

Territorial NEWSLETTER Europe

EETPCINDIA
ENGINEERING THE FUTURE

Vanijya Bhavan (1st Floor)
International Trade Facilitation
Centre (ITFC)
1/1 Wood Street,
Kolkata - 700016
www.eetpcindia.org



Volume - I, Issue - December, 2016

Chairman's Pen



T S Bhasin

The bilateral trade between India and Europe is far below the potential. It is the right time to invite companies and investors from the European Union to explore the investment opportunities in India's manufacturing sector to make in India and cater to global markets. There are numerous areas like infrastructure development, clean and renewable energy, smart cities and many more where European investors will find compelling business opportunities. India is receiving good level of cooperation from European Union for 'Smart Cities' project of the Government. Such types of collaborations in other important sectors are anticipated.

There are clear indications that both EU and India are willing to expedite the ongoing FTA negotiations. Signing of FTA will definitely be fruitful to Indian exporters. This edition of Europe newsletter, besides analyzing trend in engineering trade, also includes a section on major trade destinations in Europe for Indian business communities.

I hope that our readers will enjoy reading this newsletter.

EU Territorial Committee Chairman's Note



R P Jhalani

In this edition of the 'Newsletter on Europe', we analyze India's engineering export trend with the EU. It is noteworthy that December 2016 has sustained the positive trend, all the top five countries – UK, Italy, Germany, France and Belgium – recorded positive growth in December 2016 in imports of engineering products from India. With regard to export in the top 15 panels, it is observed that 9 panels recorded positive growth during April-December 2016 period. Overall trend seems to be quite positive for India, though it is

difficult to consider it a sign of turnaround.

While the real trend will become visible in the next few months, I am hopeful that the Newsletter will give fruitful information to our readers and help them in taking informed business decisions.

Territorial
NEWSLETTER – Europe

EETPCINDIA
ENGINEERING THE FUTURE
www.eetpcindia.org



Basic Facts: EU

Area: 4, 324, 782 Sq. km

Population: 511, 434, 812

GDP: USD 18.15 trillion

Climate: cold temperate; potentially subarctic in the north to temperate; mild wet winters; hot dry summers in the south

Natural resources: Iron ore, natural gas, petroleum, coal, copper, lead, zinc, bauxite, uranium, potash, salt, hydropower, timber

EU-India Cooperation: Building New Partnerships

India's government has decided to launch the 100 Smart Cities Mission and the AMRUT (Atal Mission for Rejuvenation and Urban Transformation) program which will develop public transport, sewerage, water supply and public green spaces as the major step towards urbanization of rural India.

The European Union has come forward to be a part of this project. The EU-Mumbai Partnership which has looked at innovative solutions to the challenges faced by a megacity (24 million in the last census) has led to dialogue on all major sectors over the last 3 years, and work is ongoing to scale up cooperation to state and national level with the development of an India-EU Urbanization Partnership. This has been done with success with other major economies in recent years.

An innovative Metropolitan Lab on Maharashtra's Sustainable Urbanization supported by the EU and coordinated by a globally recognized EU expert has concluded 6 days of intensive discussions in Mumbai, leading to concrete ideas on sustainable urbanization projects. This model shows potential for replication in other Indian megacities.

In Europe, a pan-European Innovation Partnership on Smart Cities brings together more than 3,000 civic authorities, industry leaders and civic authorities to develop and replicate best practices in city governance, investment and job creation, environment, transport and waste minimization. Green Capital Awards instituted by the European Commission have provided financial and other incentives to improvement. Sweden, for example, has reduced the waste accumulated at landfills from 62% to 4%; while buildings in Belgium are being designed to be energy neutral. Under the EU's World Cities Program experts from Pune, Chandigarh, Mumbai and Navi Mumbai have examined sustainability projects in Stuttgart, Lazio and Copenhagen.

In the Clean Technologies and Energy Efficiency for Ecocities project funded by the EU and implemented by the IFC, Bangalore, Bhubaneswar, Chennai, Jamshedpur and Mumbai have begun to address their clean technology and energy efficiency needs based on European experience. Priority is being given to strengthening the enabling environment for green buildings through the voluntary green buildings market in India; enabling Climate-Smart Municipal Services; and promoting competitive green SMEs.

Under a Technical Assistance project, best practices in sewage treatment and solid waste management in the cities of Mumbai and Delhi are being exchanged to create an enabling environment for promoting clean technologies.

As part of its program to work with Urban Local Bodies the EU's intervention with Pune municipality is improving access to community toilets. A community-led total sanitation initiative has been undertaken in 100 slums to bring about health and hygiene. Raisen and Burhanpur, both in Madhya Pradesh, have set up sewage treatment plants so that domestic wastewater is treated before release into water bodies. The EU initiative in Raisen is also helping improve the storm water drainage systems, public toilets and solid waste management. ICLEI South Asia and their European counterparts have developed a step by step guide for Kishangarh and Jaisalmer in Rajasthan and Solapur and Ichalkaranji in Maharashtra to help these cities plan for water, wastewater and storm water. The intervention in Shimla is improving capacities of municipal staff to deliver decentralized waste management. EU support to the All India Institute of Local Self Government (AIILSG) intervention in Nagpur has been promoting equity in delivery of municipal services.

These initiatives and the experience gathered in their implementation will create a rich repository of experts on both sides who are familiar with the problems of urbanization of the world's fastest growing urban population on the one hand and the best available ways to tackle them. They will come together in 2017 in a Global EU program with an Indian element. International Urban Cooperation: Sustainable and Innovative Cities and Regions, this project to be implemented over 3 years will have 2 components:

- a) 12 city-to-city projects contributing to India's national flagship program; and
- b) a sustainable energy and climate mitigation and adaptation program integrated into the Global Covenant of Mayors movement in the EU and elsewhere.

Trade Trend Analysis in the EU

On the basis of the export data of December 2016, the EU countries which feature in the top 25 export destinations for India include Austria, Belgium, Bulgaria, Cyprus and Czech Republic. The top 5 EU nations which had the highest demand for Indian engineering products during December 2016 in absolute value are shown in Table 2.

Country	Export in December 2015 (USD million)	Export in December 2016 (USD million)	Growth (%)
AUSTRIA	159.86	248.90	55.70
BELGIUM	160.45	214.46	33.66
BULGARIA	124.21	201.79	62.45
CYPRUS	57.53	146.17	154.08
CZECH REPUBLIC	98.19	104.51	6.44

As demonstrated by the table above, in all the five countries, exports of engineering products from India realized positive growth, with Cyprus and Bulgaria recording growth nearly 154% and over 62% respectively. Though this is certainly a positive sign, but very difficult to consider it as a turnaround. Real trend might be visible in next three month periods.

Panel wise cumulative trend in engineering exports to EU during April-December 2016

During April-December 2016, iron & steel remained the most important items of export from India to EU in value terms. It recorded growth of 27% compared to its corresponding period April-December 2015. It is followed by motor vehicles/cars, products of iron & steel and electric machinery (see Table 3 below).

Table 3: Top 15 Engineering Panels exported from India to EU region

Name of the Panel	India's Export in December 2015 (USD million)	India's Export in December 2016 (USD million)	Growth (%)	Export in Apr-Dec 2015 (USD million)	Export in Apr-Dec 2016 (USD million)	Growth (%)
Iron and Steel	106.75	248.02	132.33	1003.15	1530.04	27
Motor Vehicle/cars	58.59	209.86	258.19	859.71	1338.96	25
Products of Iron	136.02	134.57	-1.07	1201.63	1133.76	27
Electric Machinery	78.27	118.60	51.53	750.30	908.73	27
Auto Components/Part	75.40	91.26	21.04	636.92	643.21	27
Aircrafts & Spacecrafts	50.20	81.60	62.57	570.94	851.99	23
Industrial Machinery	55.76	63.81	14.43	492.45	497.99	27
Aluminum and products	14.66	51.65	252.24	153.12	326.06	26
IC Engines and Parts	85.05	49.43	-41.87	595.09	464.42	26
Other Misc. Items	38.94	41.00	5.28	396.39	493.30	27
Medical and Scientific instruments	33.36	36.58	9.65	230.79	287.92	27
Machinery for ATMs	22.48	20.39	-9.26	188.39	171.87	27
Hand Tools Cutting	18.27	17.96	-1.66	157.35	160.37	27
Pumps of all types	13.18	16.17	22.71	103.98	113.42	27
Other Non Ferrous Metals	16.11	15.01	-6.86	131.01	126.24	27

During April-December 2016, out of top 15 panels, all have recorded positive growth, with highest growth achieved by eleven panels, including Motor vehicle/cars, Aluminum & products and Iron and Steel.

Positive sign is also recorded in monthly trade data. Data for December 2016 for top 15 panels shows that there are ten panels, in which growth was positive. And in some cases, such as Motor vehicle/cars (258%) and Aluminum & products (252%), growth was significant.

EU-India – Information Guide

India enjoys trade preferences with EU under generalized scheme of preference.

EU has a website – EU Export helpdesk which provide crucial information on export opportunities provided to the exporters. The website has detailed information on definite product codes which include:

- ❖ Specific requirements for exporting to EU including public health, labeling, etc.
- ❖ Internal taxes (VAT and Excise duties) applicable in the EU countries
- ❖ Relevant laws, national authorities and border inspection posts

The link for the website is given below:

http://www.exporthelp.europa.eu/thdapp/display.htm;jsessionid=2AB732F02EE24ACB09D625E3F11BD3E6?page=au%2fau_AboutUs.html&docType=main&languageId=en

The European Investment Bank also supports a large number of projects in India in assisting the SMEs and Mid-caps in various fields. Till September 2016, the bank has granted a loan to the tune of Euro 1.5 billion. To have more information on the various projects supported by the bank, please go to the below link:

<http://www.eib.org/projects/loans/regions/ala/in.htm>

Some ongoing trade related investigations by EU against India

Table 1: Ongoing EU's Investigations against India

1. Stainless steel bars (certain)	India	Anti-dumping	Measures in force	Investigation ongoing
2. Stainless steel wires (SSW)	India	Anti-dumping	Measures in force	Investigation ongoing

Source:

http://trade.ec.europa.eu/tdi/completed.cfm?number=&prod=steel&code=&scountry=all&proceed=all&status=all&measures=all&measure_type=all&search=ok&c_order=cstat&c_order_dir=Up

News in Focus

Euro could 'collapse' in next 18 months, warns the man tipped as Trump's EU ambassador pick

The Euro could "collapse" within the next 18 months, the man tipped as the next US ambassador to Brussels has claimed, adding that he would "short" the EU single currency if he was an investor. Prof Ted Malloch, a former Oxford University professor now at University of Reading, added that the UK and US could cut a bilateral trade deal inside 90 days and that elections in Europe this year could sweep away the EU as we know it.

Link: <http://www.telegraph.co.uk/news/2017/01/26/euro-could-collapse-next-18-months-warns-man-tipped-trumps-eu/>

Post-Brexit Britain: Could Singapore be an effective model in the twenty-first century?

Jeremy Corbyn has criticized Theresa May's plans for Brexit, arguing that they will make the UK an offshore "bargain basement" economy. He claimed that the UK could move into a "low-tax, corporate taxation, bargain basement economy on the offshores of Europe". The city state of Singapore is one such model that he's warning about. The city state does not impose import or export tariffs at all - a unilateral free trade approach.

Link: <http://www.telegraph.co.uk/news/2017/01/25/post-brexit-britain-could-singapore-effective-model-twenty-first/>

Why Europe is cruising for a Brexit bust-up with Britain (like all acrimonious divorces, it's the money)?

There was some polite applause in Europe after Theresa May laid her Brexit cards on the table last week but it hasn't taken long for the refreshing effects of her icy Brexit blast to wear off. Once again it is possible to hear the Brexit battle-lines hardening all across Europe to the point where many observers, both inside and outside the coming negotiations, see an EU-UK bust-up as close to inevitable.

Link: <http://www.telegraph.co.uk/news/2017/01/26/europe-cruising-brexit-bust-up-britain-like-acrimonious-divorces/>

Germany to collaborate with India to improve rail connectivity of Indian ports : may also bring in technology for scrapping old vehicles; India ready for flex-fuel compatible automobiles

The Minister of Road Transport & Highways and Shipping Shri Nitin Gadkari has said that India and Germany are all set to collaborate on projects for improving rail connectivity of Indian ports. He said the two countries will work together on projects worth Rs one lakh crore being implemented by the Indian Port Rail Corporation Ltd (IPRCL). The Minister held detailed discussions with his German counterpart and Infrastructure Minister Mr Alexander Dobrindt and his delegation in New Delhi today, regarding the modalities for such collaboration. Secretary Shipping Shri Rajive Kumar, Secretary Road Transport & Highways Shri Sanjay Mitra and other Senior Officers of the two Ministries were also present. Today's meeting comes under the backdrop of an MoU signed between Indian Port Rail Corporation Ltd (IPRCL) and the German Railways Deutsche Bahn (DB) for cooperation on modernization of rail port connectivity and port rail facilities of Indian ports, during the Maritime India Summit earlier this year . For efficient evacuation of cargo from the Ports and to reduce logistics cost, last mile rail connectivity of Ports is extremely important. Indian port Rail Corporation Ltd. has been set up specifically to work in this area.

Link: <http://pib.nic.in/newsite/PrintRelease.aspx?relid=151659>

Tender Information in EU

Prior information Notices

Location	Deadline	Summary	Link
Poland	01 Mar 2017	Replacing The Monobloc Wheels And Brake Discs With 4 Wheel Sets With An Internal Combustion Vehicle Traction Sa109	http://www.tendersinfo.com/details/37456137

Location	Deadline	Summary	Link
Latvia	24 Feb 2017	Plavinas Hpp Hydro Units An7 And An8 Restoration Repair	http://www.tendersinfo.com/details/37456004
Latvia	09 Mar 2017	Specialized Building Material Acquisition To Delivery	http://www.tendersinfo.com/details/37456005
Latvia	08 Mar 2017	On The Right Of Storm Water Drainage System And The Equipment Renovation And Maintenance Works In Liepaja	http://www.tendersinfo.com/details/37456496
Latvia	13 Mar 2017	Land Survey Design, Survey And Cadastral Boundary Installation Works Of Properties Associated With The European Standard Gauge Public Railway Infrastructure Line "rail Baltica" Construction	http://www.tendersinfo.com/details/37456497
Estonia	06 Mar 2017	Narva Mnt 25/27/29 Creative House To The Construction Of The Building Engineering Design Elements	http://www.tendersinfo.com/details/37456576
Poland	01 Mar 2017	Provision Of Services For The Repair Of Railway Vehicle Maintenance P5 Em120z 72	http://www.tendersinfo.com/details/37456598
Poland	24 Feb 2017	Repair Of Turbine Generator Set And The Generator Tz- 6 Ec Pruszkow Pruszkow	http://www.tendersinfo.com/details/37456604
France	03 Mar 2017	Maintenance And Servicing Of Lifts, Hoists, Dumbwaiters, Lifts	http://www.tendersinfo.com/details/37462988

For more contract notices, please follow the link: <http://www.tendersinfo.com/searchresult>

EEPC India Europe Territorial Newsletter

Contact: Suresh Singh & Palak Singh

Email: ssingh@eepecindia.net, psingh@eepecindia.net

Phone no: 011-2331 4171