

July 2017

Chairman's Pen



Development of trade, commerce and investment are the common priorities to create fair and reciprocal trade relationship. During the June 2017 visit of the Prime Minister of India, both parties agreed to to strengthen cooperation and increase commercial engagement in a manner that advances the principles of free and fair trade. To this end, the United States and India plan to undertake a comprehensive review of trade relations with the goal of expediting regulatory processes; ensuring that technology and innovation are appropriately fostered, valued, and protected; and increasing market access in areas such as agriculture, information technology, and manufactured goods and services,

This edition also briefs on the upcoming trade exhibitions in North America. I hope this will be insightful for our readers and they will enjoy reading it.

Tarvinder Singh Bhasin

Message from Chairman, Committee on Trade with North America



This edition of Territorial Newsletter for North America highlights the "historic" India - US meet in June 2017. Both the leaders of the two nation committed to strengthening cooperation to address excess capacity in industrial sectors.

The current edition presents a brief insight on the total trade pattern of the engineering sector in North America during the current fiscal 2017-18. Further, it discusses the top engineering product bilaterally traded between the countries of the region.

Upcoming tenders from the region along with key news items and factsheets of Anti-Dumping Duty matters is compiled and presented for the benefit of our members. I am hopeful that the Newsletter will give fruitful information to our readers.

Anupam Shah

North America: Canada, Mexico, and the United States

The North America trade bloc had its genesis in the North American Free Trade Agreement (NAFTA) signed by Canada, Mexico, and the United States. The agreement came into force on January 1, 1994.

Area: 24.71 million Sq. km

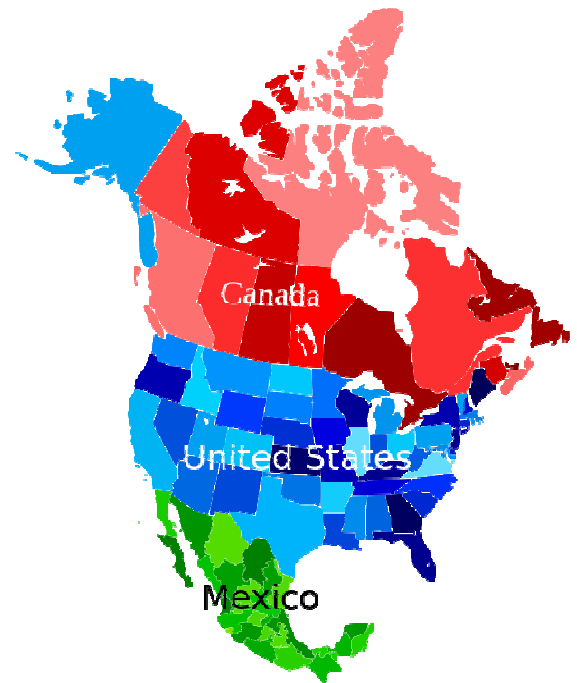
Population: 576,163,467 (2015)

GDP: USD 20,834.888 billion (2014)

Currency: US Dollar (\$) / Canadian Dollar

Climate: North America includes all of the mainland and related offshore islands lying north of the Isthmus of Panama which connects it with South America. It has a variety of climate, from the dry, bitter cold of the Arctic to the steamy heat of the tropics. The North American tundra, the vast treeless plain of the far north, has temperature rises above freezing for only a short period each summer. In the far south there are low-lying areas which are always hot and rainy.

Natural resources: North America produces most of the world's corn, meat, cotton, soybeans, tobacco, and wheat, along with a variety of other food and industrial raw material crops. Mineral resources are also abundant; particularly coal, iron ore, bauxite, copper, natural gas, petroleum, mercury, nickel, potash, and silver.



PM Narendra Modi “historic’ US visit

Prime Minister Narendra Modi’s visit to the U.S seemed to be positive discussing several crucial outcomes of the three day trip. Prime Minister Narendra Modi and U.S. President Donald Trump agreed to strengthen the Indo-U.S. economic partnership in a way that results in a win-win for the two major economies, while amicably working on resolving differences. “On the economic side, the two sides had very productive discussions.

The economic changes in both countries are creating new demands and once you have the high-level comfort between India and the U.S., the other partner is well placed to meet those demands,” Foreign Secretary S. Jaishankar told reporters after Mr. Modi held his maiden meeting with Mr. Trump in Washington at the White House. The civil aviation market and natural gas have been cited as areas of cooperation and even from next year onwards the Liquefied Natural Gas (LNG) from the U.S. will start flowing to India.

There was a discussion on trade matters, market access, regulatory issues and barriers. Both leaders underlined the importance of free and fair trade. On H-1B Visa issue, there was lot of discussion on cooperation in innovation and digital partnership.

According to an India-U.S. joint statement, Mr. Modi and Mr. Trump committed that the two countries — leading engines of growth in the global economy — should intensify their economic cooperation to make their nations stronger and their citizens more prosperous.

Mr. Modi said for both countries increased productivity, growth, job creation, and breakthrough technologies — an engagement towards all these are, and will remain, strong drivers of their cooperation, and will give further momentum to their relationship.

Further, Prime Minister Narendra Modi met top American CEOs of global giants, including Apple, Microsoft and Google and discussed issues ranging from visas, investment and job creation occupying the centre stage. India's growth is a win-win situation for India and U.S., and companies have a great opportunity to contribute to that, Mr. Modi told the CEOs. The response from the CEOs was positive, with many signaling continued investment in India.

President Donald Trump described US as a “true friend” to India and said both the countries are working towards eradicating radical Islamic terrorism. Trump also congratulated India for being the fastest growing economy and said that he looks forward to invest more US energy in India. PM Modi said they have agreed to work closely on boosting maritime trade and cooperation and lauded Trump’s commitment towards strong India-USA bilateral relations.

Trade, commerce and investment are key areas. Technology, innovation and knowledge economy are also areas which are actively looked upon. The Indo-U.S. Strategic Partnership is on course, but with a new emphasis on trade and economic ties



Prime Minister Narendra Modi meets U.S. President Donald Trump at the White House, in Washington DC, USA

India’s latest trend in engineering exports to North America

India engineering export with North America – country wise during April-June of the fiscal of 2017-18 is depicted in the table below. Nations which had the highest demand for Indian engineering products during April-June of the current fiscal 2017-18 in absolute values include:

Table2: Engineering Exports to North America

Value in USD million

North America	April-June 2016-17 (USD million)	April-June 2017-18 (USD million)	Growth (%)
USA	116.2	120.2	3.5
Mexico	551.4	699.3	26.8
Canada	1555.2	2298.7	47.8
Total	2222.8	3118.3	40.3

Source: DGCI&S

Fig 2: Trend in Total Engineering Export in North America during April-June 2017-18
Month wise

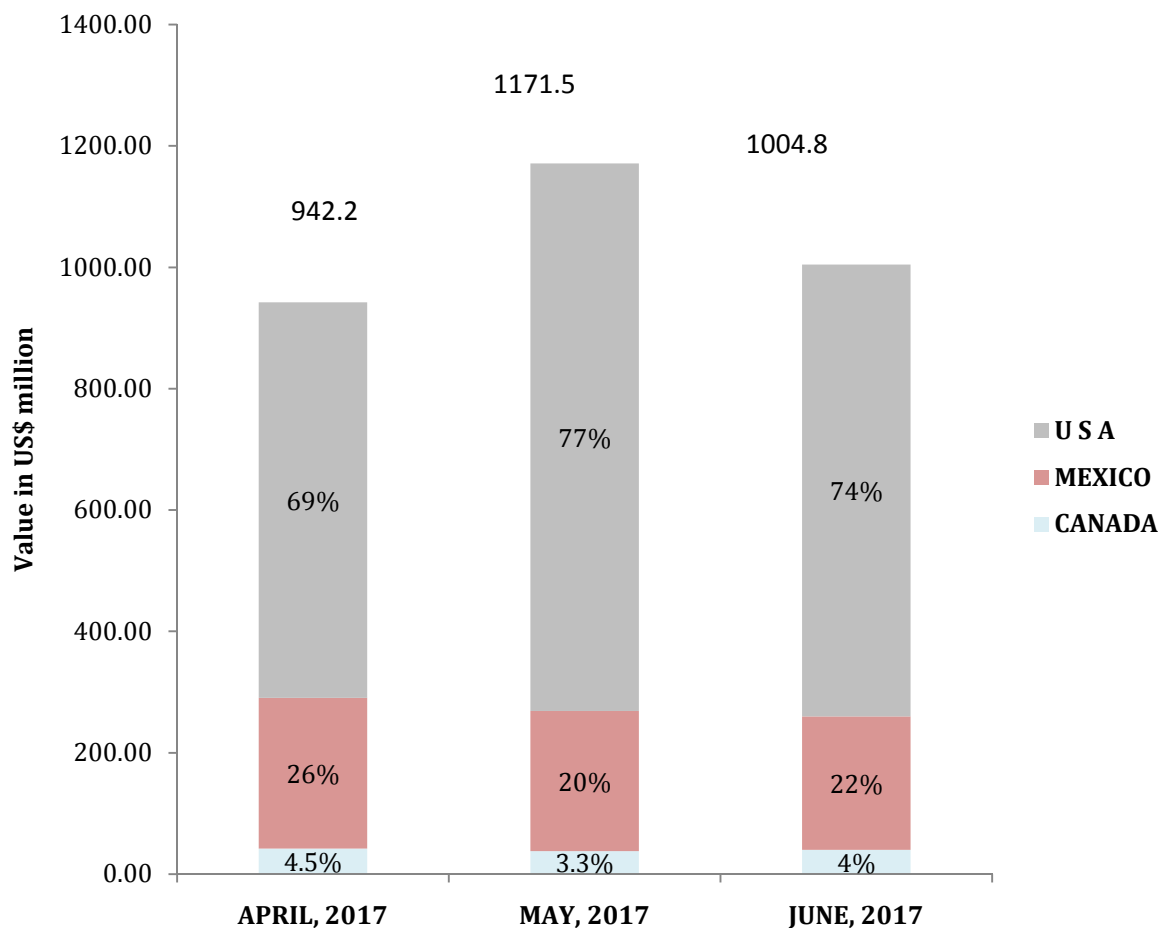


Table 3: Top 15 engineering panels exported to North America in April-June 2017-18

US\$ Million

DGCI&S Engineering Panels	India's export in April-June 2016-17	India's export in April-June 2017-18	Growth (%)
Motor Vehicle/cars	341.40	460.30	34.8
Products of Iron and Steel	299.84	434.64	45.0
Auto Components/Part	240.89	300.41	24.7
Electric Machinery and Equipment	153.90	262.05	70.3

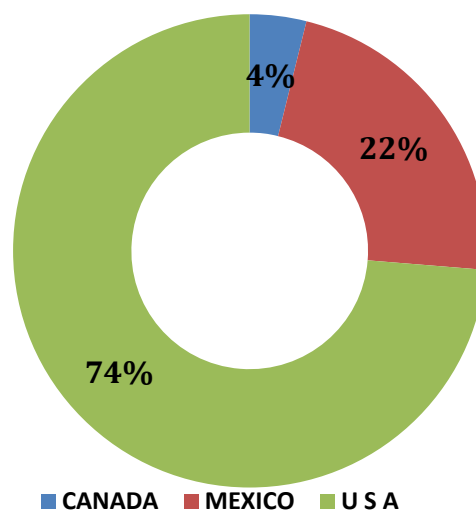
DGCI&S Engineering Panels	India's export in April-June 2016-17	India's export in April-June 2017-18	Growth (%)
Ships, Boat and Floating bodies	0.03	216.77	858185.9
Industrial Machinery for dairy, agriculture, food processing, textiles, paper, chemicals, etc	152.97	183.38	19.9
Iron and Steel	92.65	165.97	79.1
Aluminium and products made of Aluminium	109.50	165.54	51.2
Other Misc. Items	149.72	164.89	10.1
IC Engines and Parts	114.23	149.56	30.9
Aircraft and Space craft	160.96	134.86	-16.2
Machinery for ATMs, Injecting Moulding machinery, valves, etc	72.86	84.01	15.3
Medical and Scientific Instruments	59.07	61.73	4.5
Pumps of all types	27.53	57.67	109.5
Copper and products made of copper	35.99	39.98	11.1

Source: DGCI&S

After EU, Indian engineering exports to North America ranked 2nd during April-June of the current fiscal 2017-18. USA remained at the top for Indian engineering exports with imports of over US\$ 2.3 billion. The main engineering products exported to the country include Products of Iron and Steel, Electrical Machinery and Equipment, Auto Components/Parts, Ships, Boats and Floating bodies, Other Industrial Machinery, etc during April- June 2017-18.

The following pie chart demonstrates share of different North American countries in India's total export during April- June 2016-17.

Fig3: India's engineering export share to North American Countries (%) in April- June 2017-18



Source: DGCI&S

Country wise India's engineering exports to North America in April –June 2017-18

1. USA

Indian engineering exports to USA, continues to be the highest during April-June 2017-18. At present, it accounts for over 74% of India's total engineering export to North America (and 13.0 per cent of India's global engineering exports).

Top products traded in USA: Products of Iron and steel, electrical machinery and equipment, auto components/parts, ship and boats, other industrial machinery, other misc. items, etc.

2. Mexico

Mexico ranked 3rd largest export destination for engineering products during the current fiscal April-June 2017-18. At present, it accounts 22% of India's total engineering export to North America (and 4 per cent of India's global engineering exports) during April-June 2017-18.

Top products traded in Mexico: Motor vehicles/cars, iron and steel, auto components and parts, aluminium and products, other industrial machinery, two and three wheelers, etc.

3. Canada

Canada accounts for 4.0 per cent of India's total engineering exports to North America (and 0.7% of India's global engineering exports) during April-June 2017-18.

Top products traded in Canada: Products of iron and steel, auto components/parts, other misc. items, aluminium and products, iron and steel, machinery for ATMs, other industrial machinery, electrical machinery and equipment, etc.

News in Focus

❖ US trade deficit narrowed to \$43.6 billion in June

The U.S. trade deficit narrowed in June as exports hit the highest level in 2 ½ years. The Commerce Department said that the trade gap slid 5.9 percent in June to \$43.6 billion.

Exports of goods and services rose 1.2 percent to \$194.4 billion, the highest amount since December 2014 on higher foreign demand for American soybeans, computer accessories and other products. Services exports reached a record \$65.4 billion.

U.S. exports may be getting a lift from a pickup in global economic growth and a drop in the value of the U.S. dollar against other currencies. A weaker dollar makes American products a better bargain in foreign markets.

Overall imports slipped 0.2 percent to \$238 billion on a drop in demand for cellphones and other household goods.

The goods deficit with Mexico slid 18.3 percent in June to \$6 billion. The Trump administration is preparing to renegotiate the North American Free Trade Agreement with Mexico and Canada.

Trump has complained that NAFTA encourages U.S. manufacturers to move to Mexico to take advantage of cheaper labor.

Source: <http://abcnews.go.com/Business/wireStory/us-trade-deficit-narrowed-436-billion-june-49031342>

❖ 'US, India have increasing convergence of interests

Observing that the partnership between India and the US has significantly strengthened, a top Pentagon official said today that the two countries have an increasing convergence of interests, including on maritime domain awareness.

"The US-India partnership has strengthened significantly during the past two decades, driven by our shared values and a growing convergence of interests. The partnership enjoys broad political support in both countries," Joseph Felter III, Deputy Assistant Secretary of Defence for South and Southeast Asia, told.

Felter, who until recently was the director of the Hacking for Defence Project at Stanford's Centre for International Security and Cooperation, was appointed to this key Pentagon position by the Defence Secretary Jim Mattis last month.

In this capacity, he will be Mattis's point person for South and Southeast Asia.

"The US and India are natural partners on a range of political, economic, and security issues," he said, acknowledging the significance of the bilateral defense ties

Source: <http://economictimes.indiatimes.com/news/defence/us-india-have-increasing-convergence-of-interests-pentagon/articleshow/60009682.cms>

❖ IPR remains one of top bilateral trade issue with India

The Intellectual Property Rights remains to be one of the top bilateral trade issues between India and the US even as India became the ninth single country trading partner for the US in 2016, an official US report said today.

India remained on the priority watch list in 2016 due to a lack of measurable improvement to its IPR regime, said the annual report 'The Year in Trade 2016', released by the US International Trade Commission (USITC). "IPR protection remained one of the top bilateral trade issues between the two countries," said the annual report. India remained on the priority watch list in 2016 due to a lack of measurable improvement to its IPR regime, it noted.

According to the annual USITC report, India's economic growth also slowed, decreasing from 7.9 per cent in 2015 to 6.8 per cent in 2016.

Although, it still had one of the highest growth rates in the world in 2016, India has notably fewer linkages to the global economy than China does.

In addition, India's share of total US merchandise trade with the world rose to 1.9 per cent, up from 1.8 per cent in 2015.

USITC said although US exports to India went up slightly in 2016, the US merchandise trade deficit with India rose 4.2 per cent to USD 24.3 billion in 2016 as imports grew even more than exports.

Although India was again the United States' seventh- single largest country services trading partner, based on two-way trade, it continued to be the only top trading partner with which the US has a services trade deficit, the report said.

USITC said in 2016, there were several active WTO dispute settlement proceedings involving the United States and India. In March, India requested consultations with the US about measures concerning non-immigrant temporary work visas. In July, the US requested arbitration regarding a dispute with India concerning the importation of certain agricultural products on the basis that India failed to bring its measures into compliance within the agreed reasonable period of time, it said. In September, India requested consultations with the US regarding alleged domestic-content requirements in the renewable energy sector provided by several US states. Finally, in October 2016, the Dispute Settlement Body adopted the Appellate Body report and the panel report, as modified by the

Appellate Body report, regarding India's purchase power agreements with solar firms and domestic- content requirements.

Noting that in 2016, the US and India continued dialogue on improving bilateral trade and investment, including IPR protection, the report said that in June, then US President Barack Obama and Prime Minister Narendra Modi met in Washington, DC, for their third major bilateral summit.

Source: <http://economictimes.indiatimes.com/news/economy/foreign-trade/ipr-remains-one-of-top-bilateral-trade-issue-with-india-us-report/articleshow/59763986.cms>

CVD/AD matters: Recent petitions filed with USITC

Table 4: CVD/AD Petitions

Docket No.	Received	Type	Commodity
3238	7/19/17	337 Complaint	Road Milling Machines
3237	7/13/17	701 & 731 Petition	Cast Iron Soil Pipe Fittings
3233	6/28/17	337 Complaint	X-Ray Breast Imaging Devices
3232	6/28/17	701 & 731 Petition	Tapered Roller Bearings
3217	4/19/17	701 & 731 Petition	Cold-Drawn Mechanical Tubing of Carbon and Alloy Steel
3207	3/21/17	337 Complaint	Thermoplastic-Encapsulated Electric Motors
3197	2/6/17	337 Complaint	Electrical Connectors
3196	2/02/17	337 Complaint	Hybrid Electric Vehicles and Components Thereof

Source: http://www.usitc.gov/petitions_and_complaints

Country wise Anti-dumping matters in the last six years (2010-2016) against India

Table 5: Country wise Anti-Dumping (AD) Cases against India

Country initiating AD investigation	Case ID	Case Code	Product	Initiating Date	Dumping Date	Injury decision date
Canada	CAN-AD-373	CAN-AD-372	Certain Carbon Steel Welded Pipe	5/14/2012	8/13/2012	7/13/2012
Canada	CAN-AD-401	CAN-AD-400	Certain Oil Country Tubular Goods	7/21/2014	12/3/2014	9/19/2014
Canada	CAN-AD-410	CAN-AD-410	Certain Hot-rolled Carbon Steel Plate and High-strength Low-alloy Steel Plate	6/10/2015	9/8/2015	8/10/2015
Mexico	MEX-AD-305	MEX-AD-305	Carbon Steel Tubing with Longitudinal Seams	12/24/2014	MI	MI
Mexico	MEX-AD-314	MEX-AD-314	Ferro-silico-manganese	9/8/2015	MI	MI
USA	USA-AD-1191	USA-AD-1191	Circular Welded Carbon-Quality Steel Pipe	11/3/2011	6/1/2012	12/16/2011
USA	USA-AD-1213	USA-AD-1213	Certain Steel Threaded Rod	7/3/2013	2/18/2014	11/5/2013

USA	USA-AD-1215	USA-AD-1215	Certain Oil Country Tubular Goods	7/10/2013	2/25/2014	8/22/2013
USA	USA-AD-1251	USA-AD-1251	Certain Steel Nails	6/4/2014	.	7/18/2014
USA	USA-AD-1275	USA-AD-1274	Certain Corrosion-Resistant Steel Products	6/9/2015	MI	7/24/2015
USA	USA-AD-1285	USA-AD-1283	Cold-Rolled Steel Flat Products	8/3/2015	MI	9/17/2015
USA	USA-AD-1298	USA-AD-1298	Welded Stainless Steel Pressure Pipe	10/7/2015	MI	11/20/2015

India's Safe Guard initiating matters since last six years (2010-2016)

Table 6: Safe Guard Matters of India

Safe Guard Initiating Country	PRODUCT	PET_DATE	WTO_INIT_DATE
India	Seamless Pipes, Tubes and Hollow Profiles of Iron or Non-Alloy Steel	MI	04/22/2013
India	Cold Rolled Flat Products of Stainless Steel of Chromium Type	MI	09/19/2014
India	Not-Alloyed Ingots of Unwrought Aluminium	MI	04/07/2014
India	Hot-rolled Flat Products of Non-alloy and Other Alloy Steel in Coils of a width of 600 mm or more	MI	09/07/2015
India	Hot-rolled Flat Sheets and Plates (excluding hot rolled flat products in coil form)	MI	12/7/2015

Source:

<http://econ.worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTRESEARCH/EXTPROGRAMS/EXTTRADERESEARHC/0,contentMDK:22561572~pagePK:64168182~piPK:64168060~theSitePK:544849,00.html>

Factsheets on Antidumping Duty and Countervailing Duty Investigations of Imports

- ❖ On May 10, 2017, the Department of Commerce (Commerce) announced the initiation of antidumping duty (AD) investigations of imports of cold-drawn mechanical tubing from the People's Republic of China (China), Germany, India, Italy, Korea, and Switzerland and countervailing duty (CVD) investigations of imports of cold-drawn mechanical tubing from China and India.

Source: <http://enforcement.trade.gov/download/factsheets/factsheet-multiple-cold-drawn-mechanical-tubing-ad-cvd-051017.pdf>

- ❖ On January 27, 2017, the Department of Commerce (Commerce) announced its affirmative preliminary determinations in the antidumping duty (AD) investigations of imports of finished carbonsteel flanges from India, Italy, and Spain.

Source: <http://enforcement.trade.gov/download/factsheets/factsheet-multiple-finished-carbon-steel-flanges-ad-prelim-012717.pdf>

- ❖ On November 22, 2016, the Department of Commerce (Commerce) announced its affirmative preliminary determination in the countervailing duty (CVD) investigation of imports of finished carbon steel flanges from India.

Source: <http://enforcement.trade.gov/download/factsheets/factsheet-india-finished-carbon-steel-flanges-cvd-prelim-112216.pdf>

Upcoming Exhibitions in North America

Table 7: List of Exhibitions

Events	Date	Venue	Link
WESTEC	12th- 14th Sep,2017	Los Angeles Convention & Exhibition Center	http://www.westeconline.com/
Rotoplas International Rotational Molding Exposition	26th- 28th Sep,2017	Donald E. Stephens Convention Center, Rosemont	http://www.rotoplas.org
International Big R Show	28th- 30th Oct,2017	Bally's Las Vegas	https://apra.org/page/2017BigR
LA Auto Show	1 st - 10 th December, 2017	LA Convention Center	https://laautoshow.com/

Tender information in North America

Table 8: Tender related information

Title	Deadline	Country	Link
Proprietary Weigh-in-motion (wim) Replacement Parts And Installation,	25 th August 2017	United States	http://www.tendersinfo.com/details/41533829?desc=Proprietary-Weigh-in-motion-(wim)-Replacement-Parts-And-Installation
Automobile Dump Bodies Hoist Sub Frames	01 September 2017	United States	http://www.tendersinfo.com/details/41533760?desc=Automobile-Dump-Bodies-Hoist-Sub-Frames
Proprietary Weigh-in-motion (wim) Replacement Parts And Installation	25 th August 2017	United states	http://www.tendersinfo.com/details/41533829?desc=Proprietary-Weigh-in-motion-(wim)-Replacement-Parts-And-Installation
Automobile Dump Bodies Hoist Sub Frames	1 st September 2017	United states	http://www.tendersinfo.com/details/41533760?desc=Automobile-Dump-Bodies-Hoist-Sub-Frames

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Contact: Shrilata Ghosh

Email: sghosh@eepcindia.net

Phone no: 033-40120360