

# Territorial NEWSLETTER South Asia

**EPCINDIA**  
ENGINEERING THE FUTURE

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## Chairman's Pen

**Ravi Sehgal**

Ease of Doing Business has been a major concern in the region and as per the recent report none of the top 50 economies in the Doing Business Report, 2019 belong to the South Asia region. However, last year marked one of the best years in the region in terms of implementation of key reforms in several areas. With the continuous improvement in several reform areas covered by the World Bank Doing Business Indicator survey, India has taken a significant leap in terms of Doing Business ranking and has also catapulted the position of South Asia in this aspect. India has shown marked improvement, leveling up to 77 in Doing Business 2019 as compared to 100 in Doing Business 2018. This has been the second consecutive year of improvement for the country given that last year India improved its ranking by 30 places, a remarkable feat for the country. With this background this edition of the South Asia newsletter focuses on the Doing Business Report 2019 and how South Asia as a region has performed last year.

I sincerely believe that this edition will be insightful for our members and they will enjoy reading it.

## SAARC Territorial Committee Chairman's Note



**Akash Shah**

This edition of the South Asia newsletter focuses on the Doing Business Report 2019 in the South Asia. South Asia as a region has had a significant performance in recent years in terms of improving their Doing Business scenario. The report points out areas where the region has performed well and has also marked the problem areas.

Like our previous issues, an analysis of Indian engineering exports for May 2019 is also presented in this newsletter from both country-wise and DGCI&S panel-wise perspectives. Other sections include trade news on South Asia, upcoming events in South Asian regions and tenders.

I believe our member exporters will find this newsletter helpful in making business decisions.

## Cover Story

*Excerpts from the World Bank Doing Business Report, 2019 : How the region performed*

## What's in News

- *BIMSTEC replacing SAARC – India's neighbourhood policy*
- *US-China Trade war: Will it benefit India*
- *Common standards in the region for easing trade*

## Tenders

*Latest News from Tenders*

## Upcoming Events

Territorial  
NEWSLETTER – South Asia

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## Basic Facts South Asia

### Grouping: South Asia Association for Regional Cooperation

**Area:** 5,099,611 km<sup>2</sup>

**Population:**  
1,713,870,000

**GDP:** US\$ 3.292 trillion

**Countries:** Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka

**Climate:** The climate of South Asia can be divided into three basic kinds: tropical, dry, and temperate

**Natural Resources:** Rich agricultural land, minerals, energy resource



## Excerpts from South Asia doing Business Report 2019, World Bank

As per the World Bank Doing Business Report, 2019 South Asia region made maximum improvement in terms of Ease of Doing Business score with highest average number of reforms per reforming economy. In total 19 reforms were implemented by five of the eight economies in the region making last year second best year for doing business in the region in the last 16 years of Doing Business Survey (Doing Business 2018 recorded 21 reforms). India and Afghanistan featured among the top 10 economies showing most notable improvements in performance on the Doing Business indicators with significant regulatory reforms in the areas of starting a business and getting credit.

The areas in which the region performed best included *Protecting Minority Investors* (average rank of 64) and *Starting Business* (101). While the global average of *Starting Business* is 20 days, in South Asia it has been lowered to 14 days. In terms of *Protecting Minority Investor*, India ranked among the top 10 nations globally. The major areas where the region underperformed included *Registering Property* (average rank of 144),

*Enforcing Contract* (average rank of 145) and *Paying Taxes* (average rank of 132). Registering property in the region may take 114 days while the global average is 47 days.

Country-wise, India remained the topmost improver in the region for the second consecutive year with six reforms closely followed by Afganistan which brought in five reforms. Afganistan also recorded maximum improvement globally. Also, India, Bhutan, Sri Lanka and Afganistan substantially streamlined the process of paying taxes. Few other areas where South Asian economies recorded major improvements are given below

**Afganistan:** The country strengthened minority investor protection by encouraging greater disclosure of transactions between interested parties easing shareholder suits by extending access to documents and evidence during trial. It also increased shareholders’ rights and role in major corporate decisions, clarifying ownership and control structures and requiring greater corporate transparency.

**India:** Implemented various initiatives such as electronic sealing of containers, upgrading of port infrastructure and electronic submission of several important documents which have substantially reduced the time and cost of trade.

**Pakistan:** Implemented online one stop registration system by replacing documentation issues with a single online application and also established information exchange between registry and tax authority. This has made *Starting Business* easier in the country.

**Sri Lanka:** made dealing with construction permits more streamlined and less time consuming by launching a single window counter and improving the efficiency of obtaining certificates required to undertake a construction project.

The below table gives average and reform wise ranking of all the South Asian economies as per Doing Business 2019 Report.

**Table: Country-wise Ranks in Doing Business Reforms 2019, South Asia**

	Region average	Afganistan	Bangladesh	Bhutan	India	Maldives	Nepal	Pakistan	Sri Lanka
Average Doing Business Rank	123	167	176	81	77	139	110	136	100
Starting business <sup>a</sup>	101	49	138	91	137	71	107	130	83
Construction permits	113	184	138	88	52	62	148	166	65
Getting electricity	122	168	179	73	24	145	137	167	84
Registering Property	144	186	183	54	166	175	88	161	140
Getting credit	105	99	161	85	22	134	99	112	124

Protecting minority investors	64	26	89	125	7	132	72	26	38
Paying taxes	132	177	151	15	121	117	158	173	141
Trading across border	117	177	176	28	80	155	82	142	93
Enforcing contracts	145	181	189	28	163	125	154	156	164
Resolving insolvency	109	74	153	168	108	139	83	53	92

Source:

<https://www.doingbusiness.org/content/dam/doingBusiness/media/Profiles/Regional/DB2019/SA.pdf>

## Trend of India's Engineering Export with the South Asian Nations

### India's engineering exports to Top 5 South Asian countries during May 2019 (All values in USD million)

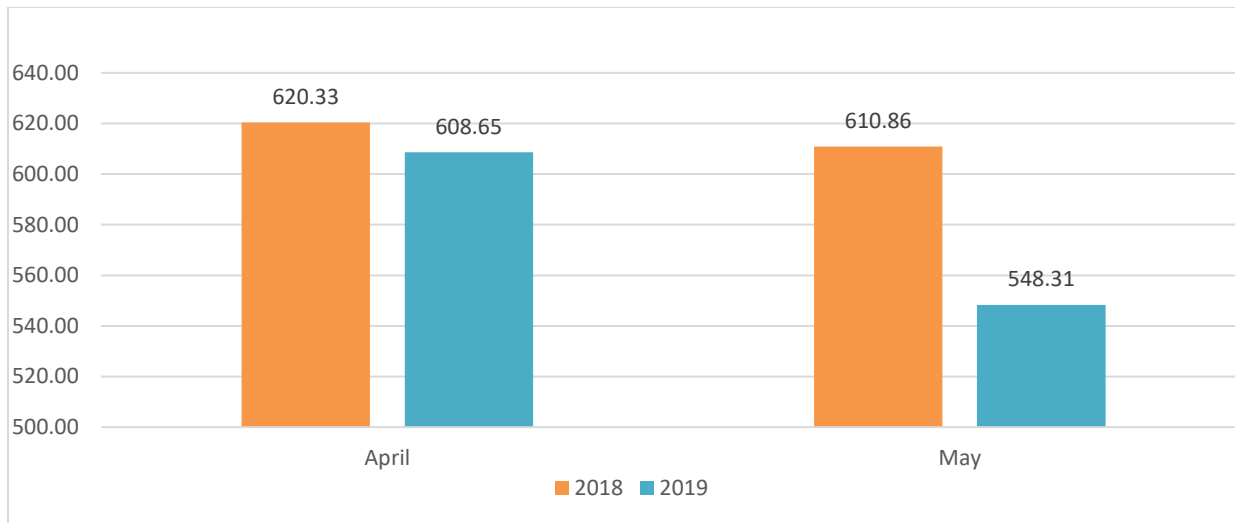
Row Labels	Export in May 2018-19	Export in May 2019-20	Growth (%)	Export in Apr- May 2018-19	Export in Apr- May 2019-20	Growth (%)
NEPAL	269.30	222.99	-17.2%	518.41	449.26	-13.3%
BANGLADESH	198.51	206.11	3.8%	437.34	442.78	1.2%
SRI LANKA	93.87	74.55	-20.6%	173.16	154.99	-10.5%
BHUTAN	22.81	18.71	-18.0%	47.83	43.56	-8.9%
PAKISTAN	13.86	18.27	31.8%	29.43	39.80	35.2%
AFGHANISTAN	5.57	4.73	-14.9%	12.16	21.82	79.4%
MALDIVES	4.72	2.95	-37.6%	10.65	6.94	-34.8%
SOUTH ASIA	608.65	548.31	-9.9%	1228.98	1159.16	-5.7%

Source: DGCIIS

During May 2019, engineering exports to South Asia declined by 9.9% over May 2018. Increase in exports was witnessed in case of only Pakistan (31.8%) and Bangladesh (3.8%). While Nepal remained in the topmost position in terms of volume of exports, there was a decline of 17.2% between May 2018 and May 2019. Other notable countries which experienced significant decline included Sri Lanka (-20.6%) and Bhutan (-37.6%).

In cumulative terms too between April-May 2018-19 and April-May 2019-20, India's overall exports to South Asia declined by 5.7%. In cumulative terms too, Nepal remained the topmost export destination in the region in terms of volume. However, there was a decline in exports by 13.3% between April-May 2018-19 and April-May 2019-20. Increase in exports were witnessed in case of Bangladesh, Pakistan and Afghanistan while exports to Sri Lanka and Bhutan experienced decline.

### Month-wise Trend in Total Engineering Export to South Asia April-May (2019-20) Vis-à-vis April-May (2018-2019) (Value in USD Million)



Source: DGCIS Data, EEPC Research

### Panel-wise trend in engineering exports to South Asia during April-May 2018-19 vis-à-vis April-May 2019-20

Top 10 engineering panels exported to South Asia during May 2019 are listed below (Value of Exports measured in USD Million)

Panel	Export in March 2017-18	Export in March 2018-19	Growth (%)	Export in Apr-March 2017-18	Export in Apr-March 2018-19	Growth (%)
Iron and Steel	149.94	147.90	-1.4%	159.42	124.56	-21.9%
Motor Vehicle/cars	69.49	80.80	16.3%	52.57	61.19	16.4%
Industrial Machinery	75.97	62.98	-17.1%	68.83	57.62	-16.3%
Two and Three Wheelers	51.80	49.00	-5.4%	34.48	47.03	36.4%
Auto Components/Part	37.31	41.85	12.2%	33.55	35.81	6.7%
Products of Iron and steel	34.08	39.65	16.4%	35.36	33.52	-5.2%
Electric Machinery and equipment	29.73	26.98	-9.2%	50.25	26.10	-48.0%
Aluminium and products	13.03	17.71	35.9%	30.08	24.85	-17.4%
Ships Boats and Floating structure	25.93	12.62	-51.3%	9.88	19.02	92.5%
Other Construction Machinery	38.24	36.46	-4.7%	21.91	15.65	-28.6%

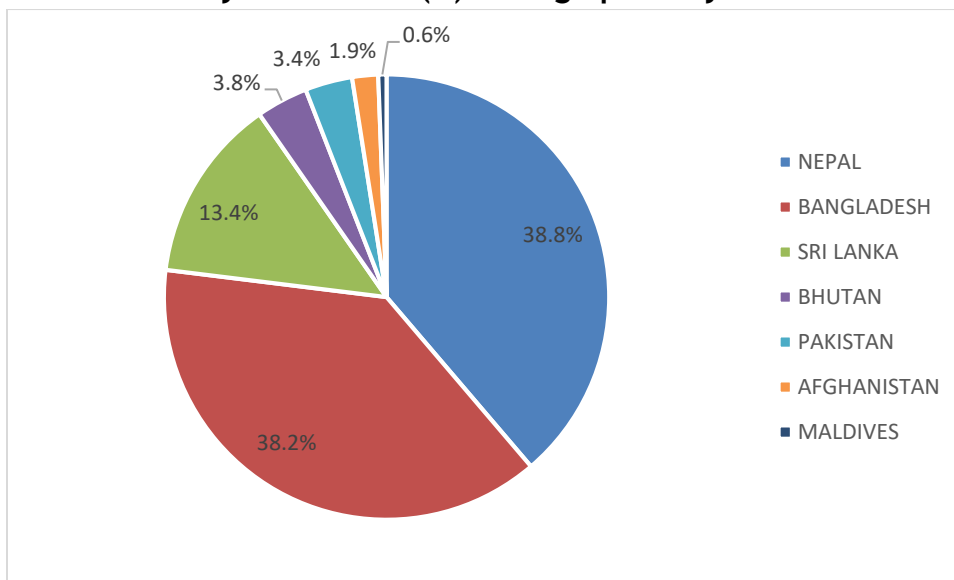
Source: DGCIS

Product group-wise analysis of Indian engineering exports to South Asia showed that 'Iron and Steel' remained the highest exported engineering product group to South Asia in May 2019, however, the exports declined between May 2018 and May 2019 by 1.4%. Among the top 10 panels, maximum y-o-y increase was evident in Aluminium and its products (35.9%) followed by Products of iron and steel (16.4%), Motor Vehicles and cars

(16.3%) and Auto components and parts (12.2%). Substantial decline was evident in Ships boats and floating structures (-51.3%), Industrial machinery (-17.1%), Electrical machinery and equipment (-9.2%).

In cumulative terms too, iron and steel remained the highest exported engineering product in April-May 2019-20 though there was a decline of 21.9% between April-May 2018-19 and April-May 2019-20. Substantial rise was witnessed in Ships, boats and floating structures, two and three wheelers and Motor vehicles and cars. Barring Iron and steel, Electrical machinery and equipment, Industrial machinery and Other construction machinery also experienced decline.

**Country-wise Share (%) during April-May 2019-20**



Source: DGCIS Data, EEPC Research

### Major Importers of India's engineering products to South Asia during April-May 2019-20

**Nepal:** Nepal was the largest destination for Indian engineering products among all South Asian nations during April 2019 with around 38.8% share.

Top exported Products: Iron and Steel, Motor Vehicle/cars, Other Construction Machinery, Industrial Machinery, Two and Three Wheelers.

**Bangladesh:** Second largest importer of Indian engineering products among all South Asian nations during April 2019 with over 38.2% share.

Top exported Products: Iron and steel, Motor Vehicle/Cars, Industrial Machinery, Two & three wheelers and Other construction machinery.

**Sri Lanka:** Sri Lanka was the third largest export destination for India's engineering exports in the South Asian region during April 2019 with a share of 13.4%.

Top exported Products: Two and Three Wheelers, Industrial Machinery, Motor Vehicle/cars, Ships Boats and Floating Structure and Products of Iron and Steel.

### Anti-dumping measures

- At present, no anti-dumping case on Engineering product being investigated by Nepal, Bangladesh or Sri Lanka, the top three importers of Indian engineering products in South Asian region, against India as per the WTO website.
- On the other hand the WTO website shows no anti-dumping case is being investigated by India at present on imports of engineering products from those three nations.

### Upcoming exhibitions in South Asian Countries

Events	Date	Venue	Link
<b>CON-EXPO BANGLADESH 2019</b>	Oct 17-19, 2019	International Convention City Bashundhara Kuril Bishwa Road Next to 300 ft. Purbachal Express Highway Dhaka	<a href="https://www.eventseye.com/fairs/f-con-expo-bangladesh-22485-1.html">https://www.eventseye.com/fairs/f-con-expo-bangladesh-22485-1.html</a>
<b>AGRO BANGLADESH 2019</b>	Nov. 21-23, 2019	International Convention City Bashundhara Kuril Bishwa Road Next to 300 ft. Purbachal Express Highway Dhaka	<a href="https://www.eventseye.com/fairs/f-agro-bangladesh-23499-1.html">https://www.eventseye.com/fairs/f-agro-bangladesh-23499-1.html</a>
<b>BICYCLE SHOW 2019</b>	Nov. 28-30, 2019	International Convention City Bashundhara Kuril Bishwa Road Next to 300 ft. Purbachal Express Highway Dhaka, Bangladesh	<a href="https://www.eventseye.com/fairs/f-bicycle-show-26037-1.html">https://www.eventseye.com/fairs/f-bicycle-show-26037-1.html</a>
<b>NEPAL MEDICAL SHOW 2019</b>	Dec. 13-15, 2019	Bhrikuti Mandap Exhibition Hall Exhibition Road Kathmandu 44600	<a href="https://www.eventseye.com/fairs/f-nepal-medical-show-21982-1.html">https://www.eventseye.com/fairs/f-nepal-medical-show-21982-1.html</a>
<b>NEPAL LAB 2019</b>	Dec. 13-15, 2019	Bhrikuti Mandap Exhibition Hall Exhibition Road Kathmandu 44600	<a href="https://www.eventseye.com/fairs/f-nepal-lab-21981-1.html">https://www.eventseye.com/fairs/f-nepal-lab-21981-1.html</a>
<b>LANKAPACK 2019</b>	Oct. 2019	BMICH (Bandaranaike Memorial International Conference Hall) Colombo 7 Bandaranayaka	<a href="https://www.eventseye.com/fairs/f-lankapack-16454-1.html">https://www.eventseye.com/fairs/f-lankapack-16454-1.html</a>

### Why PM Modi's BIMSTEC invite is not mere neighbourhood handshake

As the name suggests, the seven country bloc that includes Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand is key to India's plans to strengthen its economic and trade footprint in the neighbourhood

Source: <https://www.businesstoday.in/bt-buzz/bt-buzzwhy-pm-modi-bimstec-invite-is-not-mere-neighbourhood-handshake/story/352108.html>

### Common standards to ease biscuits, sugar & milk trade in South Asia

India and its neighbours have for the first time agreed on common standards for biscuits, refined sugar and milk products that will reduce the need for inspections at border points and give a major boost to movement of these goods in South Asia.

Source: <https://economictimes.indiatimes.com/news/economy/foreign-trade/common-standards-to-ease-biscuits-sugar-milk-trade-in-south-asia/articleshow/64626247.cms>

### US China trade war to benefit some Asian countries; India not one of them

Asia, at the broad level, will lose from the US-China trade war, but a few countries will emerge as relative winners. Asia, at the broad level, will lose from the US-China trade war, but a few countries will emerge as relative winners.

Source: [https://www.business-standard.com/article/international/us-china-trade-war-to-benefit-some-asian-countries-india-not-one-of-them-118112000411\\_1.html](https://www.business-standard.com/article/international/us-china-trade-war-to-benefit-some-asian-countries-india-not-one-of-them-118112000411_1.html)

### India's Experiment with Sub-Regional Initiatives - Analysis

As SAARC frequently ceased to be a regional platform to foster regional trade and connectivity being a victim to Indo-Pak standoff, India led efforts at launching sub-regional initiatives such as Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) in 1997 comprising members such as Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand, BCIM initiative in 1999 to establish an economic corridor between Bangladesh, China, India and Myanmar and BBIN initiative in 1997 between Bangladesh, Bhutan, India and Nepal with the objectives of forging cooperation on connectivity of power, transport and infrastructure.

Source: <https://www.eurasiareview.com/24062019-indias-experiment-with-sub-regional-initiatives-analysis/>



## Tender Information in South Asian Countries

Location	Title	Deadline	Link
INDIA	Turning tool holder of 06 types	05-Aug-2019	<a href="https://www.tendersinfo.com/details/445501966">https://www.tendersinfo.com/details/445501966</a>
INDIA	Supply Of Rkb 125/27k Pump Spares Estimated Cost: INR 2,353,570	12-Aug-2019	<a href="https://www.tendersinfo.com/details/445501556">https://www.tendersinfo.com/details/445501556</a>
INDIA	Procurement Of Cnc Milling Machine	04-Aug-2019	<a href="https://www.tendersinfo.com/details/445503672">https://www.tendersinfo.com/details/445503672</a>
BANGLADESH	Procurement Of seven Item Of Spare Parts For 30ton Capacity Tadano Brand Mobile Crane model gr600ex	01-Aug-2019	<a href="https://www.tendersinfo.com/details/445491841">https://www.tendersinfo.com/details/445491841</a>
BANGLADESH	Procurement Of six Item Of Spare Parts For 10ton Capacity Of Sennebogen Brand Mobile Crane model 613m.	01-Aug-2019	<a href="https://www.tendersinfo.com/details/445491840">https://www.tendersinfo.com/details/445491840</a>
BANGLADESH	Procurement Of two Item Of Spare Parts For 10/20 Ton Capacity Liebherr/manitowoc Brand Mobile Crane model A-934/rt-540e	01-Aug-2019	<a href="https://www.tendersinfo.com/details/445491839">https://www.tendersinfo.com/details/445491839</a>

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

### EEPC India South Asia Territorial Newsletter

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