

Territorial NEWSLETTER CIS Countries

EEPCINDIA
ENGINEERING THE FUTURE

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Chairman's Pen



In our last issue of CIS Newsletter, we shared with our members some details on INNOPROM 2016, the largest international trade fair in Russia where India has been invited as a partner country. We provided an overall view of the fair in our last issue and in this one. In the current edition, we continue the same with more detailed information on six specialized exhibitions under INNOPROM 2016 and its focus on different sectors of engineering and related fields. As a partner country, exporters and manufacturers from India will get the opportunity to display their latest products that will speak for the latest technological trend of Indian engineering. It is high time for Indian exporters to expand their overseas shipment to Russia

following the ban imposed on Russia by the US and the EU and the strained relation with turkey of late. This INNOPROM, therefore, is an opportunity for our member exporters to grasp the market in Russia which has been vacated by other regions of the world at present. Our member exporters should consider INNOPROM as a platform to deepen the bilateral trade and business relation with Russia.

I believe our members will find this newsletter quite informative and fruitful.

Tarvinder Singh Bhasin

Committee on Trade with CIS Countries - Chairman's Note



The seventh issue of the CIS newsletter is being published. In other words, this is our seventh attempt to assist our member exporters to find the market for their products in the 12-nation CIS region with special focus on economy, trade and investments. In this issue we have informed our member exporters not only about INNOPROM 2016, but our focus is on the six specialized exhibitions in the fair based on several major sectors of engineering.

We have also focused on India's engineering exports to CIS region and presented an analytical study both country-wise and product panel wise. Other sections like news, information on exhibitions and tenders are basically informative.

I believe this issue will help our member exporters to enhance their knowledge on CIS nations, which in turn would help them to take more informed business decisions.

Aman Chadha



Basic Facts: CIS

Area: 22.1 million sq. km

Population: 282 million

GDP: USD 1.352 trillion

Climate: Basically cold and temperate but varies across nations

Natural resources: Gas, petroleum, coal, iron and manganese ores, many non-ferrous metals, potassium salts and other kinds of minerals.

INNOPROM 2016: Details of Specialized Sector Specific Exhibitions

In our last issue of CIS Newsletter, we have provided an overall discussion of INNOPROM, one of the largest International Trade fair in Russia which is going to be held at Yekaterinburg, Russia during 11 - 14 July 2016. India has been invited as the Partner Country in INNOPROM 2016 that will put India directly into spotlight during the fair. Indian exporters will get the opportunity to broaden their access to new markets across the globe by displaying their products to prospective sellers with a special focus.

In this issue, we will look for a bit more details about the 6 specialized exhibitions within INNOPROM-2016. The objective is to facilitate greater interaction between business communities of the two countries. These 6 exhibitions cover major industrial sectors. A brief note on each of them is provided below:

Trade fair on 'Components for Machine Building'

Components are very important for machine production and Russia mostly relies on localization of these types of products. Development of Automobile Cluster in Russia is a move towards it and same has been initiated for machine Tools. In this particular fair, list of participants include manufacturers of components for heavy and medium machine building and instrument engineering.

Trade fair on 'Industrial Automation'

The main emphasis of this fair will be to introduce visitors to the cutting edge solutions in the field of industrial automation, including software and hardware packages for automation of production infrastructure and resource management, industrial robotics, integrated systems, system integration technologies. Among the trade fair participants there are scientific and production enterprises, international vendors and manufacturers of industrial automation solutions and industrial robots.

Trade Fair on 'Metropolitan Technologies'

New technologies are always required for development of modern cities. Innovative infrastructure solutions in residential and road construction, energy and water supply and also in automation and ecology are the needs of the hour. In fact, "Metropolitan Technologies" is a platform of effective dialogue between industry and public sector. It is a place, where real decisions for development of modern cities could be made. This fair, and the related forum will facilitate visitors with the opportunity to become familiar with the emerging infrastructure technologies and their applications.

Trade Fair on 'Power Engineering Technologies'

Energy is a key driver of overall growth of the economy and development of energy efficient technologies are very much required for expansion and modernization of industry in any nation. This particular exhibition will concentrate on current and future technology solutions for all stages of the power generation cycle. Leading players of the energy market of Russia and foreign countries, vendors of equipment for heat and electricity generation, energy transmission, distribution and efficient energy consumption will take part in the exhibition.

Trade fair on 'Machine Building'

Latest development in techniques of heavy and light machinery building will be exhibited in this fair along with achievements of the most advanced industry - precision industry and instrument engineering. The segments on which product will be focused are Aviation, Shipbuilding, Agriculture, Mining, Electrical, Electronics etc. among others.

Trade fair on 'Technology and Equipment for Material Processing'

The focus of the fair will be on innovative development in the field of machine-tool technologies for materials processing. Exhibitors will present equipment and technological solutions for natural and artificial materials processing: metal, wood, stone, glass and plastic, concrete. This includes equipment for processing of surfaces by grinding, polishing, and electroplating, as well as precision machine tools, cutting tools, tools for heat treatment, etc.

Source: <http://www.innoprom.com/en>

Trade Trend Analysis in the CIS

The top 5 CIS nations which had the highest demand for Indian engineering products during February 2016 are as follows:

Country	Export in February 2015 (USD million)	Export in February 2016 (USD million)	Growth (%)
RUSSIA	22.23	24.80	11.55
GEORGIA	1.16	4.22	262.95
UZBEKISTAN	3.09	3.56	15.21
UKRAINE	5.01	2.46	-50.80
KAZAKHSTAN	0.67	0.94	39.80

Engineering exports to CIS from India increased by 13% during the month of Feb 2016 but the value of exports declined over the month to US\$38.52 million in Feb 2016 from US\$41.26 million in Jan 2016. Country-wise, Russia was the largest importer of Indian engineering products during February 2016 with 11.5% higher exports year-on-year. Georgia and Uzbekistan pulled down Ukraine from second to fourth place as importer of Indian engineering products. Ukraine conceded 50% shrunk in import during Feb 2016 while all 4 other nations among the top 5 enjoyed rise in imports over the same period last year. Overall, Five out of twelve CIS nations recorded decline in imports in Feb 2016 over the year ago period.

Cumulative exports to CIS nations declined by 40.76% during Apr - Feb 2015-16 to US\$498.09 million from US\$840.79 million during the same period last year. However, eight nations witnessed decline in cumulative

imports from India during the first 11 months of the current fiscal while only four recorded increase in the same. Cumulatively Ukraine, Georgia, Uzbekistan and Kazakhstan secured second to fifth place after Russia in terms of imports of Indian engineering products. Georgia and Kazakhstan saw good growth in imports however on a lower base while Ukraine and Uzbekistan conceded shrunk in imports during the time period.

Panel-wise trend in engineering exports to CIS between April - February 2015-16

Top 10 panels exported to CIS during February 2016 are listed below

Name of the Panel	Export in February 2015(USD million)	Export in February 2016(USD million)	Growth (%)
Iron and Steel	3.22	6.19	92.21
Auto Components/Part	4.10	5.53	34.84
Industrial Machinery	3.60	4.64	29.09
Products of Iron& Steel	2.65	4.19	57.96
Medical and Scientific Instruments	2.37	1.99	-16.11
"Aircrafts and Spacecrafts"	3.30	1.55	-53.09
Aluminium and products	0.65	1.54	138.02
"Machinery for ATMs"	0.77	1.19	54.09
Other Construction Machinery	2.80	1.09	-60.94
"Hand Tools &Cutting Tools"	1.51	1.04	-31.08

Product panel wise data showed that 'Iron & Steel' once again was the largest exporting engineering product from India to CIS region with a robust 92.21% growth year-on-year followed by 'Auto component/parts' with 34.8% year-on-year growth in Feb 2016. 15 out of 33 product group (panel) faced decline in exports to CIS during Feb 2016 while some of them registered no exports. Cumulative picture however was rather gloomy with only 9 among 33 panels achieved year-on-year growth in exports for the first 11 months of fiscal 2015-16. 'Aircrafts and Spacecrafts' was the top exported engineering product from India to CIS during Apr - Feb 2015-16 with US\$95.57 million of overseas shipment. 'Industrial Machinery' was the second highest in this regard followed by 'Iron and Steel'. All the top ten product panels mentioned in the table above witnessed shrunk in exports during the first 11 months of 2015-16.

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.

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>

Upcoming exhibitions in CIS Countries

Events	Date	Venue	Link
Expo-Russia Kazakhstan - 2016	15-Jun- 2016 -17- Jun-2016	Multifunctional Complex "Almaty Towers" Almaty, Kazakhstan	http://www.exponet.ru/exhibitions/by-id/exorussial/exorussial2016/index.en.html
Caspian Power - 2016	1-Jun- 2016 -4- Jun-2016	Baku Expo Exhibition and Convention Center, Azerbaijan	http://www.exponet.ru/exhibitions/by-id/caspianpowerba/caspianpowerba2016/index.en.html
Power-Kazindustry - 2016	11-May- 2016 to 13-May- 2016	"Atakent" Almaty, Kazakhstan	http://www.exponet.ru/exhibitions/by-id/powerkazaal/powerkazaal2016/index.en.html
Power Uzbekistan - 2016	18-May- 2016 - 20-May- 2016	Tashkent - Uzbekistan	http://www.exponet.ru/exhibitions/by-id/uzpowerta/uzpowerta2016/index.en.html

News in Focus

Russia learns to live with the fallen rouble

The sharp downfall in Rouble has made it one of the world's worst-performing currencies over 2014-15. But the weakened rouble and its dependence on oil have been arguably the key factors allowing Russia to weather the storm in emerging markets with some facility.

Link: <http://www.ft.com/cms/s/2/71e95674-f66f-11e5-96db-fc683b5e52db.html#axzz47TmshCaM>

Russia's potential growth rate 'close to zero'

Shrinking labour force undermines Moscow's ability to pull out of recession. The country's working-age population peaked at 90m in 2006 and has fallen by around 5m since, a rate of decline that is expected to accelerate in the coming years.

Link: <http://www.ft.com/intl/cms/s/3/96d6bbea-00bd-11e6-ac98-3c15a1aa2e62.html#axzz47TmshCaM>

Kazakhstan Credit Rating Downgraded Amid Low Oil Prices

Fitch cut Kazakhstan's credit grade from BBB+ to BBB, the rating company's second-lowest investment grade.

Link: <http://world.einnews.com/article/32411121/H8BdBcrlrD5Mh9Hk>

Russia, India agree to sign new deal on aircraft carrier overhaul

Russia will soon sign a new deal with India on additional funds to finish a refit of the Admiral Gorshkov aircraft carrier, Russia's state arms exporter Rosoboron export said.

Link: <http://news.az/articles/russia/2514>

Tender Information in CIS

Prior information Notices

Location	Title	Deadline
Kazakhstan	Services for technical supervision and technological support for the construction progress	16-May-2016
Uzbekistan	Provision of consulting services: Construction of 4 GTU 27 MW	31-May-2016
Georgia	Providing of Engineering service; archaeological service	13-May-2016
Belarus	Choosing a contractor for design and survey work, supply of equipment and construction and -montazhnyh work on the project "Reconstruction of boiler-house" school-room "in-Koshelevog. Buda installing	17-May-2016
Russian Federation	Designing of reconstruction of thermal networks of the group heating plant at moskovsky prospect, d.66, block 2. Estimated Cost: RUB 2,106,614	19-May-2016
Russian Federation	Design of reconstruction of the central heat supply station (tac) at ul. Zheniyegorova, 4, korp.4 lit.	19-May-2016

For more contract notices, Please register with Tenderinfo and follow the link: <http://www.tendersinfo.com> and search for CIS.

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