

November 2017

Chairman's Pen



India and United States jointly discussed on issues related to bilateral trade, areas of mutual cooperation, market access in agriculture, non-agricultural goods and services and Intellectual Property Rights during the 11th Trade Policy Forum held recently. Both the countries explored ways for early conclusion of the free trade agreement. Trade has been a significant part among the two nations. The two sides call for a comprehensive review of bilateral relations and further expand and balance ties on the principle of free and fair trade.

The current edition highlighted the series of economic reforms undertaken by Prime Minister Modi, such as Goods and Services Tax, Make in India, Startup India and 'Fund of Funds for Startups' (FFS), Digital India, e-commerce, promoting innovation and entrepreneurship, FDI reforms, improved business and investment climate which have led to significant investment inflows into India. 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 "Trade Policy Forum- 11th edition between US and India" recently.

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

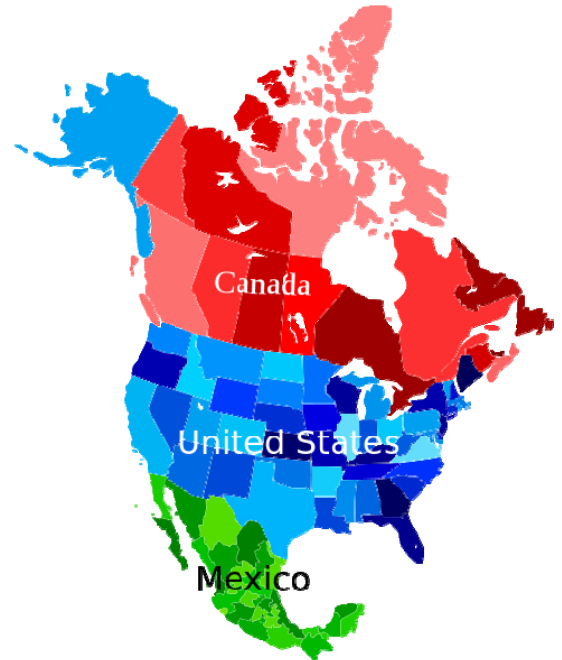
Population: 579 million (2016)

GDP: USD 21,638.602 billion (2016)

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.



India -US relationship beyond mutual interest

The relationship between India and the US goes beyond mutual interest and can be beneficial for Asia and humanity at large, Prime Minister told President Donald Trump recently in ASEAN meeting in Manila who described him as a "friend" who is "doing a great job".

PM Modi's comments came ahead of his bilateral talks with President Trump on the sidelines of the ASEAN summit in Manila during which the two leaders discussed a range of key issues including defence and security.

"The relations between India and the US are growing, and I also feel that the relationship between India and the US is not only for mutual interest. It goes beyond that. We are working together for the interest, for the future of Asia and for the humanity as a whole in the world," PM Modi said.

PM Modi also thanked the US president for praising India whenever he got an opportunity to speak about the country during his Asia tour.

"I would like to assure you whatever the expectations are of the world, of the US from India, India has always made efforts to fulfil those expectations and we will continue to do so in the future too," he said.

Donald Trump on his part described PM Modi as a friend and a great gentleman.

"PM Narendra Modi is here we had met at the White House before. He has become a friend of ours. He's doing a great job. A lot of things were solved and we will continue to work together," he said.

He said that PM Modi was doing a "fantastic job by bringing lots of factions in India together that is what I hear and is a good news and lot of good reports are coming out of India."

The two leaders are understood to have discussed the security scenario in the region besides several other issues of mutual interests, including ways to further boost bilateral trade.

The move to set up the quadrilateral alliance of India, US, Japan and Australia comes in the backdrop of growing Chinese assertiveness in the South China Sea. The US has been favouring a larger role for India in the strategically important Indo-Pacific region.

The use of the term "Indo-Pacific" by President Trump has led to speculation that it may have something to do with Washington preparing the ground for a revival of the so called quadrilateral strategic alliance between the US, Japan, Australia and India to counter China's rise.

President Trump on Saturday praised India's "astounding" growth after it opened up its economy and also lauded PM Modi, saying he has been working successfully to bring the vast country and its people together.

Speaking at a gathering of CEOs on the sidelines of the annual Asia-Pacific Economic Cooperation (APEC) summit in the Vietnamese city of Danang, President Trump had cited India as one of the countries in the Indo-Pacific region making strides.

He praised India as a sovereign democracy with a population of over 1 billion as well as the largest democracy in the world.

India's latest trend in engineering exports to North America

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

Table2: Engineering Exports to North America
Value in USD million

North America	April-October 2016-17 (USD million)	April-October 2017-18 (USD million)	Growth (%)
USA	252.1	310.7	23.3%
Mexico	1411.9	1606.5	13.8%
Canada	3858.2	5495.1	42.4%
Total	5522.2	7412.3	34.2%

Source: DGCI&S

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

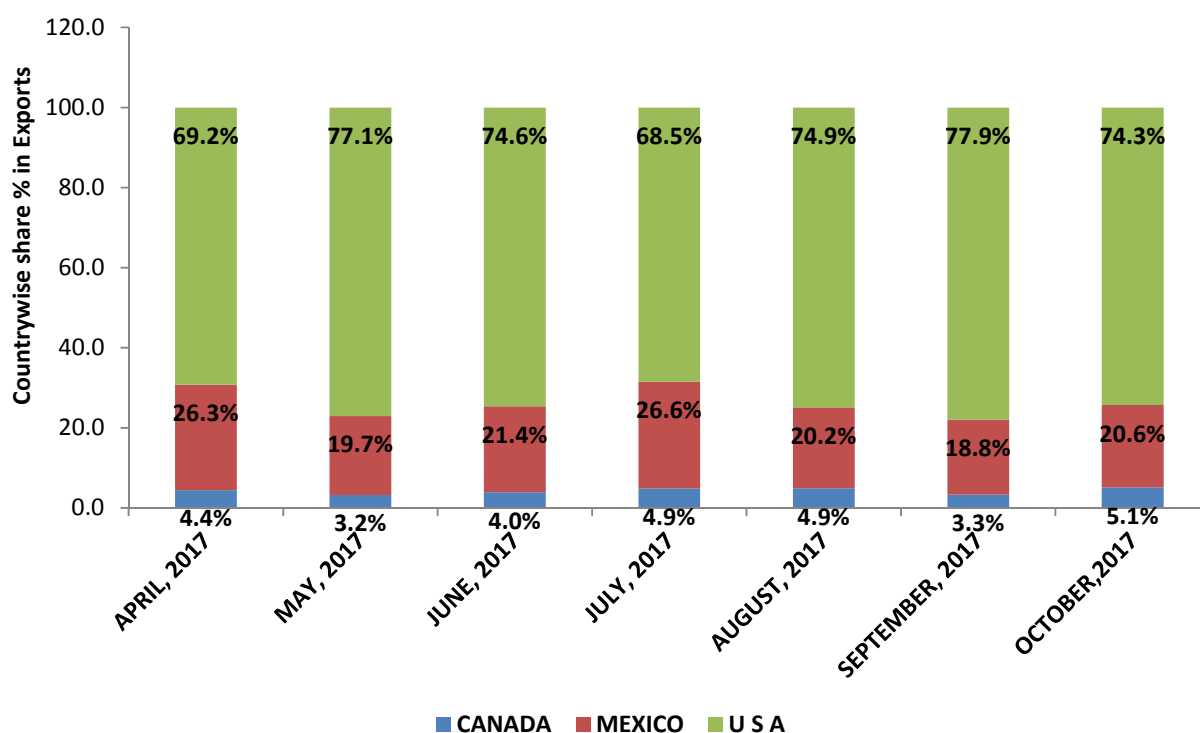


Table 3: Top 15 engineering panels exported to North America in April-October 2017-18
US\$ Million

DGCI&S Engineering Panels	India's export in April-October 2016-17	India's export in April-October 2017-18	Growth (%)
Products of Iron and Steel	648.0	961.7	48.4
Motor Vehicle/cars	735.5	916.7	24.6
Auto Components/Part	492.6	622.8	26.4
Electric Machinery and Equipment	367.5	539.0	46.7
"Ships Boats and Floating Bodies	0.2	443.7	222960.0
Industrial Machinery	331.2	394.8	19.2
Aluminium and products	258.7	372.8	44.1
Other Miscellaneous Items	299.8	346.8	15.7
Aircrafts and Spacecrafts	320.8	301.2	-6.1
Iron and Steel	225.7	287.6	27.4
IC Engines and Parts	193.4	276.7	43.1
Machinery for ATMs	142.3	182.9	28.6
Medical and Scientific Instruments	122.0	122.7	0.6
Pumps of all types	53.1	117.1	120.4
Copper and products	76.3	86.0	12.7

Source: DGCI&S

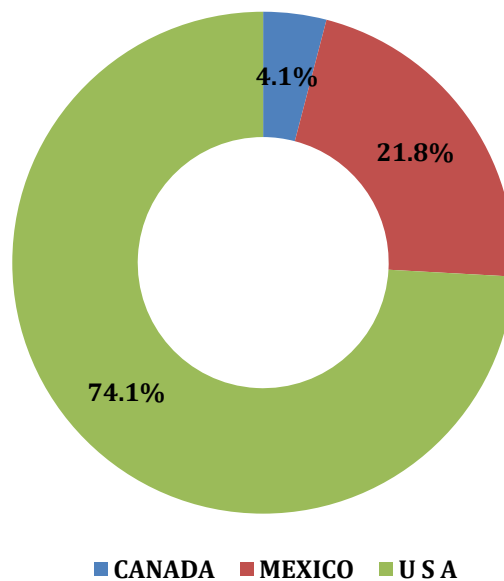
After EU, Indian engineering exports to North America ranked 2nd during April-October of the current fiscal 2017-18.

USA remained at the top for Indian engineering exports with imports of over US\$ 4.8 billion. The main engineering products exported to the country include Products of Iron and Steel, Electrical Machinery and Equipment, Auto Components/Parts, Ship and Boats, Other Industrial Machinery, Other Misc Items, Aircraft and Spacecraft , etc during April-October 2017-18.

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

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

APRIL,2017 - OCTOBER,2017



Source: DGCI&S

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

1. USA

Indian engineering exports to USA, continues to be the highest during April-October 2017-18. At present, it accounts for over 74% of India's total engineering export to North America (and 13% 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, Aircraft and Spacecraft, etc.

2. Mexico

Mexico ranked 4th largest export destination for engineering products during the current fiscal April-October 2017-18. At present, it accounts 21.8% of India's total engineering export to North America (and 4 per cent of India's global engineering exports) during April-October 2017-18.

Top products traded in Mexico: Motor vehicles/cars, Auto components and parts, Aluminium and products, Iron and Steel, Other industrial machinery, Two and Three wheelers, etc.

3. Canada

Canada accounts for 4.1% of India's total engineering exports to North America (and 0.7% of India's global engineering exports) during April-October 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, Electrical machinery and equipment, other industrial machinery, etc.

News in Focus

❖ India can be investment hub for firms leaving China: US

India can seize the opportunity to provide "alternative investment hub" for the American companies which are downgrading their operations in China, US Ambassador Kenneth Juster said today.

Observing that 'America First' and 'Make in India' are not incompatible, he said rather investing in each other's markets will be mutually beneficial.

It will increase economic interactions and volume of trade, lead to collaboration on emerging technologies and create jobs in both countries, Juster said in his first policy speech since taking over as Ambassador to India.

"But let me go further and suggest that it is time to put a strategic lens on our economic relationship, just as we have done with our defence relationship," he said. The Washington's envoy to New Delhi added that a number of US companies have reported increasing difficulties in conducting business in the largest market in the region, China. "Accordingly, some companies are downgrading their operations there, while others are looking with great interest at alternative markets. India can seize the strategic opportunity - through trade and investment - to become an alternative hub for US business in the Indo-Pacific region," he said.

Source: <https://economictimes.indiatimes.com/news/economy/policy/india-can-be-investment-hub-for-firms-leaving-china-us/articleshow/62461817.cms>

❖ India, Canada to fast-track free trade pact negotiations

Canada and India discussed ways to expeditiously conclude the free trade agreement and investment pact being negotiated at the Ministerial dialogue in New Delhi on Monday.

Minister for Commerce and Industry Suresh Prabhu and the Canadian Minister for International Trade François-Philippe Champagne directed the chief negotiators of the free trade pact to discuss and explore ways for early conclusion of the agreement, according to an official release.

India highlighted the importance of services component under the proposed free trade pact formally known as the Comprehensive Economic Partnership Agreement (CEPA). "The Canadian side assured that they would look into the issues concerned, including movement of natural persons or workers and the kind of provisions could be built into the CEPA," the release said.

Both sides also noted the exchange of wish lists on the services front and the Indian side reiterated that the architecture for services under CEPA is a vital focus area and response from Canada on positive elements has to

be mutually beneficial. The Canadian side assured that it would look into the issues concerned, including movement of natural persons and the kind of provisions that could be built into the CEPA.

Both Ministers also took note of the progress made under the Foreign Investment Promotion and Protection Agreement (FIPA) and expressed their hope for an early conclusion. While Canada is pressing for an earlier conclusion of the FIPA, India wants the CEPA to be also concluded simultaneously.

The two countries agreed to explore collaboration in the area of export credit insurance through India's Export Credit Guarantee Corporation Ltd and Export Development Canada.

Source: <http://www.thehindubusinessline.com/economy/india-canada-to-fasttrack-free-trade-pact-negotiations/article9957233.ece>

Factsheets on Antidumping Duty and Countervailing Duty Investigations of Imports

- ❖ On January 17, 2018, the Department of Commerce (Commerce) announced the affirmative preliminary determinations of the countervailing duty (CVD) investigations of imports of stainless steel flanges from China and India.

Source: <https://enforcement.trade.gov/download/factsheets/factsheet-multiple-stainless-steel-flanges-cvd-prelim-011718.pdf>

- ❖ On December 5, 2017, the Department of Commerce (Commerce) announced its affirmative final determinations in the countervailing duty (CVD) investigations of imports of cold-drawn mechanical tubing from the People's Republic of China (China) and India.

Source: <https://enforcement.trade.gov/download/factsheets/factsheet-multiple-cold-drawn-mechanical-tubing-cvd-final-120517.pdf>

- ❖ On September 19, 2017, the Department of Commerce (Commerce) announced its affirmative preliminary determinations in the countervailing duty (CVD) investigations of imports of cold-drawn mechanical tubing from the People's Republic of China (China) and India.

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

Source: <https://www.trade.gov/press/press-releases/>

Upcoming Exhibitions in North America

Table 7: List of Exhibitions

Events	Date	Venue	Link
ALUMINUM USA	Oct 2019	Nashville, US	http://www.aluminum-us.com/
Aircraft Interiors Expo Americas	25th-27th Sep 2018	Boston Convention & Exhibition Center, Boston, MA, United States	http://www.aircraftinteriorsexpo-us.com/
INTERPHEX	17th-19th April, 2018	Jacob K. Javits Convention Center, New York, United States	http://www.interphex.com/
IEX USA - Insulation Expo USA	12th- 13th Dec 2017	George R. Brown Convention Center	www.iexusa.com
LA Auto Show	1st- 10th December, 2017	LA Convention Center	https://laautoshow.com/
PAACE Automechanika Mexico	14th-16th March 2018	Mexico City	https://paace-automechanika-mexico.us
Fabtech Mexico	2nd-4th May 2018	Mexico City	www.fabtechmexico.com

Tender information in North America

Table 8: Tender related information

Title	Deadline	Country	Link
Repair Of Qty 6 Pump Unit,centrifug	22nd Dec 2017	United States	http://www.tendersinfo.com/details/429939073?desc=Cw18005-Automotive-Supplies
Complete Repair Of Transport Equipment Clutch ;quantity: 1,00	15th Dec 2017	Uruguay	http://www.tendersinfo.com/details/430393626
Acquisition Of Dual Equipment Specialized For Desazolve	18th Dec 2017	Mexico	http://www.tendersinfo.com/details/430393728
Replace Aircraft Wash Rack Oil Water Separator At U.s. Coast Guard Air Station Borinquen	20th Dec 2017	United states	http://www.tendersinfo.com/details/430394518
Utility Vehicle, 24hp Diesel, Cab	21st Nov 2017	Canada	http://www.tendersinfo.com/details/430395199

For more information, please subscribe to EEPIC India's services on International/Global Tender Notifications, upcoming projects and many more. The service keeps you abreast with latest information on tender notices, pre-qualifications, regular corrigendum and procurement notices from government and private organizations all over the world. Through this service, EEPIC INDIA provides you numerous business opportunities at very competitive charges.

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