

September 2017

### Chairman's Pen



Canada and India recently discussed ways to expeditiously conclude the free trade agreement and investment pact being negotiated at the Ministerial dialogue 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 focuses briefly on the recent announcement the revocation of economic sanctions on Sudan, following the temporary lifting of sanctions on January 17, 2017. As of now, U.S. persons may engage in all transactions previously prohibited by the SSR and related executive orders without the need for a general or specific license. However, individuals and entities engaging in dealings in Sudan or in the region should still exercise some caution. The U.S. decision to lift economic sanctions on Sudan constituted a turning point in Sudan's foreign relations, marking its return to the world trade and financial system. 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 "Return of Sudan in world trade after US lifts sanctions" 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

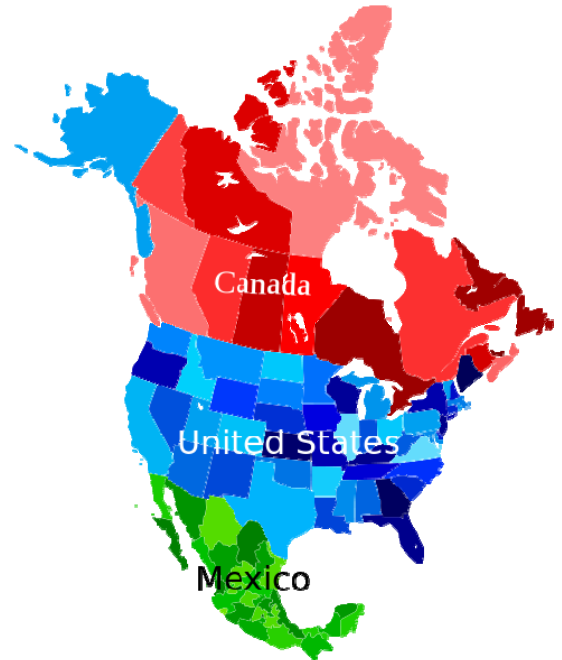
**Population:** 579 million (2016)

**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.



## USA revokes sanctions against Sudan

### Story:

During the last six months of 2016, the US Government engaged with the Government of Sudan in an effort to end government's military operations, to improve humanitarian access in Sudan, to end the threat of the Lords' Resistance Army and to counter terrorist groups. Because Sudan met benchmarks set by the US in all five areas, and made further commitments, on January 13, 2017.

### Details:

During the beginning of 2017, President Obama issued Executive Order giving Sudan relief from US Sanctions for six months and which envisioned a permanent revocation of the US Sanctions against Sudan on July 2017. The relief was extended for six months until October 2017.

On October 6<sup>th</sup>, 2017 The US State Department announced that effective October 12<sup>th</sup> 2017, the US Sanctions against Sudan imposed under Executive order 13067<sup>1</sup> and 13412 will be revoked. Additionally, OFAC expects to remove the Sudanese Sanctions Regulations (the “SSR”) from the Code of Federal Regulations.

As a result:

- All property and interests in property blocked pursuant to the SSR is now unblocked
- All trade between the United States and Sudan that was prohibited by the SSR is now authorized
- U.S. persons are authorized to facilitate transactions between Sudan and third countries.

### **Certain Other Restrictions on Activity Related to Sudan Remain**

Exports and re-exports to Sudan from the United States or containing U.S.-origin content may still be controlled under the Export Administration Regulations, and a license from the U.S. Department of Commerce, Bureau of Industry and Security (“BIS”) is still required for certain items, including most controlled goods, software, and technology. Furthermore, transactions by U.S. persons involving any person appearing on OFAC’s Specially Designated Nationals and Blocked Persons List (“SDN List”) are prohibited and targeted sanctions against certain individuals and entities, including those related to Darfur and South Sudan, remain in place.

### **General License A**

OFAC issued General License A, effective October 12, 2017, to allow for certain transactions under Section 906 of the Trade Sanctions Reform and Export Enhancement Act of 2000 (“TSRA”), which imposes certain restrictions on the export of U.S.-origin agricultural commodities, medicine, and medical devices to Sudan or the Government of Sudan because it is designated as a state sponsor of terrorism. Because these provisions of the TSRA remain in place and Sudan remains designated as a state sponsor of terrorism, OFAC has issued General License A to authorize all exports and re-exports of agricultural commodities, medicine, and medical devices provided that the exports and re-exports are shipped within a 12- month period from the date of signing the contract.

### **Conclusion**

U.S. companies may now engage in most activity with Sudan and the Government of Sudan with significantly fewer prohibitions. However, several restrictions remain in place due to targeted sanctions programs and general export controls. Companies should therefore ensure that proper compliance policies and procedures are in effect for activity involving Sudan and be aware of any export control restrictions that may require a license from BIS to export or re-export U.S.-origin items to Sudan. Companies should also continue to implement risk-based screening to avoid any prohibited activity with designated persons

**India’s latest trend in engineering exports to North America**

<sup>1</sup> Sections 1 and 2 of Executive Order 13067 blocked all property of the Government of Sudan in the US and banned the importation of any goods or services from Sudan to US as well as exportation of any goods and services from US to Sudan.

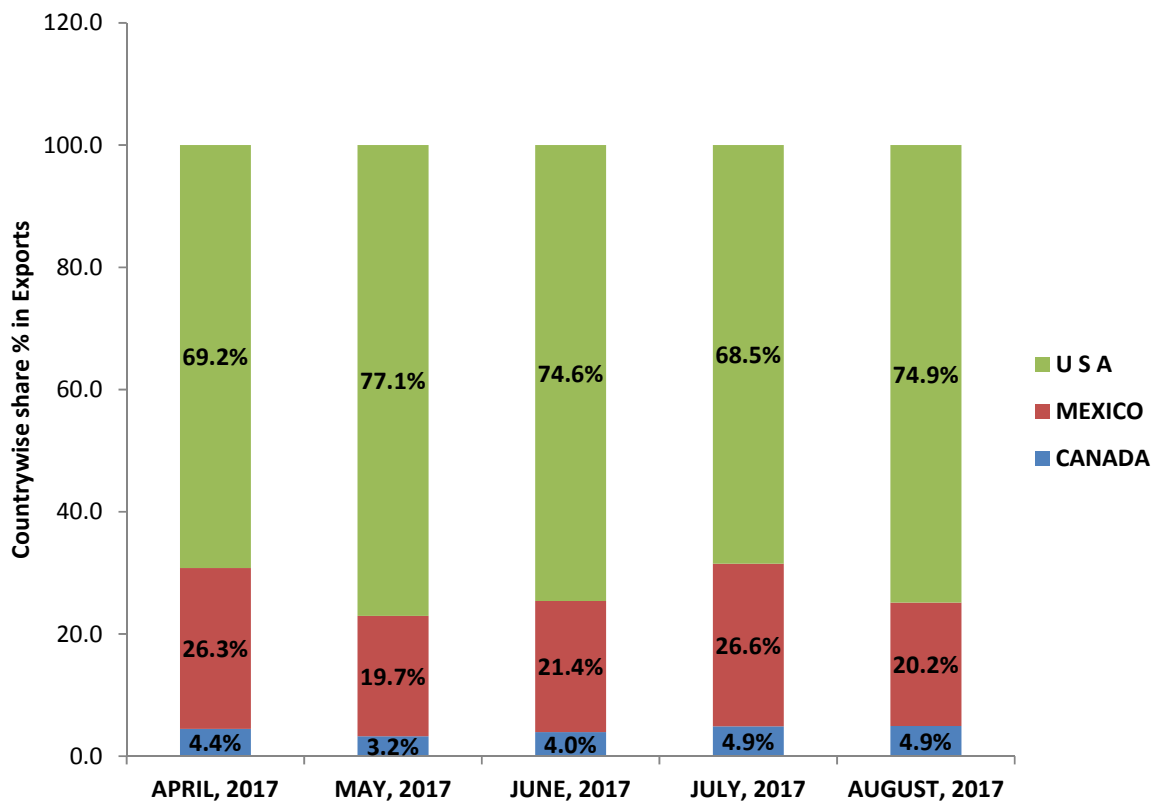
India engineering export with North America – country wise during April-August of the fiscal of 2017-18 is depicted in the table below. Nations which had the highest demand for Indian engineering products during April-August of the current fiscal 2017-18 in absolute values include:

**Table2: Engineering Exports to North America**  
Value in USD million

North America	April-August 2016-17 (USD million)	April-August 2017-18 (USD million)	Growth (%)
USA	2702.4	3745.0	38.6
Mexico	965.9	1160.3	20.1
Canada	182.2	218.0	19.7
<b>Total</b>	<b>3850.5</b>	<b>5123.2</b>	<b>33.1</b>

Source: DGCI&S

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



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

US\$ Million

DGCI&S Engineering Panels	India's export in April-August 2016-17	India's export in April-August 2017-18	Growth (%)
Products of Iron and Steel	521.1	780.0	49.7
Motor Vehicle/cars	606.6	764.0	26.0
Auto Components/Part	406.7	513.5	26.3
Electric Machinery and Equipment	309.2	432.2	39.8
Industrial Machinery	273.8	313.8	14.6
OTHER MISC. ITEMS	249.9	281.1	12.5
Aluminium and products	192.8	276.2	43.2
Iron and Steel	187.3	250.7	33.9
Aircrafts & Spacecrafts	273.1	248.5	-9.0
IC Engines and Parts	164.1	235.3	43.4
Ships Boats and Floating Bodies	0.2	216.7	108841.1
Machinery for ATMs	118.3	146.6	24.0
Medical and Scientific Instruments	100.9	100.6	-0.3
Pumps of all types	43.4	97.1	123.6
Copper and products	63.2	69.4	9.8

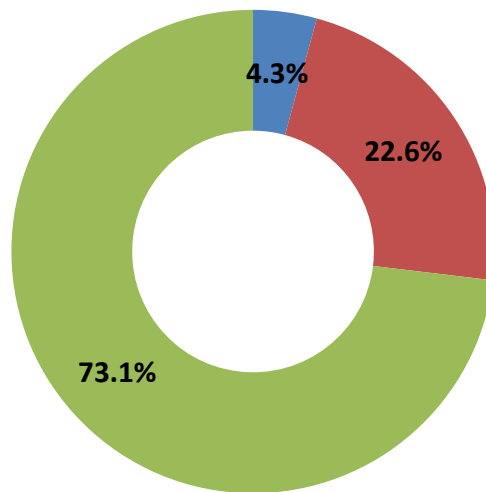
Source: DGCI&amp;S

After EU, Indian engineering exports to North America ranked 2<sup>nd</sup> during April-August of the current fiscal 2017-18. USA remained at the top for Indian engineering exports with imports of over US\$ 3.7 billion. The main engineering products exported to the country include Products of Iron and Steel, Electrical Machinery and Equipment, Auto Components/Parts, Other Industrial Machinery, Other Misc Items, Aircraft and Spacecraft , etc during April-August 2017-18.

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

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

## APRIL,2017 - AUGUST,2017



■ CANADA ■ MEXICO ■ U S A

Source: DGCI&S

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

#### 1. USA

Indian engineering exports to USA, continues to be the highest during April-August 2017-18. At present, it accounts for over 73% 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, Other Industrial Machinery, Other Misc Items, Aircraft and Spacecraft, etc.

#### 2. Mexico

Mexico ranked 3rd largest export destination for engineering products during the current fiscal April-August 2017-18. At present, it accounts 22.69% of India's total engineering export to North America (and 4 per cent of India's global engineering exports) during April-August 2017-18.

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

#### 3. Canada

Canada accounts for 4.3% of India's total engineering exports to North America (and 0.7% of India's global engineering exports) during April-August 2017-18.

*Top products traded in Canada:* Products of iron and steel, Auto components/parts, Other misc. items, Aluminium and products, Iron and steel, Electrical machinery and equipment, Machinery for ATMs, other industrial machinery, etc.

News in Focus

NEWSLETTER – North America

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#### ❖ 4th Annual India-Canada Ministerial Dialogue on Trade and Investment Held in New Delhi

The 4th India-Canada Ministerial Dialogue on Trade and Investment was held in New Delhi today. The Indian Delegation was led by the Minister for Commerce and Industry, Shri Suresh Prabhu while the Canadian side was headed by the Minister for International Trade, Mr. François-Philippe Champagne. The talks were held in a friendly and encouraging atmosphere covering a host of trade and investment issues. Both sides recognized that the current bilateral trade is much below the potential between the two world's robust economies, despite the huge untapped potential for two-way trade and investment.

Both sides noted the progress made during the 10th Round of the India-Canada Comprehensive Economic Partnership Agreement (CEPA) held in August, 2017 and expressed their strong commitment for taking forward negotiations for early conclusion. India also highlighted the importance of Services Component under CEPA. 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 they would look into the issues concerned, including movement of natural persons and what kind of provisions could be built into the CEPA. The Ministers directed the Chief Negotiators to discuss and explore ways for early conclusion of the Agreement. Both sides also took note of the progress made under the Foreign Investment Promotion and Protection Agreement (FIPA) and expressed their hope for an early conclusion.

Source: <http://pib.nic.in/newsite/PrintRelease.aspx?relid=173453>

#### ❖ Historic trade mission to India unleashes new partnership between Indian and Canadian businesses

India is one of the world's fastest-growing economies and a vibrant market for Canadians seeking to grow their businesses into the Asia-Pacific region and create well-paying jobs at home. Canada is committed to diversifying trade markets to ensure future growth and prosperity for Canadians and Canadian businesses, including small and medium-sized enterprises (SMEs).

The Honourable François-Philippe Champagne, Minister of International Trade, the Honourable Navdeep Bains, Minister of Innovation, Science and Economic Development, and the Honourable Marc Garneau, Minister of Transport, today concluded a successful trade mission to India aimed at showcasing the Canadian talent and technologies shaping tomorrow's economy. Some 120 representatives from more than 85 Canadian companies participated in the trade mission.

More than 300 meetings in total were facilitated over the week to enhance Canada-India commercial relations. These included 200 business-to-business meetings surrounding India's 23rd Technology Summit, held in New Delhi, as well as numerous high-level interactions with Indian ministers and chief ministers in five cities.

The ministers opened doors for Canadian businesses of all sizes seeking to partner with Indian companies and helped to support growth opportunities in a variety of fields, including advanced manufacturing, transportation, health, technology and the digital economy. The ministers highlighted the government's commitment to diversity and the untapped potential of Canada's people-to-people ties by engaging with Canadian and Indian female business leaders and small-business owners.

Canada and India have much in common and continue to have well-established partnerships in many areas. Strengthening relations between Canada and India helps foreign investors partner with innovative Canadian firms and contributes to the growth of the middle class through new jobs and business opportunities.

Source: [https://www.canada.ca/en/global-](https://www.canada.ca/en/global-affairs/news/2017/11/historic-trade-mission-to-india-unleashes-new-partnerships-between-india.html)

[affairs/news/2017/11/historic-trade-mission-to-india-unleashes-new-partnerships-between-india.html](https://www.canada.ca/en/global-affairs/news/2017/11/historic-trade-mission-to-india-unleashes-new-partnerships-between-india.html)

❖ **India clearly marks its red lines for next WTO meet**

India has clearly marked its red lines for next month's ministerial meeting of the World Trade Organization (WTO), arguing that it is not ready for talks to set up a global regime for new issues such as e-commerce, until its concerns related to public stockholding and fixing earlier disparities in the global trading system are addressed.

"We have certain long-term issues which are developmental issues. The Doha Development Round was an important beginning but somehow lost its way. We are not expecting Buenos Aires (ministerial meeting) to be another reinventing of the Doha developmental issues. We don't want any new issues to be brought in because there is a tendency of some countries to keep discussing new things instead of discussing what's already on the plate. We want to keep it focused," commerce and industry minister Suresh Prabhu told TOI in an exclusive interview.

India has repeatedly resisted the inclusion of issues such as e-commerce to investment facilitation. Those demanding a global regime for e-commerce include the US, the EU, Japan, Canada and Australia as it will help companies such as Amazon enter markets like China, India and Brazil easily. Currently India, for instance, does not allow business-to-consumer (B2C) e-commerce, prompting companies such as Amazon to operate "marketplaces" with restrictions on how much a vendor can sell.

The government believes that several basic issues such as the definition are yet to be addressed. There are others such as labour and gender which are "non-trade issues" and do not belong to WTO, India has maintained.

Source: <https://economictimes.indiatimes.com/news/economy/foreign-trade/india-clearly-marks-its-red-lines-for-next-wto-meet/articleshow/61720738.cms>

**CVD/AD matters: Recent petitions filed with USITC**

**Table 4: CVD/AD Petitions**

Docket No.	Received	Type	Commodity
3270	10/26/17	337 Complaint	Road Construction Machines
3264	10/5/17	337 Complaint	Forged Steel Fittings
3262	9/28/17	337 Complaint	Wafer-Level Packaging Semiconductor Devices
3248	9/15/17	337 Complaint	Thermoplastic-Encapsulated Electric Motors, Components Thereof, and Products and Vehicles
3244	8/16/17	701 & 731 Petition	Stainless Steel Flanges
3240	8/14/17	701 & 731 Petition	Finished Carbon Steel Flanges
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

Source: [http://www.usitc.gov/petitions\\_and\\_complaints](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/EXTTRADERESEARCH/0,contentMDK:22561572~pagePK:64168182~piPK:64168060~theSitePK:544849,00.html>

## Factsheets on Antidumping Duty and Countervailing Duty Investigations of Imports

- ❖ 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>
- ❖ On September 6, 2017, the Department of Commerce (Commerce) announced the initiation of antidumping duty (AD) and countervailing duty (CVD) investigations of imports of stainless steel flanges from China and India.  
Source: <http://enforcement.trade.gov/download/factsheets/factsheet-stainless-steel-flanges-ad-cvd-initiations-090617.pdf>
- ❖ 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>

## Upcoming Exhibitions in North America

**Table 7: List of Exhibitions**

Events	Date	Venue	Link
ALUMINUM USA	Oct 2019	Nashville, US	<a href="http://www.aluminum-us.com/">http://www.aluminum-us.com/</a>
Aircraft Interiors Expo Americas	25th-27th Sep 2018	Boston Convention & Exhibition Center, Boston, MA, United States	<a href="http://www.aircraftinteriorsexpo-us.com/">http://www.aircraftinteriorsexpo-us.com/</a>
INTERPHEX	17 <sup>th</sup> -19 <sup>th</sup> April, 2018	Jacob K. Javits Convention Center, New York, United States	<a href="http://www.interphex.com/">http://www.interphex.com/</a>
IEX USA - Insulation Expo USA	12 <sup>th</sup> - 13 <sup>th</sup> Dec 2017	George R. Brown Convention Center	<a href="http://www.iexusa.com">www.iexusa.com</a>

<b>LA Auto Show</b>	1 <sup>st</sup> - 10 <sup>th</sup> December, 2017	LA Convention Center	<a href="https://laautoshow.com/">https://laautoshow.com/</a>
<b>PAACE Automechanika Mexico</b>	14 <sup>th</sup> -16 <sup>th</sup> March 2018	Mexico City	<a href="https://paace-automechanika-mexico.us">https://paace-automechanika-mexico.us</a>
<b>Fabtech Mexico</b>	2 <sup>nd</sup> -4 <sup>th</sup> May 2018	Mexico City	<a href="http://www.fabtechmexico.com">www.fabtechmexico.com</a>

### Tender information in North America

**Table 8: Tender related information**

Title	Deadline	Country	Link
Cw18005 Automotive Supplies	20 <sup>th</sup> Dec 2017	United States	<a href="http://www.tendersinfo.com/details/429939073?desc=Cw18005-Automotive-Supplies">http://www.tendersinfo.com/details/429939073?desc=Cw18005-Automotive-Supplies</a>
Purchase And Service Of A New Wheel Loader & Sale Of Used Wheel Loader	12 <sup>th</sup> Dec 2017	United States	<a href="http://www.tendersinfo.com/details/429939045?desc=Purchase-And-Service-Of-A-New-Wheel-Loader--Sale-Of--Used-Wheel-Loader">http://www.tendersinfo.com/details/429939045?desc=Purchase-And-Service-Of-A-New-Wheel-Loader--Sale-Of--Used-Wheel-Loader</a>
Emergency Vehicle Parts	8 <sup>th</sup> Dec 2017	United States	<a href="http://www.tendersinfo.com/details/429938994?desc=Emergency-Vehicle-Parts">http://www.tendersinfo.com/details/429938994?desc=Emergency-Vehicle-Parts</a>
Repair Of Lrv 319	19 <sup>th</sup> Dec 2017	United states	<a href="http://www.tendersinfo.com/details/429938817?desc=Repair-Of-Lrv-319">http://www.tendersinfo.com/details/429938817?desc=Repair-Of-Lrv-319</a>
Construction Castings	27 <sup>th</sup> Nov 2017	United States	<a href="http://www.tendersinfo.com/details/429938713">http://www.tendersinfo.com/details/429938713</a>

For more information, please subscribe to EEPC 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, EEPC INDIA provides you numerous business opportunities at very competitive charges.

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