

Territorial NEWSLETTER CIS Countries

EEPCINDIA

ENGINEERING THE FUTURE

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Chairman's Pen



A high level meeting was conducted by the Council of Foreign Ministers of the CIS member states during April 2019 in Moscow. The CFMs unanimously approved a plan for 2019 for multi-level consultation among them. This consultation plan includes all the burning issues faced by the CIS region on socio-economic as well as diplomatic front. Strengthening economic, cultural, humanitarian, scientific and technical cooperation within the CIS and strengthening coordination to address threats were discussed with utmost priority during the said meeting and all the delegates of CIS member nations accepted to implement the decisions.

Like the previous ones, I believe this newsletter will also help our member exporters to take informed decision in setting off or expanding their businesses in the CIS region.

Ravi Sehgal

Committee on Trade with CIS Countries - Chairman's Note



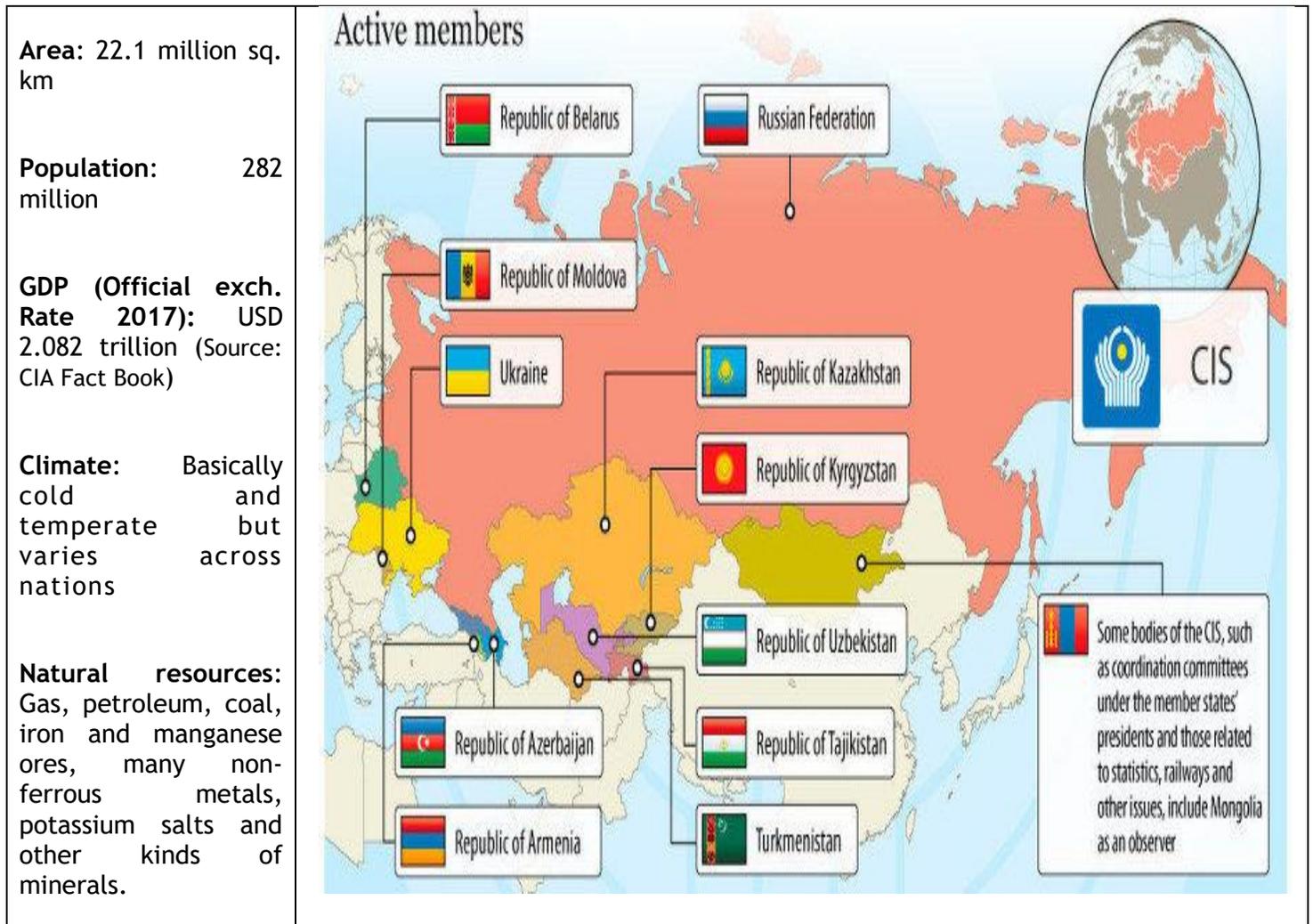
Our 44th Newsletter on CIS has been published where we have highlighted the point of discussions as well as the outcomes of the latest meeting of the Council of Foreign Ministers of CIS member nations. During the meet, a plan for multi-level consultations between CIS foreign ministries for 2019 comprising of foreign policy planning, countering terrorism, enhancing economic cooperation within CIS, collaboration with different international organization among others was approved by the CFMs.

The newsletter also includes brief analysis of Indian engineering exports to the countries of the CIS region for April 2019 from both country-wise and DGCI&S panel-wise perspectives. Other sections include recent news on CIS, upcoming events in the CIS regions and tenders.

I believe this newsletter will be beneficial for our member exporters and help them in understanding the emerging opportunities in the CIS region.

P. C. Shah

Basic Facts: CIS



CIS Council of Foreign Minister Approved Consultation Plan for 2019

The Council of Foreign Ministers (CFM) of the CIS member nations met in Moscow on 5th Apr 2019 where current issues of interaction among the CIS foreign ministers was discussed. Focus was as usual on the overall development of the region by strengthening mutual cooperation and better regional integration. In the said meeting, the CFM approved a plan for multi-level consultations between CIS foreign ministries for 2019, drafts of multiple international treaties and an agreement concerning preservation of World War II history.

The consultation plan included plans to hold meetings on foreign policy planning, countering threats, disarmament issues, developing economic cooperation, information collaboration, as well as collaboration with international organisations, such as the United Nations' Organisation for Security and Cooperation in Europe and the European Union.

The draft international treaties approved by Kazakh Foreign Minister and council members addressed inter-governmental relations across research, cooperation in museum affairs, as well as non-custodial sentencing

and enforcement. The approved drafts would be submitted to the upcoming meetings of the CIS supreme bodies, the Council of Heads of State and the Council of Heads of Government.

The CFM also reviewed the draft Programme of Action to intensify the partnership between CIS foreign ministries initiated by Turkmenistan. During the meeting, The CFM also agreed upon much-desired issues like strengthening economic, cultural, humanitarian, scientific and technical cooperation within the CIS and strengthening coordination to address threats.

Kazakhstan earlier proposed CIS modernisation initiatives which was approved and later implemented by almost all the member states and that led to increased participation of member states. The Kazakh Foreign Minister thanked member states for this.

He also stated that Kazakhstan, being a reliable and active participant in the CIS, aimed to keep developing mutually beneficial cooperation between the Commonwealth member states in all spheres. He also congratulated Turkmenistan for accepting the 2019 chair and expressed support for Turkmenistan's Chairmanship Concept.

Source: An article published on the website of 'The Astana Times' on 9th April 2019.

Link: <https://astanatimes.com/2019/04/cis-foreign-ministers-approve-2019-consultation-plans-welcome-new-chair-in-moscow/>

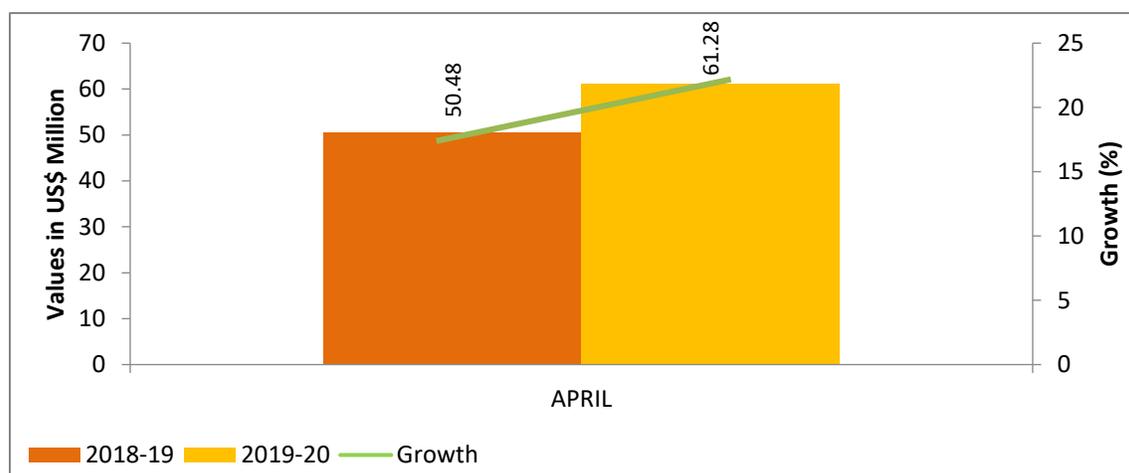
Trend Analysis of India's Engineering Export to CIS

The following table described the exports of Indian engineering products to top five importers from the CIS region during Apr 2019 (Value of Exports measured in USD Million):

Country	Export in Apr 2018	Export in Apr 2019	Growth (%)
RUSSIA	38.83	44.45	14.46
UKRAINE	3.85	8.30	115.58
UZBEKISTAN	3.99	4.21	5.56
KAZAKHSTAN	0.99	2.14	115.70
GEORGIA	1.65	0.96	-41.57

India's global engineering exports recorded a dip in the first month of fiscal 2019-20 but engineering exports to CIS region grew by a substantial 21.4% over the same month last fiscal. Year-on-year growth during Mar 2019 stood at 19.7% as against 7.18% in Feb, 12.3% in Jan 2019 and 26.3% in Dec 2018. Russia, the largest export destination for Indian engineering exports among all CIS nations led the growth with 14.5% increase in engineering import from India during the reporting month. Ukraine replaced Uzbekistan to become the second largest importer of Indian engineering products with more than double import over Apr 2018. Among the top five CIS destination for Indian engineering exports, only Georgia conceded decline in exports while out of the twelve CIS nations, three countries recorded year-on-year decline in imports from India during the month. Cumulative engineering exports to CIS recorded 12.08% year-on-year during fiscal 2018-19.

Month-wise Trend in Engineering Export to CIS region (Apr 2019)



Source: DGCIS Data, EEPC Research

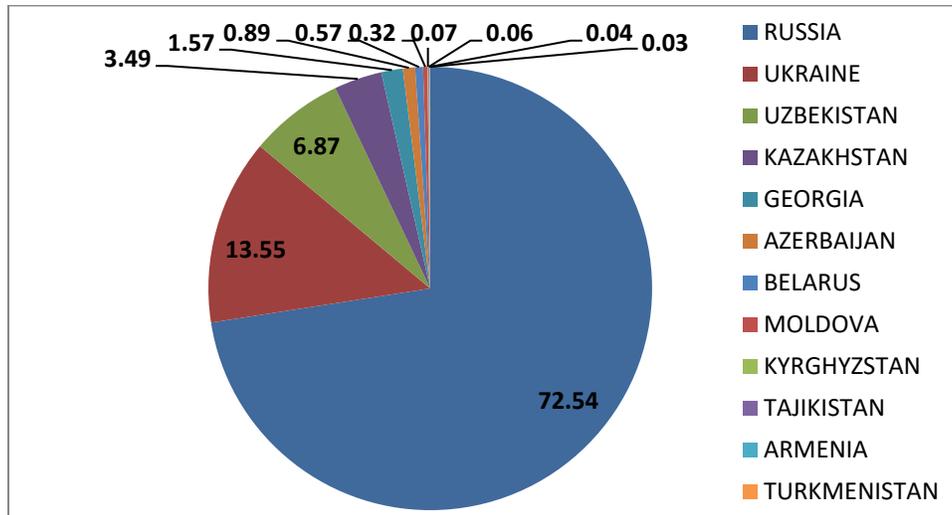
Panel-wise trend in engineering exports to CIS during Apr 2019

Top 10 panels exported to CIS during Apr 2019 are listed below (Value of Exports measured in USD Million).

Product Group/Panel	Export in Apr 2018	Export in Apr 2019	Growth (%)
Industrial Machinery	6.2	11.6	87.2
Iron and Steel	6.1	9.0	46.3
Other Construction Machinery	5.9	7.0	18.8
Auto Components/Parts	7.1	6.2	-13.1
Electric Machinery and Equipment	1.4	5.3	283.0
Machinery for ATMs	2.5	3.0	20.6
Medical and Scientific Instruments	2.1	2.3	8.4
Products of Iron and Steel	3.4	1.7	-50.0
Hand Tools Cutting Tools	2.0	1.5	-23.4
Nuclear Reactors, Industrial Boilers and Parts	0.4	1.5	259.3

'Auto component/parts' was the highest exported engineering product group to the CIS region from India during the fiscal 2018-19, but it slipped to 4th position with 13% year-on-year decline in imports during Apr 2019. 'Industrial machinery' saw highest shipment to CIS during Apr 2019 following 87.2% growth in exports over the same month last fiscal. 'Iron and Steel' was the immediate successor of Industrial Machinery with 46.3% growth. Out of 33 product panels, 9 saw drop in exports to CIS during Apr 2019.

India's Engineering Exports to CIS: Country-wise Share (%) during April 2019



Source: DGCIS Data, EEPC Research

Major Importers of Indian Engineering Products in the CIS Region during Apr 2019

Russia:

Russia is still the largest importer of Indian engineering products in the CIS region sharing 72.5% of India's engineering exports to CIS during Apr 2019.

Top exported product: Iron & Steel; Auto components and parts; Other construction machinery; Electric machinery and equipment, Industrial Machinery.

Ukraine:

Ukraine once again is back to the second position among 12 CIS nations in terms of import of engineering products from India by replacing Uzbekistan. However, with a much lower share of 13.55% during the month.

Top exported products: Industrial Machinery; Other Construction Machinery, Medical and Scientific Instruments.

Anti-dumping measures

- **Measure Imposed by Russia against India:** Among all engineering products, Russian Federation has imposed 'Anti-dumping measure' on imports of Graphite Electrodes (HS Code - 854511) from India from 26 Jan 2013.
- **Investigation Initiated by Ukraine against India:** Ukraine has initiated anti-dumping investigation on imports of 'Syringes' (HS Code - 901831) from India on 2nd November 2017.

Measure taken by India: The following table shows anti-dumping investigation initiated or 'Anti-dumping measures' imposed by India against CIS member nations in relation to engineering products.

Country Affected	Measure	Product Description	HS Code	Initiation In Force
Russia	Anti-dumping	Hot rolled flat products of alloy or non-alloy steel in coils of a width up to 2100mm and thickness up to 25mm and Hot rolled flat products of alloy or non-alloy steel not in coils of a width up to 4950mm and thickness up to 150mm	7208 7211 7225 7226	11/04/2016 11/05/2017
Ukraine	Anti-dumping	Cold rolled/cold reduced flat steel products of iron or non-alloy steel or other alloy steel, of all widths and thickness, not clad, plated or coated	7209 7211 7225 7226	19/04/2016 12/05/2017

Source: <http://i-tip.wto.org/goods/Forms/TableViewDetails.aspx?mode=modify>

News in Focus

EU Replaced By BRICS, CIS, Asia-Pacific Countries as Russia's Main Trading Partner

The European Union gave way to member states of BRICS, Commonwealth of Independent States (CIS) and the countries of the Asia-Pacific region as Russia's main trading partners, Russian Foreign minister Sergey Lavrov said.

Link: <https://www.urdupoint.com/en/world/eu-replaced-by-brics-cis-asia-pacific-count-594241.html>

What were Georgia's main exports and imports in Jan-March 2019?

Copper ores and concentrates, motor cars and ferroalloys are Georgia's top export items in January-March 2019, announces the National Statistics Office of Georgia (Geostat). More specifically, copper ores and concentrates reclaimed the first place in the list of top export items, equalling \$135.6 million, or 16.4% of total exports.

Link: <http://agenda.ge/en/news/2019/1067>

CIS-India – Information Guide

Among the CIS nations, India has a strong economic relation with Russia and these two nations are now considering an FTA (India-EAEU FTA).

The INDIA-CIS Chamber of Commerce and Industry, established in 1986 with the objective of promoting, developing and extending commerce, trade and industry between India and CIS countries, serves as an important platform for information in CIS countries. This Chamber provides a dynamic institutional link for the promotion of Commercial, Economic & Cultural relations between India and CIS countries.

The activities of the chamber include

- Arranging buyers / sellers meeting,
- Conducting Conferences, Seminars, Trade Missions, in-bound Delegations, workshops,
- Organizing and participating in trade fair and exhibition
- Solving complicated export problems by setting expert committee
- Searching New Market, New Horizon for manufacturers and exporters
- Visa assistance

The website address of the chamber is given below:

<http://www.indiacis.in/index.html>

EEPC India CIS Territorial Newsletter

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