.

Rising interest cost

Bank credit growth has just started picking up pace with the non-food bank credit growing at double digit level of 15% as of August 2022. The government may ensure that this pace of credit growth is not affected by rising interest rate scenario. Reserve Bank of India has hiked policy repo rate by 1.4% since April 2022 to control inflationary pressure.

Following this, the average interest rate on fresh rupee loan extended by banks has risen from 7.63% in March 2022 to 8.18% by July 2022 and it is expected to rise further as RBI is set to hike policy rates in response to persistent inflationary pressure.

Online marketing channel for One District One Products (ODOP)

One District One Product is a transformative initiative to support livelihood and income of our local cottage industries, artisans, craftsmen, farmer producer companies and MSME units. The government needs to support these small scale units in branding and marketing their ODOP products.

It is welcome that the government is promoting ODOP products through digital platforms such as Government eMarketplace.

In future, these products may also be integrated into the next generation online marketing platform 'Open Network for Digital Commerce' (ONDC) so that producers of these ODOP products need not depend on Amazon, Flipkart and other private marketplaces to reach a wider consumer market.

Trade Agreements

Government has introduced production linked incentive (PLI) scheme for 14 products, including mobile phones, medical devices, solar modules, electric vehicles, air conditioners and other equipments.

Government of India is boosting manufacturing sector by spending nearly Rs. 2 trillion or 1% of our GDP on the PLI scheme. Now it is necessary to ensure that the scheme delivers the intended objective in terms of growth in investment, employment and exports. One way to promote growth in exports in these 13 sectors is to include them in the existing and forthcoming trade agreements.

Government of India may seek preferential market access for these goods by including them in the proposed free trade agreements with Canada, UK, European Union, Israel and other countries. Also, the government may consider inclusion of these products in the existing trade agreements with ASEAN, South Korea and Japan, as and when these agreements come under review.

India has signed more than 16 trade agreements with various countries so far; yet these agreements have not produced significant impact in our foreign trade. India's trade with FTA partner countries has grown marginally from 16% in 2000 to 18.5% now.

USA, European Union, China and Bangladesh are the largest export destination of India even though we do not have trade agreement with most of them. On the other hand, China managed to enhance its share in India's total imports from a mere 2.6% in 2000 to 16.5% in 2021, despite not having any trade agreement with us.

Address rising inflation

Rising inflation is once again affecting the purchasing power and denting the consumer sentiment in the Indian economy. There is an immediate need to strengthen supply chain of foodgrains and other essential items to control consumer price inflation, which has again touched a 7% mark in August from 6.71% in July. According to an analysis, around 60% of the country's population is living in states where inflation is above the national average of 7%. Especially, in states such as West Bengal, Gujarat, Telangana and Maharashtra the consumer price inflation is around 8%.

■

Connect India International Trade Show 2022

Live from August 2022 – November 2022

Connect India 2022 is an online trade show launched at a time when global supply chains are being redefined by economic and geopolitical factors.

MSMEs and large corporate houses are looking for new supply partners to de-risk their supply chains.

The trade show offers an interactive online platform to connect around **180 exhibitors** to potential partners across at least 10 countries.

More than **5,000** products across **8 sectors** will be showcased by exhibitors on this platform

These eight sectors contribute more than **50% to India's** exports and **25% to our total** imports.

This four-month long exhibition will help facilitate trade and investment between India and rest of the world in 8 sectors.

These eight sectors are: engineering, auto components, agro processing, textile & home decor, pharma & healthcare, renewable energy, technology and telecom.

Integration into Global Value Chain

This trade show will help MSMEs in the participating countries to integrate into the global supply chains in the above mentioned eight sectors

Out of the eight sectors, only in textile and telecom equipment sectors, India's share in world export is more than **3%**

In all the other sectors, our share is **less than 3%**

So, this exhibition presents an opportunity for India to integrate into the global value chain in the mentioned eight sectors.

Even though India is said to be the pharmacy of the world, our share in world **exports is hardly 2.7%**.

Similarly, India contributes **hardly 0.8%** to world export of machineries, which again reflects untapped potential to integrate into global value chains.

Connect India 2022 will lead to new areas of partnership among India, USA, Canada, Vietnam, China and other participating countries. ■



Agro & Agro Processing



Engineering



Auto-Components



Renewable Energy



Pharma & Healthcare



Technology and ICT



Telecom & Networking



Home Decor & Textiles

Exhibitions

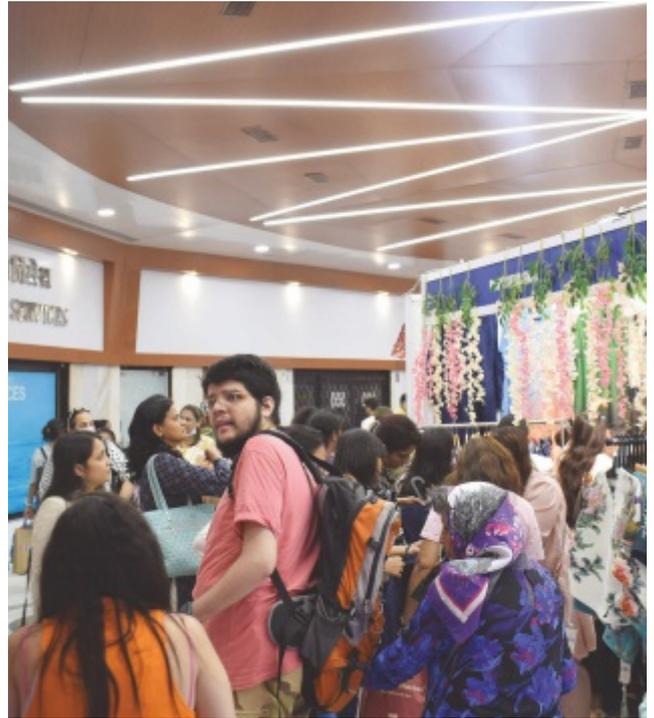
Fashion Jalsa (22nd - 24th July, 2022)



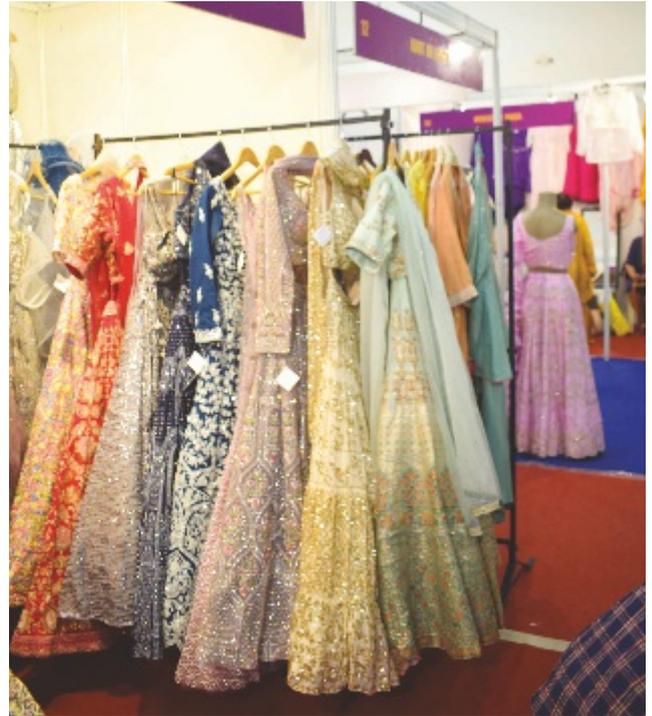
Super Moms (22nd - 24th July, 2022)



Thailand Shopping Festival (22nd - 24th July, 2022)



Brides of Mumbai (29th - 30th July, 2022)



Elite Clothing (4th August, 2022)



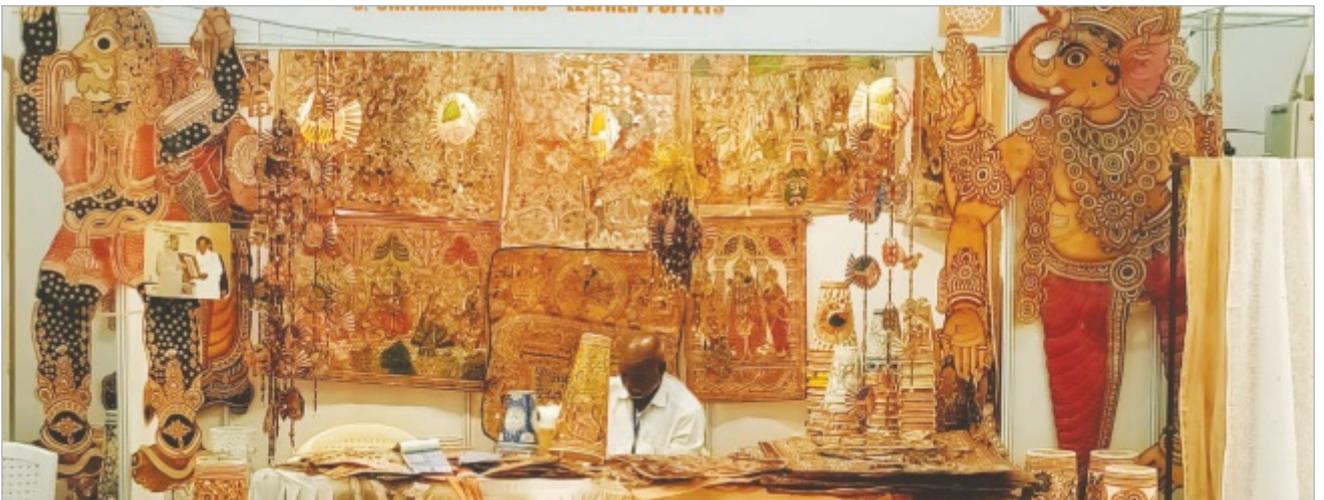
Fashion Affair (5th - 7th August, 2022)



Kidtown Fair (5th - 6th August, 2022)



Paramparik Karigar (17th - 20th August, 2022)



Texprocil (24th - 26th August, 2022)



Prayaas Kutch Expo (14th - 16th September, 2022)



Annual Coin & Bank Notes Fair (16th - 18th September, 2022)



MSME Intl. Education Expo (18th - 20th September, 2022)



Kanakavalli (19th - 20th September, 2022)



Tisser hand to heart (19th - 22nd September, 2022)



Satvah Exhibition (22nd - 24th September, 2022)



Fun Fair Expo (24th September, 2022)



Brides of Mumbai (27th - 28th September, 2022)



Taiwan Expo 2022 (28th - 30th September, 2022)



WTC Mumbai Highlights



Shri Narayan Rane, Hon'ble Minister of MSMEs, Government of India (center) being felicitated by Capt. Somesh Batra, Vice Chairman, WTC Mumbai (extreme right) and Dr. Vijay Kalantri, Chairman, WTC Mumbai (extreme left) during a programme held at World Trade Center Mumbai.



Dr. Vijay Kalantri, Chairman, WTC Mumbai with Shri. Pankaj Chaudhary, Minister of State, Ministry of Finance (Revenue)



Dr. Vijay Kalantri, Chairman, WTC Mumbai with (left to right): Ms. Sumalatha Ambareesh, MP and Ms. Tracy Brabin, Mayor of West Yorkshire, UK



Hon'ble Mr. Oryem Henry Okello (M.P), Minister of State for Foreign Affairs, Republic of Uganda (2nd from right) being felicitated by Ms. Rupa Naik, Executive Director, MVIRDC WTC Mumbai (3rd from right). Also seen in the photograph (From left to right): Mr. Madhusudan Agrawal, Hon. Consul General of Uganda in Mumbai; Dr. Vijay Kalantri, Chairman, MVIRDC WTC Mumbai and Capt. Somesh Batra, Vice Chairman, MVIRDC WTC Mumbai.



Dr. Vijay Kalantri, Chairman, WTC Mumbai with Shri. Apurva Chandra, Secretary, Ministry of Information and Broadcasting, Government of India.



Dr. Vijay Kalantri, Chairman, WTC Mumbai being felicitated by Mr. Lalit Gandhi, President MACCIA at the Annual General Meeting of MIDC. Looking on is Dr. P. Anbalagan, CEO MIDC (extreme left).



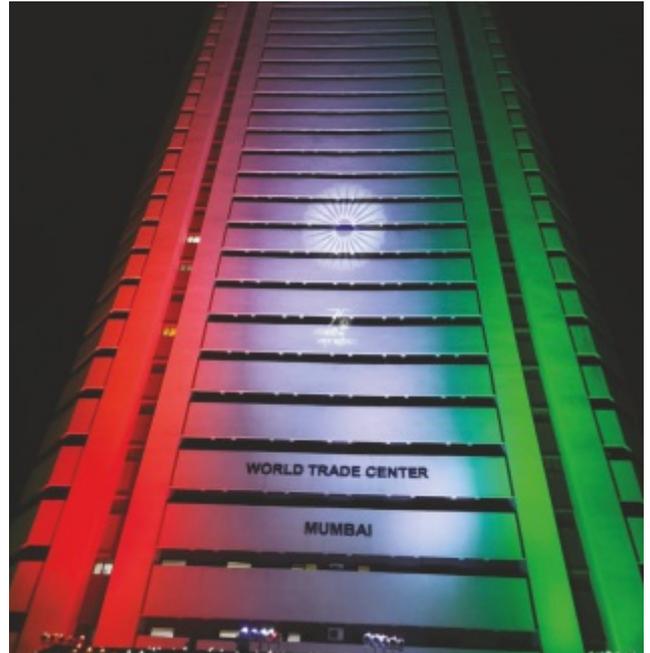
Dr. Vijay Kalantri, Chairman, WTC Mumbai (right) with Shri. Ashok Kumar Mehta, Pr. Chief Commissioner CGST Mumbai Zone (center) and Mr. Santosh Kotre, Deputy Director-Finance, Accounts and Admin (left).

Independence Day Celebration at WTC Mumbai

#azadiKaamritMahotsav



The Arcade building



Center 1 building lit up in the colours of Tiranga (The Tri Colours of an Indian flag).



Dr. Vijay Kalantri, Chairman, WTC Mumbai (5th from left); Capt. Somesh Batra, Vice Chairman, WTC Mumbai (4th from left); Capt. R. K. Gulati, Council Member, WTC Mumbai (2nd from left); Ms. Rupa Naik, Executive Director, WTC Mumbai (7th from left) with Ms. Harshita A. Narwekar, Ex-Corporator, Brihanmumbai Municipal Corporation (6th from left); consular corps and members of diplomatic missions on the occasion of flag hoisting ceremony at WTC Mumbai.



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