

Time Ripe for Taking India-Russia Trade to New High



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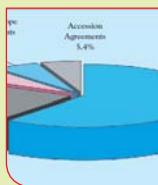
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The news items and information published herein have been collected from various sources, which are considered to be reliable. Readers are however requested to verify the facts before making business decisions using the same.

Dear Reader,

Greetings. Nearly two decades back, relations between India and Russia, then past of the Soviet Union, were defined by political considerations. In 1991, India initiated its economic reforms and in the same year, the Soviet Union collapsed, paving the way for formation of the Commonwealth of Independent States (CIS), of which Russia is the most prominent and dominant member. Since then, the two countries have moved briskly towards globalization through free market economic reforms. Today, economic relations between India and Russia are defined in terms of economic realities. The governments of both countries have assumed the role of facilitators, with their respective business communities doing their best to promote bilateral trade. Against this back drop, the recent visit of Indian Prime Minister Manmohan Singh to Moscow for the annual economic summit between the two countries and his interaction with Russian President Vladimir Putin assume significance. The cover story of the current issue of Indo-CIS Business takes a look at the redefined economic equation between the two countries in which the business communities of both countries have a bigger say. The European Bank for Reconstruction and Development (EBRD), formed to support the economies of countries in transition in Eastern Europe has projected faster economic growth for the CIS, especially the oil-rich countries of that region, in 2008. We carry the EBRD Transition Report 2007 in our Focus section. Export-Import Bank of India (Exim Bank) is one of the country's premier financial institutions committed to promote foreign trade, with focus on exports of projects and services. It has made two studies, one on biotechnology and the other on outsourcing. In both the studies, Exim Bank has highlighted India's advantages, competitive edge, challenges and strategies. We carry both the reports. The issue also highlights an International Festival of Films on Tribal Art and culture (IFFTAC), to be held shortly at Indore in Madhya Pradesh. The festival, organized by Vanya, the state's Department of Tribal Welfare is expected to be a great success. We carry an interview with O.P. Rawat, Principal Secretary, Department of Tribal Welfare, in which he talks about IFFTAC and related issues. We take this opportunity to wish the readers a happy and prosperous New Year.

Wish you happy reading



Satya Swaroop

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India, Russia identify Infrastructure, Energy, Pharma & High-tech as Key Tie-up areas

Time Ripe for Taking Two-way Trade to New High

India and Russia have agreed to set up a joint Task Force to implement the recommendations of a high-powered study group to step up the two-way trade between the two countries to \$10 billion by 2010 from the present level of \$4 billion. This was disclosed by Prime Minister Manmohan Singh at a meeting of businessmen from India and Russia at the end of his recent visit to Moscow, where he signed some key treaties with President Vladimir Putin. Prime Minister Singh identified infrastructure, power and energy, including hydrocarbons, high technology, diamonds, pharmaceuticals and textiles as some of the key areas in which the business communities of both countries can collaborate. Prime Minister Singh estimated India's investment requirements in infrastructure at \$400 billion over the next five years. He said Russia's trade with China is US\$ 35 billion and with the European Union it is more than 200 billion Euros, and asked, why should it languish

at the level of US\$ 4 billion with India? Following are excerpts from Prime Minister Singh's address.

"It gives me immense pleasure to meet you all in Moscow. I attach great importance to interaction with entrepreneurs and businessmen of Russia and India. You represent the business and industry of two of the most rapidly growing emerging economies of the world.

In the post-1991 period, the content and format of the economic relations between India and Russia have been redefined. The rapid growth of our markets and economic reforms have created trillion dollar economies in both our countries.

The Indian economy is today witnessing an annual GDP growth rate of about 9.0%. Never before has such a growth rate been sustained year after year. Our target is to attain a growth rate of 10% in the 11th Plan period.

Strong Fundamentals

We have strong macroeconomic fundamentals. Our growth process is largely based on growing domestic consumption. Our foreign exchange reserves have crossed US\$ 250 billion. We expect to receive Foreign Direct Investment of about US\$ 30 billion this year. Our savings and investment rates are close to 35% of our GDP.

We have a highly favourable demographic profile and a robust educational system. We have plans to establish 6000 model schools in the country, open 30 new Central Universities, 370 new colleges, and undertake a huge expansion of Institutes of Technology, Management and Science. I have announced a major expansion in our vocational educational and skill development programme.



Enormous Opportunities

Infrastructure development is today a high priority in India. Our infrastructure needs are estimated at over 450 billion dollars over the next five years. Mechanisms have been institutionalized to sustain high levels of investment through public-private partnerships, systematic bidding systems and innovative financing mechanisms.

There are thus enormous opportunities that are opening up in India and government is playing the role of a facilitator. But there is only so much governments can do. There is no substitute for a vigorous two-way engagement between the business communities of India and Russia. I regard today's meeting as a vital step in that direction.

Trade and investment relations between India and Russia

have lagged far behind our excellent political understanding and our joint commitment to strategic partnership. President Putin and I have therefore identified this aspect as having a high priority. We wish to see our economic engagement expand to become a major pillar of the Indo-Russian strategic partnership.

If Russia's trade with China is US\$ 35 billion and with the European Union it is more than 200 billion Euros, I see no reason why India-Russia trade should languish at the level of US\$ 4 billion.

Joint Study Group & Trade Target

During my last visit, we had decided to set up an Indo-Russian Joint Study Group to suggest ways to enhance our bilateral trade volume to US\$ 10 billion by 2010. I am happy to inform you that the Government of India has approved the report of the Joint Study Group. We have also decided to set up a Joint Task Force to implement the recommendations.

I would like to mention some of the more promising areas for future cooperation. India's energy requirements are going to increase manifold. India has the technological and financial capabilities to participate in both upstream and downstream areas in the hydrocarbon sector. Our refining capacity is projected to double by 2012 from the existing level of 120 million tonnes. There is an expanding market and organized distribution channels. I believe that there are bilateral synergies in this important sector waiting to be exploited.

Joint Investments in Banking

I would also mention the immense possibility for joint investments in the areas of banking, information technology, telecommunications, high-technology sectors, power, pharmaceuticals and textiles. Indian and Russian enterprises can collaborate in third country markets.

Russia is the second largest producer of rough diamonds in the world. India is the largest processor of rough diamonds, representing more than 80% of the world's mined production. Indian companies have strong presence in the international jewellery market and opportunities for collaboration need to be explored.

India will be hosting the second meeting of the Indo-Russian Forum on Trade and Investment in India in February next year. We look forward to receiving a strong



contingent of businessmen and entrepreneurs from Russia. Such meetings should become frequent and lead to tangible outcomes.

It is your enterprise and entrepreneurship that have created the growth story in our two countries. It is this same spirit that we look upon to give a big leap forward to our bilateral economic relations. I assure you that our two governments are fully committed to make this happen."

Summit Outcome

Earlier, Prime Minister Singh addressed a Joint Press Interaction with President Putin in Moscow at the end of his visit to Russia. Excerpts.

"This is the eighth annual summit between India and Russia and my fourth visit to Russia as Prime Minister. I am truly delighted to be back in your beautiful country. Let me thank you, Mr. President, for the warm reception and hospitality accorded to me and my delegation.

I am extremely satisfied with my discussions with President Putin. They were characterized by warmth, cordiality and unanimity on all issues of mutual interest. There has been substantial forward movement on many of the issues that we had discussed at our last Summit in January. We held wide-ranging discussions and identified areas for further cooperation between our two countries.

I also had a useful and productive exchange of views with Prime Minister Zubkov.

We discussed ways to substantially upgrade our economic ties, which should form the bedrock of our strategic partnership. We agreed that there are

enormous opportunities for collaboration.

We discussed the recommendations made by the Joint Study Group and the establishment of a Joint Task Force to implement them.

I am happy that we have been able to satisfactorily resolve the long pending issue of the utilization of the rupee debt fund. We also agreed to redouble our efforts to achieve a bilateral trade target of 10 billion US dollars by 2010.

I will be meeting the captains of Russian industry and a high-level Indian business delegation later in the evening. I will urge them to invest more in this relationship.

Chandrayan

High technology is an area of great promise. Our cooperation is symbolized by the agreement on Chandrayan II, which will include a joint mission to the Moon involving an orbiter, a lander and a rover to carry out scientific studies.

We continued our dialogue on energy. I thanked the President for Russia's steadfast support in supplementing our nuclear energy programme, and its assistance in lifting international restrictions on nuclear cooperation with India that are still in place.

Defence cooperation is one of the pillars of our strategic partnership. Our decision on the co-development and co-production of the Fifth Generation Fighter and the Multi-role Transport Aircraft are major steps forward.

We had a constructive discussion on regional and global issues. There is a mutuality and convergence in our interests. We highly value Russia's role in international

affairs and its global leadership on key issues.

Our two countries are preparing enthusiastically for the "Year of Russia in India" in 2008 and "Year of India in Russia" in 2009. We wish to showcase the new Russia in India and the new India in Russia. I have invited both the President Putin and the Prime Minister Zubkov to India.

Ours is a strategic partnership that has stood the test of time. Through our discussions today we have consolidated and strengthened our engagement in different areas. I am very satisfied with the results of my visit."

Annual Bilateral Summit

Earlier, on his departure for Russia, Prime Minister Singh made a statement, on the importance of his visit to that country.

"I am visiting Russia for the next annual bilateral Summit with



President Putin. Ever since President Putin's first visit to India in 2000, the practice of holding annual summits has led to the progressive consolidation of our relations and maintained the momentum of our very close high level contacts.

Pacts on Space & Aviation

India and Russia have agreed to collaborate in the key areas of space and aviation, including development and production of a multi-role aircraft. Following are the agreements signed during Prime Minister Singh's visit to Moscow.

- Agreement between the Indian Space Research Organization and the Federal Space Agency of the Russia in the Field of Joint Moon Exploration within the Framework of the Agreement between the two countries on Cooperation in the Field of Exploration and Use of Outer Space for Peaceful Purposes;
- Agreement between the two countries on Cooperation in Development and Production of Multi-Role Transport Aircraft;
- General Letters of Exchange (on utilization of Rupee debt funds for Russian investments in India);
- Agreement between the two countries on Cooperation to Combat Illicit Trafficking in Narcotics, Psychotropic Substances and their Precursors.



The India-Russia Strategic Partnership is an enduring bond of friendship, which has strong historical roots. Our relations with Russia have traditionally been a factor of peace and stability in the region and beyond. I am convinced that the strong fundamentals of mutual trust and a shared world view on regional and global issues would continue to bring our two countries closer together in a dynamic international environment.

Our multifaceted bilateral cooperation with Russia is based on long-term interests. The year 2007 is the 60th year of the establishment of India-Russia diplomatic relations. As we rejoice in our joint accomplishments during the six decades of unbroken friendship, we also stand committed to further deepen our partnership in the fields of trade and investment, defence, energy security, science and technology, space and other areas of mutual benefit.

I look forward to continuing my discussions with President Putin to further strengthen India's relations with Russia. I will convey to him the high priority that India attaches to its partnership with Russia, and the benefits that this partnership has brought to our two peoples. I am confident that my visit will lead to a reaffirmation of our joint endeavour towards creating greater economic prosperity and a secure, stable and peaceful world order." ■



Indo-Russian Honey Moon!

The Indian Space Research Organisation (ISRO) and Russia's Federal Space Agency (Roskosmos) have signed an agreement on joint lunar research and exploration.

G Madhavan Nair, Chairman, ISRO, and A Perminov, Director, Roskosmos, signed the agreement in Moscow on November 12, 2007 during the visit of Prime Minister Manmohan Singh to Russia. This cooperation envisages Chandrayaan-2, a joint lunar mission involving a lunar orbiting spacecraft and a Lander/Rover on the Moon's surface.

ISRO will have the prime responsibility for the Orbiter and Roskosmos will be responsible for the Lander/Rover. A few scientific instruments from other space agencies may also be accommodated on these systems. Chandrayaan-2 will be launched on India's Geosynchronous Satellite Launch Vehicle (GSLV) around 2011-12 time frame. This agreement is a major milestone in the long-standing cooperation between India and Russia in the area of outer space.

Activities for launching Chandrayaan-1, India's first unmanned mission to moon during April 2008 are progressing well. The spacecraft is in the final stages of integration and testing, and will be launched onboard India's Polar Satellite Launch Vehicle (PSLV). This mission features a spacecraft orbiting around the Moon for two years at an altitude of 100 km mapping the topography and the mineralogical content of the lunar surface. Chandrayaan-1 will also have a Moon Impact Probe payload for demonstrating the technology needed towards accurate landing on the Moon's surface. Chandrayaan-2 is the next logical step for more detailed and in situ study of the Moon. ■



EBRD Projects

Fastest Growth for CIS in 2008

Economic growth across the countries supported by the European Bank for Reconstruction and Development is expected to hit a record high in 2008 but the global credit crunch that began in the summer of 2007 could result in slower growth in the longer term.

EBRD's Transition Report 2007 projects average growth of 7.0 per cent in all EBRD countries in 2007, up slightly from 6.9 per cent in 2006. Economic growth across the transition region has been underpinned by a combination of factors among which are strong domestic demand, rising investment including foreign direct investment, significant remittances from workers abroad, rapid growth in domestic and foreign bank lending and, in some cases, high energy prices.

Growth for 2008 is forecast to moderate slightly to 6.1 per cent, with resource-rich CIS as the fastest growing region.

The EBRD Report said the broad economic outlook remained favourable and noted that transition countries were in the relatively enviable position of facing the recent financial market problems from a position of economic strength.

Economic growth across the transition region is expected to hit a record high this year but the global credit crunch that began this summer could result in slower growth in the longer term, the EBRD said in its Transition Report 2007.

The Report projects a weighted average growth of 7.0 per cent in all EBRD countries in 2007, up slightly from 6.9 per cent in 2006. Economic growth across the transition region has been underpinned by a combination of factors, including strong domestic demand, rising investment including foreign direct investment, significant remittances from workers abroad, rapid growth in domestic and foreign bank lending and, in some cases, high energy prices.

The EBRD Report said the broad economic outlook remained favourable and noted that transition countries were confronting the recent financial market problems from a position of record growth rates for the region as a whole.

Growth across the region for 2008 is forecast to moderate slightly to a weighted average of 6.1 per cent, with the resource-rich Commonwealth of Independent States (CIS) the fastest growing region.

Spill-overs from problems in the US mortgage market are nevertheless likely to have an impact, most notably in the form of a rise in the cost of external finance and, in some cases, a reduction of the amounts of external finance that is available. This might help the overheated economies in the transition region cool down. However, "In a less benign scenario, countries with high external funding needs may experience a stronger than expected economic downturn," the Report said.

The Report noted that the financial openness of the transition region had increased rapidly over recent years. "The events in the financial markets this summer are therefore likely to affect financial sectors and economic growth in the transition region" the Report said.

The effects would be most pronounced in the transition countries with large financing needs in the corporate or financial sectors. Investor concern has been growing in particular about the Kazakh banking sector and the current account deficits in the Baltic States.

The Report suggested that, overall, capital flows to the region would be likely to fall slightly from the record levels of previous years. The Eurobond market was effectively inaccessible for many issuers in August and September 2007. There were also worries that the current risk-averse environment would lead to shorter loan maturities, possibly exacerbating maturity mismatches on banks' balance sheets.



Growth outlook by region

Average growth in the CIS and Mongolia is expected to remain high at 7.8 per cent in 2007 and 7.0 per cent in 2008 as long as oil and gas prices remain high. This compares with 7.5 per cent in 2006.

Growth in Russia is expected to rise to 7.2 per cent in 2007 (from 6.7 per cent in 2006) and then drop back down to 6.5 per cent in 2008. In Ukraine growth is projected at 6.8 per cent in 2007 (down from 7.1 per cent in 2006) and then forecast to drop to 6.0 per cent in 2008. The fastest growing country in the region is Azerbaijan, which is expected to hit 30 per cent growth for 2007 and remain strong at a forecast 25 per cent in 2008.

While average inflation in this region is expected to remain steady this year and possibly fall in 2008, Azeri inflation is expected to rise significantly to 16 per cent in 2007 from 8.3 per cent in 2006. In Russia and Ukraine inflation remains one of the main worries from a macroeconomic perspective.

The region's vulnerability to current and future financial market turbulence must be addressed through continued structural and institutional reforms, aimed particularly at shoring up the financial sector and stimulating entrepreneurial activity, the Report advises. At the same time, the pace of reforms as measured by the EBRD transition indicators has slowed relative to previous years. While countries in south-eastern Europe continue to catch-up with the more advanced reformers in the new EU member states, reforms elsewhere were more uneven.

The report distinguishes among first phase market-enabling reforms in price and trade liberalization and small scale privatization which are largely complete across the region, and second and third phase reforms. The second phase of market-deepening reform large-scale privatization and financial sector reform had progressed in new EU member countries but was less advanced elsewhere. Third phase, market-sustaining reforms including governance and enterprise restructuring, competition policy and infrastructure remain unfinished even in the most advanced countries in central eastern Europe and the Baltic states

and are at an early stage elsewhere in the transition region.

People in Transition

The slowdown in reform momentum is in part the result of a general weakening of public support for difficult second and third-phase reforms, as evidenced by the widespread discontent with reform-minded leaders in many countries and the more frequent changes in government in recent years. The contrast between strong growth and improving living standards on the one hand and broad dissatisfaction on the other is one of the key questions addressed in the Transition Report's special section on People in Transition.

Making extensive use of the EBRD/World Bank Life in Transition Survey (LiTS), which surveyed 28,000 people in 28 out of 29 EBRD countries, the Report reveals how 17 years of transition has affected people's daily lives, average consumption patterns, attitudes towards markets and democracy, employment opportunities and expectations from government and the private sector. The main findings are:

- More people are satisfied than dissatisfied with their lives and most feel that their living standards are better today than when the transition began;
- By contrast, a large majority of people feel that their household wealth relative to others has deteriorated since the start of transition, perhaps owing to the increase in inequality in many parts of the region;
- There is very strong support for democracy as a system of political governance and strong support for the market economy, with comparatively weak support for authoritarian politics and a centrally planned economy;
- However, political and economic attitudes are still less liberal than in mature market-oriented democracies in Europe and North America and they do not appear to be converging over time;



- Those who have benefited most from the transition younger people, better educated, more mobile segments of the population tend to be more satisfied and more supportive of markets;
- There is a significant middle class emerging in the region (though the size varies considerably by

country) and their values and attitudes tend to be more democratic and liberal;

- Transition has taken a toll on people's employment status and prospects, given the massive reallocation of labour from the state to the private sector and from manufacturing to services, leaving many people out of work and unable to find jobs that fit their skills;
- Major upheaval in the labour markets has left many workers worse off, which has negatively affected their attitudes towards markets and reform;
- People with less education and fewer skills have faced poorer prospects, leading to lower levels of life

satisfaction and a greater reliance on government intervention to solve economic problems;

- People in general expect more from their governments in delivering public services especially health and education where quality is perceived to have deteriorated and informal payments are increasingly needed to obtain service.

The Transition Report provides a detailed analysis of these findings and suggests policy responses related to employment, the labour market and the increased involvement of the private sector in delivering public services. ■

Severstal Launches Energy Efficiency Drive

The European Bank for Reconstruction and Development is, through a €300 million long-term loan, supporting a major drive by Severstal to cut the energy consumption of its Russian steelmaking operations. The project, which has a total estimated cost of €700 million, will have the added environmental benefit of reducing the group's CO₂ emissions by around 900,000 tonnes a year.

The EBRD loan, the largest energy efficiency transaction undertaken in Russia, will help the country's leading steelmaker to reduce its annual primary energy consumption by 5-10 percent. Severstal is one of Russia's biggest energy consumers.

The Bank remains the lender of record for the full €300 million under an EBRD A/B loan structure, syndicating €150 million for a 7-year facility. The mandated lead arrangers of this B loan are ING Bank N.V., CALYON and Raiffeisen Zentralbank Oesterreich AG. The EBRD has kept the remaining €150 million on its own books as the A portion of the loan, which has a 10-year maturity.

This is one of the largest energy efficiency investment programmes ever undertaken by an industrial company anywhere and the EBRD hopes it will send a clear signal to other Russian energy-intensive companies industry that this is not only a crucial issue CEOs should focus on, but also that accelerating energy efficiency measures has a high return and is commercially viable, EBRD President Jean Lemierre said at a Moscow loan-signing ceremony.

Alexey Mordashov, Severstal CEO, said "I am delighted that Severstal is working closely with the EBRD to increase its investments in energy efficiency. The EBRD loan recognises



our efforts in these key areas and provides us with the impetus to reduce our energy consumption."

Projects to be financed by the EBRD loan include the enhancement of Severstal's own electricity-generating capacity, the modernisation of the group's oxygen plants and the implementation of sophisticated energy management systems.

SeverStal is an international steel producer with a listing on the Russian Trading System and the London Stock Exchange. Incorporated in 1993, the company focuses on high value-added and unique niche products and has a successful track record of acquiring and integrating high-quality assets in North America and Europe. SeverStal owns mining assets in Russia, thus securing its supplies of raw materials. In 2006 SeverStal produced 17.6 million tonnes of steel and had revenues of \$12.4bn, PBT of \$1.8bn and EPS of \$1.27 dollars. ■

Boosting Savings & Investment

Critical to CIS Economic Growth

The CIS region has not been immune to the recent financial turmoil, but this has come against the backdrop of the longest economic expansion since the beginning of transition.

Although easing slightly, growth in the region remained strong in the second quarter of 2007, according to the World Economic Outlook report of the International Monetary Fund (IMF), released in October 2007.

The Russian economy expanded by about 7.75 percent (year on year), and economic activity in other CIS countries has also remained buoyant. The robust expansion in the region has been underpinned by high commodity prices and strong capital inflows, as well as continuing productivity gains. Consumption has remained the main driver of growth, supported by rising real incomes and easy access to credit, but there are also incipient signs of rebalancing in the composition of demand, with investment picking up recently. Credit to the private sector has been expanding rapidly across the region, fueled by capital inflows, ample domestic liquidity, and structural improvements in the financial sector.

Against the backdrop of the global disruption to liquidity and pullback from risky assets, exchange rates in

Kazakhstan and Russia came under some downward pressure in late August.

In Kazakhstan, concerns that domestic banks could be vulnerable to global credit retrenchment contributed to depreciation pressures, while in Russia the repatriation of liquid ruble assets by nonresident investors was the primary factor behind the depreciation. As liquidity conditions in interbank markets deteriorated and banks experienced difficulties raising external funds and started to curtail their lending, the central banks of both countries injected liquidity to ensure stability in the banking systems.

Growth momentum is expected to ease from 7¾ percent in 2006/07 to 7 percent in 2008, largely owing to tightening credit conditions and a weakening external environment. High commodity prices and rising fiscal spending would continue to support activity in the net-energy-exporting countries (Azerbaijan, Kazakhstan, Russia, Turkmenistan, and Uzbekistan)

In the net-energy-importing countries (as a group), growth is expected to slow more rapidly, partly owing to rising oil prices, although growth in these countries will continue to be supported by the ongoing global commodity boom and buoyant regional conditions, as

manifested in strong external demand and large inflows of foreign direct investment and private remittances from the net-energy-importing countries.

Nevertheless, risks to growth are tilted to the downside, owing to a possible stronger impact of financial market turbulence on the availability of foreign and domestic financing, as well as the impact of slower global growth on commodity prices and export demand. If growth were to slow down significantly in Russia, demand for imports from smaller countries in the region (Armenia, Georgia, Moldova, the Kyrgyz Republic, and Tajikistan) and flows of private remittances to these countries are likely to be adversely affected.



A long spell of robust demand growth in the region has tightened resource constraints, keeping inflation at high levels (910 percent). Unit labor costs are rising in some countries, reflecting higher labor utilization rates and tightening labor markets (Ukraine). Equipment shortages are also emerging, as indicated by rising imports of capital goods (Russia). In Azerbaijan, inflation is expected to rise to double digits in 2007 and 2008, as a large fiscal expansion is running up against supply constraints. Besides pushing up prices, robust demand growth in the region is also weakening the external current account positions, which nonetheless remain in a solid surplus in most energy-exporting countries. Competitiveness has suffered from rising prices in some countries, although many currencies in the region (notably, the Russian ruble) are still judged to be undervalued relative to medium term fundamentals.

The region has attracted large inflows of foreign private capital in recent years. Foreign direct investment reflecting privatization, mergers and acquisitions, as well as greenfield investment has supported economic growth, especially in the net-energy-importing countries.

Portfolio and other investment inflows have also been increasing over the years, including in the net-energy-exporting countries. This trend has been particularly pronounced in Russia and Kazakhstan, where external bank borrowing soared prior to the onset of the financial market turmoil. High domestic interest rates and expectations of further ruble appreciation have prompted banks to switch to external funding of their domestic loan portfolios. More generally, limited flexibility in exchange rate policy in many CIS countries may have created perceptions of "one-way bets," encouraging speculative inflows. Prospects for continued bank and portfolio capital inflows are more uncertain following the onset of the financial market turmoil, but high oil and other commodity prices are likely to continue to attract capital to the region.

The increased reliance on bank borrowing and portfolio investment inflows for financing growth in the region has brought policy challenges in its wake. In contrast to commodity export revenues, which have been at least partly sterilized in stabilization funds (for example, in Kazakhstan and Russia), capital inflows have largely fed through to boost domestic credit growth and have generated inflationary pressures.

Nominal appreciation in response to capital inflows has been limited, as many countries are targeting nominal

exchange rates. A decline in non-oil revenues and/or rapid growth of government spending have added to overheating problems (for example, in Armenia, Azerbaijan, Georgia, Russia, and Ukraine). More recently, concerns about a possible curtailment of external bank financing in the face of global market turmoil have highlighted potential problems that would arise if such flows were to reverse.

Some countries in the CIS region have responded to the large capital inflows and overheating pressures by broadening and tightening reserve requirements, and such approaches have helped mop up liquidity in the system.

However, ultimately, greater exchange rate flexibility is required to improve inflation control (for example, in Kazakhstan, Russia, and Ukraine), and preparations for moving to more flexible exchange rates need to be accelerated to prevent high-inflation expectations from becoming entrenched. Supporting this approach, further efforts are needed to develop market-based monetary instruments, deepen the domestic money market, and tighten financial regulations, particularly to ensure that foreign borrowing does not lead to bank or corporate balance sheet vulnerabilities. Growth of government spending should be kept in check, striking a balance between addressing still-significant social and infrastructure needs and excessively fueling inflation and appreciation pressures. Beyond the near term, boosting savings and investment is critical to strengthening the region's growth outlook. Catch-up productivity gains are likely to diminish over time, while adverse demographic trends are weighing on long-term prospects.

The rate of investment at 21 percent of GDP in 2006 and projected to rise only slightly in 2007) remains lower than in other regions of the world, while the concentration of investment in extractive industries and construction points to the need to diversify the sources of growth. Whether private investment responds to this challenge will depend on further improvements in institutions and the business climate. Financial deepening and the development of arm's-length sources of finance would also strengthen long-term growth prospects. Additional strengthening of prudential regulations (for example, stricter provisioning and higher risk weights for particular categories of loans) and banking supervision would help improve the capacity of banks to manage risks and maintain credit quality in the environment of rapid loan growth. ■

India at Outsourcing Peak: Prospects & Pitfalls

India's economic reforms and liberalization policies have led to massive private participation in the telecommunications sector in the last two decades. This key segment of the economy took off to make great strides, powered by the Internet. Introduction of newer and newer products for the Internet and international call facilities have led to a boom in Information Technology (IT) and IT Enabled Services (ITeS) in India. While medical transcription used to be the pioneer in the outsourced segment, several business processes such as data processing, billing and customer support in various services streams (such as banking, insurance, telecom, after-sales service of FMCG) have witnessed the trend of off-shoring of activities to India.

Knowledge Process Outsourcing (KPO) is a higher-end version of Business Process Outsourcing (BPO) that require significant domain expertise. With the evolution and maturity of companies' outsourcing strategies, businesses are moving towards outsourcing high-end processes, such as legal processes, market research and analytics, engineering processes, design and product development.

While BPO provides expertise and solutions to business processes, KPO emphasizes on services with knowledge expertise. As KPO has also emerged out of the traditional cost-quality paradigm, on which

BPO industry thrives, KPO is being regarded as the next stage in the outsourcing value chain.

Evolution of KPO in India should be understood in the context of India's strengths as a destination of, and driver of knowledge-based activities. Several analysts put low-cost advantage as one of the significant drivers of knowledge-based activities in India. However, some analysts put the scarcity of skilled professionals in OECD countries (which has eventually played a key role in increasing wages) as a driver of sourcing of knowledge-based activities from developing countries, like India.

India, at present, has the presence of large pool of skilled professionals that match with the quality of workforce available in developed countries, but at significantly low cost. The added advantage is knowledge and experience in various domains that are increasingly being outsourced/off-shored to developing countries. Indian professionals hold the competitive edge of skill in English and use of IT applications, vis-à-vis many competitor countries in Asia, Eastern Europe as also Latin America. The first-mover advantage is also working in positioning India as an ideal destination for off-shoring knowledge-based activities.

Experts have demarcated the terminologies of outsourcing and offshoring. While outsourcing is a general concept, which is even practised within a country (sourcing of activities/services from another firm within the country), off-shoring is referred as activities/ services sourced from another country.

Knowledge Process Offshoring (KPOf) in India

In the late nineties, few high profile knowledge-based organizations (such as Mc Kinsey) from developed countries have set up captive centers to undertake high-end knowledge-based activities in India. Later on, several BPO units (such as Progeon now merged with parent entity Infosys, WNS, Office Tiger, WIPRO Consulting, Accenture, Integreon, Mphasis) have moved up in the value chain and started offering knowledge-based services in KPOf domain. Following the transformation of BPO units into KPOf units and setting up of captive centers by global consulting / knowledge-based



firms in India, several third party KPOf units have emerged in India to make use of the talent-base available in India. Another transformation happened with several global knowledge-based / consulting firms (such as Goldman Sachs, Morgan Stanley, J P Morgan) have established their captive centers in India.

KPOf activities are increasingly gathering popularity as a promising sector in India that could generate foreign exchange for the country, while providing employment opportunities. After successfully doing business, some of the Indian KPOf units are also going abroad to set up their operations. In such models, though it is not direct off-shoring of knowledge based activities to India, Indian KPOf units stand to gain by offering their services from third country markets, to clients from developed countries, taking advantage of time difference and skill availability in select verticals. Some firms are also strategically setting up marketing/sales offices abroad, to tap the business potential in various markets. Such strategies help Indian firms to specialize in domain knowledge to suit the end-user requirements.

Many knowledge-based firms have evolved out of BPO domain and thus are well aware of the need for data / information security. Many firms that have BS 7799-2 standards are moving towards ISO 27001 standards. The trend has mandated the new entrants in this industry also to go for ISO 27001 certification to assure the clients about the quality in data security.

KPOf India's Advantage

The evolution of KPOf needs to be understood from the perspective of the strengths of India as a destination and driver of the KPOf phenomenon. Analysts put cost advantage, as one of the most significant drivers of KPOf business. Another critical driver is the prevailing shortage of skilled human resources in developed countries, like the USA and EU. It is expected that, by 2010, there will be a shortfall of 5.6 million skilled professionals in USA, and 700,000 in UK. This, coupled with the cost advantage, has resulted in high annualized growth in various KPOf verticals in India.

KPOf in engineering services

It is estimated that India is currently receiving about 30% of global EPOf opportunities, valued at around US \$ 6 billion. There are several key advantages, which India has in its fold. In India, public sector firms, defence research establishments, and private organizations continue to be in the forefront of engineering design and innovation. Another major reason for growth in offshoring of high-end engineering and design services to India is availability of engineering talent (about 300,000 students graduating every year). Average starting salary of Indian engineers is estimated to be one-tenth of average salary prevailing for engineers in developed countries. There are estimates that India offers overall cost reduction of 25% in EPO business. India also holds

significant expertise and experience in handling outsourcing opportunities in technology processing segments. End user segments of engineering services, such as automobiles, aerospace, construction / erection of industrial plants, electronics and telecom, are having vibrant presence in India. India's strengths in such end-user segments is also globally recognized.

Legal Processes Off-shoring (LPOf)

India has the world's second largest legal profession with more than 600,000 lawyers. India is currently having a share of 20% in global LPOf market (approximately US \$ 400 million). India holds significant advantage in various parameters that work in favour of driving the LPOf industry towards India. The legal system in India, the USA and in the UK are rooted in British common law, making the Indian lawyers to be efficient, without much additional training to undertake standard legal work. Over the years, the legal system in India has undergone changes with the increasing



globalisation of Indian economy. This has enabled transformation of Indian lawyers into global service providers. Since liberalization, Indian lawyers have been gaining dynamic experiences in handling of cases spanning fields such as banking, telecom, insurance, power, civil aviation, transportation, which were largely under the purview of public sector. In addition, experiences are being gained in areas related to taxation, mergers and acquisitions, joint ventures, intellectual property rights, foreign direct investment and special economic zones.

As far as institutional expertise is concerned, India has over 750 law colleges graduating about 30,000 lawyers every year. It is estimated that off-shoring legal work to India saves about 80% of the cost that may be incurred in a developed country like USA.

Offshoring R&D Processes

World market for R&D outsourcing is estimated to be over US \$ 100 billion, of which off-shored R&D is estimated to be valued at US \$ 8 billion. R&D off shoring to India is estimated to be over US \$ 2 billion.

The decisions to undertake R&D investments in India have been governed by various factors such as the regulatory environment, availability of qualified researchers, existing education and institutional framework, and the range of global alliances and sub-continental relationships formed by the Indian industry. In addition, the manufacturing capabilities and availability of resources are other determinants to position India as a R&D hub. Another important determinant of R&D locations is proximity to the market. India being a large market itself, and having close proximity to many developing Asian markets, further the scope of India becoming a R&D hub.

India has the fourth largest reservoir of scientific manpower in the world, with more and more students showing interest in the science field. There are about 3000 R&D institutions in India, including national laboratories, R&D institutions in the central, state and non-government sector and R&D units in the industrial sector. In addition, the cost of a researcher in

India is one-fifth than that in USA or Europe. Government of India has amended and introduced a number of acts in accordance with the changing environment and the requirements of WTO.

Over the years, Indian R&D professionals have developed domain knowledge in various R&D intensive sectors such as automobiles, pharmaceuticals, engineering, IT and telecom. Many Indian firms have formed global alliances or sub-continental relationships with transnational corporations. More than 100 Fortune 500 companies, such as Delphi, Eli Lilly, GE, Hewlett Packard, Daimler Chrysler, Novartis, Volvo, Bosch, have put up product development/R&D facilities in India in the past few years.

Market Research Off-shoring (MROf) & Analytics

World market for off-shoring of market research and analytics (MROf) is estimated to be little less than US \$ 2 billion. India, which is currently having a MROf size of US \$ 600 million, is considered as a growing market for MROf with world's leading research and analytics firms setting up their offices, to cater to both captive and third party demand.

There are several drivers for MROf and analytics activities to India. Management education in India has made rapid strides since liberalization. These institutes churn out thousands of students every year, some of them possess higher degrees in streams such as engineering, technology, commerce, economics and science. India also holds significant domain knowledge in various market research segments. These include consumer research, research in financial services, research in money market, equity market and foreign exchange market. Indian researchers have also acquired domain knowledge in USGAAP, with an increasing number of Indian multinationals adopting the US-GAAP norms.

The continuing efforts by the Securities and Exchange Board of India, to upgrade the corporate governance framework in Indian stock markets, have positioned Indian stock markets at an above-average level vis-à-vis other emerging market economies. In the last few years, Foreign Institutional Investors have shown renewed interest



in Indian stock markets. The players in Indian stock markets have developed skills in equity research, in a global context, with the introduction of derivative products. These factors have also brought in many global market research / management / investment consulting firms into India.

India's relatively low real estate cost and salaries have attracted several market research organizations/ consulting firms (such as McKinsey, PricewaterhouseCoopers, KPMG, Booz Allen, Boston Consulting Group, A T Kearney, A C Neilson, Gartner, IDC, Goldman Sachs, J P Morgan, Deloitte, Lehman Brothers) to set up captive research centers in India. Leading rating agencies such as Standard & Poors, Moodys and Fitch have established their presence in Indian market, undertaking firm and sector specific research. Presence of these agencies are creating spillover effects in Indian market with medium sized consulting firms paving entry into Indian market.

Challenges & Strategies

In today's immensely competitive environment, companies are vying for a global footprint. Leading companies are revamping their cost structures by significantly reducing labour costs, adding new capabilities and improving productivity and quality. In such a scenario, organizations world over have to look beyond their traditional strategies in order to meet the market challenges. The change in approach and strategies adopted by multinational firms help in the evolution and popularity of knowledge process outsourcing and offshoring industry.

Challenges

India's major strength continues to be in its strong supply base of skilled manpower, language proficiency and lower wages along with sound domain knowledge and proven delivery capabilities. However, there is a growing realization that factors such as low cost arbitrage and availability of large pool of professionals with proficiency in English language are not going to remain as the key drivers of the KPOf industry in India for too long. Hence, the challenges for this sector in India are likely to increase in the days to come. Some of these challenges will be generic in nature, while some may be domain specific. Hence, it becomes important for the industry to enumerate and understand the challenges and simultaneously design the strategies to leverage upon the domestic advantages propelled by the global requirements.

Poor infrastructure is posing immense challenges in delivering high quality services to the international clients. Metro cities are slowly getting congested and cost of operations are rising in such a scenario Tier II cities need to emerge with well-

developed infrastructure.

Strategies

Human resource is one of the prime attributes of success in KPO units. To sustain the position of India as an emerging destination for KPOf, it is imperative to increase the talent force with significant domain knowledge. Besides, it is also important to update the skills continuously. Firms may also involve foreign affiliates in this talent-updating process, by encouraging them to participate in joint projects with universities and other training institutions.

Leveraging the Strengths of Indian Diaspora

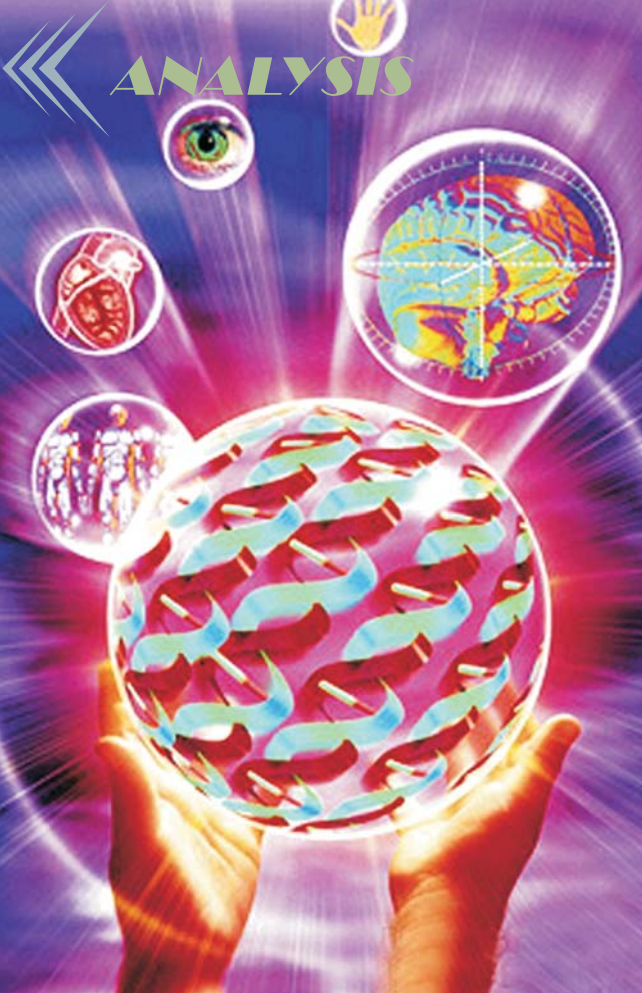
It is estimated that more than 20 million Indian diaspora are settled in over 70 countries across the world, who have been successful in contributing to the development in the fields of engineering, space research, healthcare, information technology, management and entrepreneurship. Leveraging the knowledge gained by the Indian diaspora in various countries, Indian KPOf units could adopt best practices in delivering the services and use the network to build brand India as an off-shoring destination.

Near Shoring as a Business Strategy

Having gained significant expertise in various knowledge domains and satisfactorily complying to the requirements of transnational corporations, Indian KPOf units should also increasingly adopt the strategy of setting up operations outside India to render knowledge based services to the customers. Firms may also adopt the strategy of setting up of delivery centers in other geography to tap the language and cultural skills in addition to time zone advantages.

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\$10 bn Biogenics Market up for Grabs

India Emerging as Key Global Biopharma Player

Exports

The bio tech industry has emerged as highly export intensive. Exports accounted for almost 58% of total revenue in 2006-07. Exports increased to Rs. 4937 crores in 2006-07, from Rs 3358 crores in the previous year, posting a rise of 47%. For biopharma, exports account for 61% of the total revenue. For the bioservices and bioagri segments the share of exports is as high as 95%.

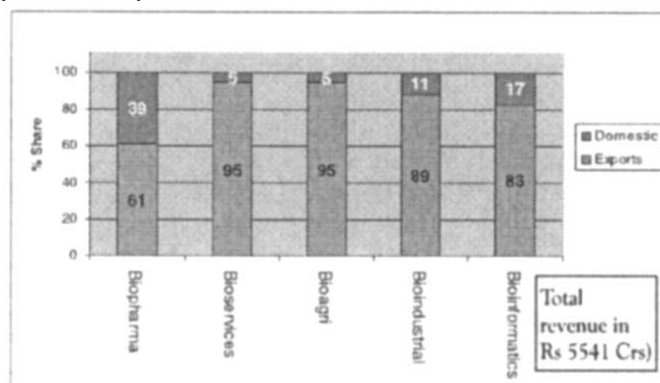
Biopharma : Potential for India

India is being recognized as one of the important players in the biopharmaceuticals market. Many research papers have shown that chemistry based medical innovations of the previous century are receding in importance, to be replaced by advances in biopharmaceutical research that will boost the growth of revenues and profits in the years to come. Many Indian pharmaceutical firms are going for convergence with biotech industry for development of new drugs. It is estimated that by 2010, more than US\$ 10 billion worth of biopharmaceutical products are expected to lose patent protection in developed country markets. Moreover, recently, the USA has passed Food and Drug Administration (FDA) Revitalization Act to allow drug makers to sell generic version of biopharmaceuticals after 12 years of exclusive marketing rights by the innovator company. This will give ample opportunities for Indian pharmaceutical firms to tap this large biogenics market.

Biotechnology is one of the sunrise sectors of the Indian economy. The industry includes firms that use cells and biological molecules for applications in medicine (both veterinary and human medicine), agriculture and environment management. The Indian biotech industry consists of five distinct segments: biopharma, bioservices, bioagri, bioindustrial and bioinformatics. There are more than 325 companies operating in these segments, with nearly 40% of the companies operating in the biopharma sector.

The biotechnology industry in India is witnessing a vibrant growth momentum in the recent years. "The sector is getting increasingly globalized with large-scale exports and increasing mergers and acquisitions. In 2006-07, the industry recorded a revenue worth Rs. 8,541 crores. Biopharma, the largest among the different segments of biotech industry, accounts for almost 70% of the industry's total revenue. This segment has experienced a growth of 27% during 2006-07. Other segments, which have witnessed very high growth, include bioagri (59%) and bioservices (53%).

Indian Biotech Industry: Export Vs Domestic Sales (2006-07)



Source: Biospectrum : ABLE Survey 2007

National Biotechnology Development Strategy:

The Government of India has been playing a pro-active role in promoting the biotech industry. In order to further boost the growth of the Indian biotech sector, the Government has come up with a 'National Biotechnology Development Strategy'. The strategy seeks to address a number of challenges relating to the biotech industry viz, R&D; creation of investment capital; technology transfer, absorption and diffusion; IPR, regulatory issues; and management of human capital.

In order to strengthen the regulatory framework for the sector a 'National Biotechnology Regulatory Authority' would be set up to provide a single window mechanism for biosafety clearance of genetically modified products and processes. Besides, a high-powered 'Inter-Ministerial Coordination Committee' is to be set up to effectively coordinate the development of the sector by addressing cross-cutting issues.

In order to promote public private partnership, 30% of the Department of Biotechnology's budget will be set aside for schemes in the areas of innovation, pre-proof-of-concept research etc. One important step in this regard is Biotechnology Industry Partnership Programme for Advanced technologies (BIPP). In this particular cost-sharing scheme, the industry partner can retain intellectual property, with payment of appropriate royalty to the contributing public sector scientists.

A Biotechnology Industry Research Assistance Council (BIRAC) is being launched to act as an interface between academic and private sector, particularly SMEs and startups, and to nurture and catalyze R&D and innovation in biotechnology in the private sector

Indian Biotech Industry in 2006-07

Sector	Share in Total	Revenue (Rs. Crores) 2006-07	2005-06	% Growth
	Revenue			
Bio-Pharma	69.93	5973.0	4708.0	26.87
Bio-Services	12.90	1102.0	720.0	53.06
Bio-Agri	10.84	926.0	598.0	54.85
Bio-Industrial	4.62	395.0	375.0	5.33
Bioinformatics	1.71	145.0	120.0	20.83
Total	100.00	8541.0	6521.0	30.98

Exim Bank & IFC in Global Trade Finance Scheme

Export-Import Bank of India (Exim Bank) has signed recently an Agreement with International Finance Corporation (IFC), Washington, a member of the World Bank group, under the Global Trade Finance Program (GTFP) of IFC. This arrangement will enable Exim Bank to confirm Letters of Credit (L/Cs), guarantees and other trade instruments issued by approved banks in more than forty countries of Central Asia, Central and Eastern Europe, Latin America & the Caribbean, Middle East & North Africa as also other regions of Asia and Africa.

The Agreement was signed by Exim Bank Chief General Manager Prabhakar Dalal and IFC Associate Director Mamta H. Shah.

The US\$ 1 billion Global Trade Finance Program (GTFP) of IFC has been set in place to provide trade facilitation to under-served clients and markets. Under

the program, IFC issues partial or full guarantees related to trade transactions on a per-transaction basis, covering the payment risk of local banks operating in IFC member countries. Exim Bank of India now partners IFC as 'Confirming Bank' under its GTFP. Exim Bank will be the first Indian bank to participate in the Program, apart from a few Indian branches of a few foreign banks.

The target countries, which are emerging markets from developing countries, constitute an attractive market for Indian exporters as they would be competitive in these markets. However, the higher risk profile of some of these countries and absence of a proper credit enhancement mechanism for carrying out documentary credit based trade has been a hindrance to Indian exporters. Exim Bank would be addressing a felt need of such exporters by participating in the GTFP. ■

RTAs: Gateways To Global Trade

There is a growing realization among countries that regional and multilateral agreements could be complementary and mutually reinforcing approaches to trade reforms. Such regional integration agreements could lead to enhanced regional trade, which in turn could provide a boost to multilateral trade. Moreover, the Doha Declaration drawn up by the WTO ministers in late 2001 also recognizes that Regional Trade Agreements (RTAs) can play an important role in promoting the liberalization and expansion of trade and also in increasing investment and productivity gains and fostering development especially in developing economies.

RTAs are increasingly being viewed as a link between developing and developed countries towards the common goal of economic development and as a gateway to global trade. The need for such agreements has arisen from a number of socio-economic, political and security considerations. Countries have embraced regional trade agreements primarily due to the following reasons:

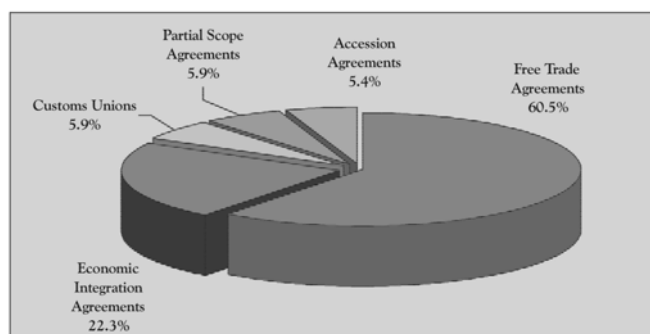
- To derive benefits of increased preferential access to highly competitive larger markets;
- The slow progress in trade liberalization under the WTO and bottlenecks in multilateralism based trade talks;
- A sharp increase in FTAs around the world, which has prompted other countries not involved in regional trade agreements to also consider engagement in such agreements and remain competitive in international trade;
- To promote liberalisation and bring about policy reforms;
- To attract more foreign direct investment into the country; and
- Political and security considerations.

Proliferation of RTAs

There has been a significant increase in the

number of regional trade agreements in recent years, with presently more than one third of the world's trade taking place within the framework of such agreements. Of the 205 RTAs notified to WTO and which are in force, as on July 18, 2007, 124 are FTAs, accounting for 60% of the total, 46 are Economic Integration Agreements (EIA), 12 are Customs Unions (CU), 12 are Partial Scope (PS) Agreements, while 11 are Accession Agreements. The predominance of FTAs is probably due to the fact that they are faster to conclude and require a lower degree of policy coordination among the

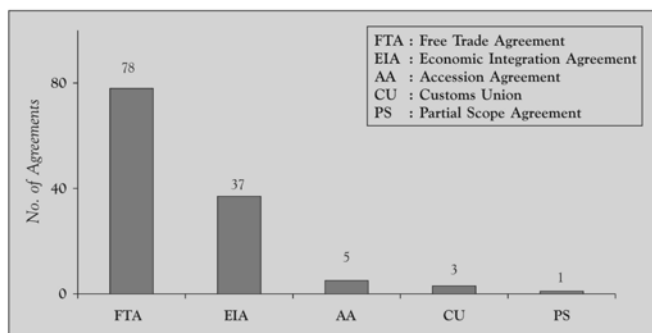
Distribution of RTAs notified to WTO (% of total)
(as on July 18, 2007)



contracting parties as compared to plurilateral or multilateral negotiations.

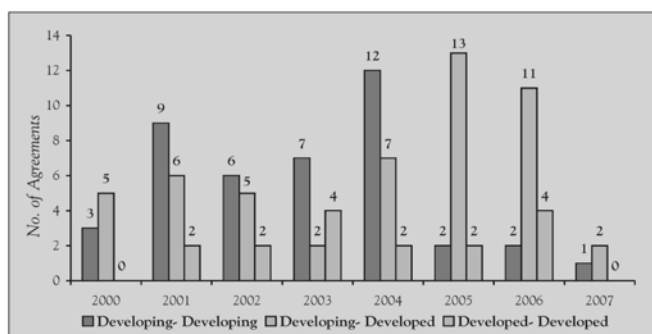
The growing interest in regional trade agreements among countries has been particularly noticed since the dawn of the new millennium; 124 agreements (constituting 60% of the total) having entered into force post 2000. As earlier observed, FTAs continue to be the most preferred form of agreements as around 63% of the agreements entered into force post 2000 comprise FTAs. An investigation of the trend reveals that the maximum number of agreements entered into force during 2004 and 2006. This could be attributed to the failure of the Fifth WTO Cancun Ministerial Conference in 2003 and the Sixth WTO Hong Kong Ministerial Conference held in 2005. Further, between 2004 and 2007, as many as 40 FTAs and 23 EIAs have entered into force. While the dominance of FTAs implies a growing tendency among member countries to establish bilateral preferential agreements, growing number of EIAs indicate the increasing preference among countries to deepen bilateral economic integration beyond trade in goods.

Number of RTAs notified to WTO since 2000
(as on July 18, 2007)



Source : WTO

Year wise distribution of agreements



Nature of Regional Trade Agreements

In comparison to majority of agreements among developing countries in the initial years of regional trade agreements, there has been an increasing tendency among developed countries as well to enter into trade accords between themselves as also with developing countries, as depicted by the increasing share of such agreements during 2000-2007 as compared to 1995-1999. As a consequence, the share of south-south agreements, which comprised 67% of the total agreements during 1995-99, decreased to 39% between 2000-2007. Compared to only 10 agreements between developing and developed countries during 1995-1999, the number has surged significantly to 51 during the last seven years, constituting 46% of the total number of agreements during the period.

Developing countries have evinced keen interest in engagement in RTAs with more developed nations to gain access to the larger and potential markets and benefit from the immense trade opportunities inherent in these markets. This subtle and gradual shift in the interest among developing countries to engage in agreements with developed countries and vice versa has been particularly noticed since 2004. This could be attributed to the interest among developed countries to engage in bilateral

agreements with developing countries subsequent to erosion of their confidence in multi-lateralism. It may be cited that for United States, all trade agreements except those with Israel and Jordan, have entered into force post 2004.

Emergence of Trade Blocs & RTAs

There has also been a fast rise in the number of regional trade blocs around the globe as a result of the willingness on part of countries to enhance and foster trade relationship with neighbouring nations. Countries are also transcending physical geographical borders to rapidly enter into trade relations with distant countries as well. Southern Cone Common Market (MERCOSUR) and North American Free Trade Area (NAFTA) have emerged as major blocs in America. With the emergence of significant trade blocs like Association of South East Asian Nations (ASEAN) and the South Asian Association for Regional Cooperation (SAARC), Asia too is rapidly embracing regionalism.

Common Market for Eastern and Southern Africa (COMESA) and Southern African Development Community (SADC) in Africa; Greater Arab Free Trade Agreement (GAFTA) and Gulf Cooperation Council (GCC) in West Asia; European Union (EU) and European Free Trade Agreement (EFTA) in Europe and the Commonwealth of Independent States (CIS) trade bloc could be identified as crucial developments in regional economic integration, which have also significantly enhanced intra-bloc trade.

The intra-bloc merchandise exports as a percentage share of bloc's total exports for European Union has been as high as 66% in 2005; in case of NAFTA it has been 56% and around 50% for East Asia Economic Caucus (EAEC), indicating the high degree of integration among these blocs. Despite having a bloc, there are instances of trade agreements between countries within a bloc. This distinctive feature is particularly noticed in the CIS trade bloc, where all CIS countries, with the exception of Moldova, have entered into agreements with only other CIS countries. Another interesting feature could be observed in Japan's initiative towards a trade agreement with ASEAN, in spite of it having established bilateral agreements with Singapore and Malaysia, which are members

of ASEAN. Like CIS countries, India and Sri Lanka have also established an FTA, despite being members of the South Asian Free Trade Agreement (SAFTA). Similarly, as in case of Japan, India has trade agreements not only with ASEAN but also with some member countries viz. Thailand and Singapore.

It may be observed that countries are engaging in agreements with trading blocs as a whole to access the larger and more potent markets of the region. A typical example in this regard could be the advantage of entering into an agreement with blocs such as EU, which provides access to all member countries of the Union. Recognizing this, countries such as Norway, Croatia, Albania, Mexico, Jordan, Algeria, Tunisia, Chile, Egypt etc. have entered into bilateral trade agreements with the European Union. However, for a member country, a customs union or common market could restrict the choice and freedom to enter into bilateral agreements with non-member countries, as the common external tariffs have to be adhered to. This is particularly true for larger and relatively more advanced member countries in the bloc.

It may be also observed that countries in almost all regions of the world are showing an increasing interest in expanding their trade opportunities with countries bilaterally outside the region or a bloc. In Asia, Singapore has been the most aggressive in its pursuits of regional trade agreements with number of countries like New Zealand, Australia, United States, Jordan and Panama. Singapore is one of the leading RTA signatories with 18 such agreements in place. Other countries that are involved in the most number of RTAs are Mexico with engagements in 19 agreements, Chile with 17 agreements, United States with 15 agreements and Turkey with 10 agreements. An investigation of the trade pattern of these countries over the past decade clearly attests to the positive impact of RTAs on the trade performance of a country. The value of trade of all these countries with individual RTA partner countries over the past five years has also increased sharply. Moreover, trade with RTA partner countries constitutes a major portion of the total trade of these countries, which reinstates the importance of RTAs in global economic integration of these countries. For example, in case of Mexico and Singapore, trade with RTA partner countries constitutes around 85% and 63% of their global trade respectively. Similarly, for Chile, trade with RTA partners constitutes as high as 80% of its global trade.

There are some key factors that have promoted regional trade agreements in these specific countries. In case of Mexico, the shift from an inward looking trade policy to a more liberal, and outward oriented trade policy, the presence of Maquiladoras, offshore assembly units along the US-Mexico border and a number of export incentives provided by Mexico have played an important role in fostering its trade relations with other countries both intra regionally and extra regionally. With regard to Singapore, its pro-exports, liberal trade policies and elimination of most restrictions on imports boosted its trade engagements. Similarly, prioritization of ensuring access to larger markets in its multidimensional trade policy, imposition of low and uniform applied tariffs and a stable economy were instrumental in the proliferation of Chile's engagement in RTAs. United States' Trade Capacity Building (TCB) efforts have also played an important role in strengthening its trade relations with especially developing countries.

Recognizing the potential for greater regional cooperation for development, major Asian economies too have rapidly embraced regionalism in the course of the past decade, which has led to the proliferation of several regional trade agreements involving most of the Asian economies. ASEAN has been the major trade bloc in Asia, with intra-ASEAN exports accounting for 23% of global exports of ASEAN in 2005. ASEAN is also expanding with the 'ASEAN plus three' initiative, with free trade agreements with Japan, China and Korea. ASEAN entered into an agreement with China in 2003 to form the ASEAN-China FTA (ACFTA). Also, bilateral efforts are taking place to establish the ASEAN-Japan Closer Economic Partnership (CEP) Agreement, ASEAN- Korea FTA (AKFTA), and ASEAN-India FTA (AIFTA). The 'ASEAN plus three' could be identified as a crucial development in regional integration, which has the potential to significantly boost trade and development in Asia. Value of total trade of 'ASEAN plus three' countries reached US\$ 4.3 trillion in 2005, which was 20% of global exports. It is therefore, important for India to further strengthen its engagement with ASEAN and thereby, be an integral part of a Pan Asia Free Trade Area.

India's Engagement in Regional Trade Agreements

India's endeavour to foster its international trade has been well complemented by its efforts to promote regional trade. Target countries in India's regional trade

initiatives cover various regions of the world. In Asia, India made a foray in RTAs with an FTA with Sri Lanka in 1998. This was followed by a Comprehensive Economic Cooperation Agreement (CECA) with Singapore, an FTA with South Asian Association for Regional Cooperation (SAARC) members (SAFTA) and with the members of Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), a framework agreement for FTA with Thailand and a framework agreement for CECA with ASEAN.

With the establishment of Joint Study Groups (JSGs), India has also initiated negotiations with a number of countries like Korea, China, Japan, Russia, Malaysia and Indonesia. These initiatives form an integral part of India's 'Look-East Policy', which has gained substantial momentum in recent years and has started yielding desirable results on the economic, political and strategic fronts. India is also seriously pursuing negotiations to establish RTAs with other developing countries located elsewhere.

India has in place a preferential trade agreement (PTA) with MERCOSUR and with Chile; a framework agreement for FTA with the Gulf Cooperation Council (GCC); and a PTA with South African Customs Union (SACU). India has also established JSGs with Mauritius and Israel to explore the possibility of an FTA.

Engagement in regional trade agreements has had a significant effect over the past decade on India's trade performance with its partner countries. India's exports to and imports from its RTA partner countries have significantly increased from 2001-02 to 2006-07. India's trade with its RTA partner countries as a percentage of its total trade has shown a notable rise from 20% to 30% from 2001-02 to 2006-07.

The Way Forward For India

It is imperative for India to assess the long-term implications arising out of any engagement in RTA and adopt an integrated approach consistent with the long-term interest and potential of the economy. Engagement in regional trade agreements should be one and not the only avenue for enhancing its international economic collaboration. India needs to explore bilateral and plurilateral trade initiatives and effective regionalism beyond free trade agreements, however, in continuance of its pursuits towards eventual multilateralism.

While India needs to maintain consistency in its negative lists with regard to agreements with different countries to

effectively protect the domestic industries, it is also crucial to address the issue of non-tariff trade barriers, especially when engaging in regional trade agreements with developed countries like the US or the European Union.

With the recognition of the positive impact of RTAs on a country's trade performance, India could explore trade accords with all major trading blocs in different regions of the world viz. MERCOSUR, NAFTA, EU, ASEAN, GCC/ GAFTA, SADC/ SACU and CIS, which could substantially enhance India's market access and choice of competitive imports. Moreover, India could also consider engaging in agreements with at least one of the major members of a trade bloc in case of its inability to strike an accord with a bloc as a whole, which could act as a potential gateway to other markets of the bloc.

India could draw insights from the global trend and pattern of gradual shift from south-south trade agreements to preferential agreements between developing and developed countries, and explore opportunities to engage in trade agreements with more developed countries like US, Japan, EU. India has initiated negotiations for a Comprehensive Economic Partnership Agreement with Japan and a broad-based trade and investment agreement with EU, which needs to be carried forward. An RTA with USA, with significant market potential and evident complementarities could also prove to be beneficial for India. Such agreements could also facilitate and enhance investment flows into India.

India could also look beyond FTAs exclusively in goods to expand the scope of agreements to incorporate services, investment, monetary cooperation and trade logistics.

On the strength of its services sector, India could set up exclusive free trade agreements in services, which could be later expanded to trade in goods. India could widen the scope of Bilateral Investment Promotion Agreements (BIPAs) to include specific investment incentives in growing sectors such as infrastructure. With regard to monetary cooperation, the model of the Mercosur Structural Convergence Fund (FOCEM), which facilitates transfer of funds from more developed countries to less developed countries in the bloc, could be a model of emulation for the SAARC region, that could effectively lead to economic development and integration of the region. ■

\$141-mln EBRD Loan for Russian Rail Revamp



The European Bank for Reconstruction and Development is providing a \$141.5 million loan to Russia's Inpromleasing to help achieve one of the key goals of the country's on-going railways reform: encouraging private sector investment in new rolling stock needed to meet growing demand in a booming market.

The EBRD's funding will enable Inpromleasing, an independent leasing company founded in 2000, to finance the purchase of freight wagons to be made in Russia. The wagons purchased with the EBRD loan are to be leased to three Russian private rail operators.

The Bank will remain the lender of record for the full amount, but is syndicating \$84.9 million to commercial banks under an EBRD A/B loan structure. The EBRD is keeping \$56.6 million on its own books as the A portion of the loan, which has a seven-year maturity.

The EBRD's funding will enable Inpromleasing, an independent leasing company founded in 2000, to finance the purchase of freight wagons to be made in Russia. The wagons purchased with the EBRD loan are to be leased to three Russian private rail operators.

The Bank recognizes that current shortage of rolling stock in Russia is one of the top priorities to be addressed in the transport sector and this project is a direct response to the Russian government's investment incentives aimed at tackling this problem, said Thomas Maier, EBRD Business Group Director for Infrastructure.

The Russian railways sector, traditionally dominated by state funding and support, has undergone radical restructuring in the last five years. Since 2001, the Russian government has been pushing through a wide-ranging reform aimed at improving the efficiency and profitability of rail services and encouraging private investment in the sector's modernization.

Railway investment needs in Russia are at present estimated at hundreds of billions of roubles for rolling stock renewal and infrastructure over the next 10 years. ■

Russian Regional Bank Taps Global Capital Markets

One of the oldest participants in the EBRD's lending programme for Russian small businesses, NBD Bank, has raised its first purely international syndicated loan, securing \$5 million from the European Bank for Reconstruction and Development and \$15 million from a consortium of eight commercial banks.

The new funding will support a bid by NBD Bank to develop into a strong regional player financing micro, small and medium-sized enterprises in the Volga Federal district. The EBRD has a 25 percent plus one share voting equity stake in NBD Bank, which is registered in Nizhny Novgorod, one of Russia's most economically advanced regions.

Under an EBRD A/B loan structure, the Bank remains the lender of record for the full \$20 million, but has syndicated \$15 million to eight international banks for an 18-month facility (with an option to extend it for a

further 18 months). The EBRD has kept the remaining \$5 million on its own books as the A portion of the loan, which has a three-year maturity.

The loan not only diversifies NBD Bank's funding base by giving it access to international capital markets, but assists its asset-liability management by considerably extending the maturity of its funding. In November 2006, NBD Bank launched its first syndicated loan on the domestic Russian market, raising 300 million roubles with a one year maturity (with an option to extend it for a further year).

NBD Bank was one of the first to join the EBRD's Russia Small Business Fund lending programme in 1994 and has since developed a strong local franchise, specialising in loans to micro, small and medium-sized businesses. It is one of the three largest banks in the Nizhny Novgorod region. ■

Regional Renewable Energy Fund gets Further Boost

The EBRD is continuing to build on its pioneering work to develop sustainable sources of energy throughout the EBRD region with its first investment in a pan-regional renewable energy fund.

The EBRD's President Jean Lemierre signed an agreement today whereby the EBRD contributes €25 million to the newly-established EnerCap Power Fund I L.P. which targets investments primarily in renewable energy, but also in energy efficiency, across central and eastern Europe.

The Bank's €25 million investment is a €5 million increase above the amount initially pledged. Financing from other institutional investors brings total contributions to €75 million in this first round of funding. The fund will be managed by EnerCap Capital Partners L.P. Incorporated, a Guernsey-based fund manager focused on private equity and renewable energy projects.

The main focus of the fund's investments in renewable energy will be on wind projects. Investments are also expected to be made in biomass, bioethanol and other types of renewable energy generation.

Projects in energy efficiency, which have been the focus of most of the EBRD's previous sustainable energy deals, will primarily target co-generation, waste-to-energy and carbon reduction investments.

EU accession, a global focus on climate change and energy security concerns have prompted many central and eastern European countries to establish or start developing regulatory frameworks supporting the growth of renewable energy.

At the same time, the EBRD is sharply increasing its investments in energy efficiency and in the development of renewable energy sources within the context of the Sustainable Energy Initiative (SEI), which was launched in May 2006.

The Initiative envisaged investment of up to €1.5 billion in energy efficiency, renewables and clean energy projects over the next three years, but this



target will be reached much more quickly than originally expected as demand for investment grows.

Energy efficiency is now seen more widely as playing the dual role of helping to ensure energy security while also boosting industrial competitiveness. Renewables are also gradually playing a greater role in the quest for energy security.

"Support for the renewable energy sector has to become a core part of the EBRD's overall sustainable energy drive", said Nandita Parshad, Director of the EBRD's Power & Energy Utilities Team.

EBRD investments could also attract funding from other sources and so help the region meet its strategic renewable energy objectives, she added.

Previous EBRD investments in renewable energy have included a major syndicated loan to a hydro power complex in Russia, an investment in a renewable energy fund in Armenia and a credit line for energy efficiency and renewable energy in Bulgaria. ■

CIS Premiers' Summit Call for Intensive Economic Cooperation

Prime Ministers of Commonwealth of Independent States (CIS) met in Turkmenistan's capital of Ashgabat in November, 2007 for a Summit to discuss issues related to mutual cooperation to boost the economic growth of the region.

The Summit brought together the heads of the CIS governments of Azerbaijan, Armenia, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Uzbekistan and Ukraine.

Addressing the Summit Turkmen President Gurbanguly Berdymuhamedov focused on the importance economic co-operation to determine the level and content of long-term partnership within the CIS and identified the areas interaction.

Speaking on Turkmenistan's initiatives on creation of the new north-south transportation routes, Berdymuhamedov emphasized that all the participating countries would benefit from the projects. He said that along with oil and gas, energy, construction industries and transport tourism and recreation infrastructure, production of ecologically pure food products, clothing and household appliances attracted investors.

Special emphasis should be put on maintenance of the

cultural and humanitarian contacts and Turkmenistan could offer the broad opportunities for holding various theater and music festivals, scientific symposiums, intentional sports games, Turkmen leader said.

Summit participants said that 30 issues related to transport, financial, fuel and energy, military and social co-operation of the CIS states and personnel policy had been put on the agenda.

Ukraine Prime Minister Viktor Yanukovich said the CIS Summit had been urged to elaborate on the CIS economic development strategy.

Addressing the Summit, CIS Executive Secretary Sergey Lebedev said the fact of holding the Summit in the Turkmen capital testified to that Ashgabat had become a large international center

The participants discussed the progress the 2003-2010 Action Plan focused on maintenance and intensification of economic co-operation among the CIS states, the comprehensive analysis of the processes of integration and economic development, interregional and border interaction, co-operation in energy industry, transport and the humanitarian sphere and anti-aircraft defence-related issues.

The important documents including those coordinating the policy on standardization, metrology and certification, harmonization of customs procedures for electrical energy delivery were issued. The decision to establish a group consisting of the agricultural ministers to develop the food market development strategy was made.

The heads of the CIS governments were unanimous that the common aspiration for integration within the CIS and willingness to strengthen comprehensive co-operation meeting the national interests were the main outcome of the effective and constructive sitting.

The Summit participants agreed to arrange the permanent exhibitions of the CIS member states at the All-Russia Exhibition Center in Moscow and to announce the year 2008 the Year of Literature and Reading in the CIS.

The next Summit of the CIS Prime Ministers will be held in Minsk in May 2008. ■



UN Plan for Development in Chernoble-hit Nations

The United Nations General Assembly has adopted a resolution recently proclaiming the period to 2016 as a “decade of recovery and sustainable development” for territories in Belarus, the Russian Federation, and Ukraine that were affected by the 1986 Chernobyl nuclear accident. The goal of the decade is “a return to normal life” for affected communities. The United Nations Development Programme (UNDP) has been tasked with drafting a unified UN action plan and coordinating UN work on the decade.

“Working closely with the three national governments, our goal is to do what we can to ensure that by the end of the third decade after the Chernobyl accident, life in the affected regions returns to normal, communities take control of their fates, and the area at last overcomes the stigma associated with the disaster,” said Kemal Dervis, the UNDP Administrator and UN Coordinator of International Cooperation on Chernobyl.

The resolution embraces the forward-looking findings of a new report on Chernobyl by Secretary-General Ban Ki-Moon, which concludes that, “after two decades, a return to normal life is a realistic prospect for most people living in Chernobyl-affected regions.”

The UN resolution underlines the daunting challenges that the region still faces, but underscores that a “developmental approach,” focusing on such efforts as job creation, investment promotion, and community development, holds potential solutions.

It also notes the importance of conveying to local populations the “message of reassurance” provided by the UN Chernobyl Forum, a joint initiative of eight UN agencies and the three most-affected countries. The Forum concluded in 2005 that people living in the affected territories need not live in fear of serious health consequences from the accident. This finding offers the hope that providing better information to the public will ease pervasive fears arising from myths and misconceptions about radiation.

The resolution also welcomes the appointment earlier this year of Russian tennis star Maria Sharapova as a UNDP



Goodwill Ambassador. Sharapova's efforts have focused on delivering an upbeat message of recovery, self-reliance, and healthy choices to young people in the Chernobyl-affected territories, where she has family roots. Sharapova is expected to visit a number of UNDP project sites in the affected regions in 2008.

Finally, the resolution notes the significant progress made recently in the long-running effort to transform the damaged Chernobyl reactor and its surroundings into a stable and environmentally safe site, and stresses the urgency of completing this task successfully.

The Secretary-General will report back to the General Assembly on the progress of the “decade of sustainable development” and other Chernobyl recovery efforts in 2010.

UNDP and Chernobyl

As the coordinating agency for UN work on Chernobyl, UNDP spearheads efforts in three priority areas: information provision, including promotion of healthy lifestyles; community-based social and economic development, supporting initiatives aimed at improving welfare and encouraging self-reliance; and policy advice and advocacy. ■

Education Lags Behind in CIS Despite High Economic Growth

UNICEF has warned that education systems in the Commonwealth of Independent States (CIS) were leaving millions of children behind each year.

A report, *Education for Some, more than Others*, commissioned by the UNICEF Regional Office for Central and Eastern Europe SEE and the CIS, concluded that, in spite of the economic recovery and increased public expenditure on education in many countries over the past decade, most national education systems were struggling to provide universal education.

A key indicator of these systemic failures was that there are an estimated 2.4 million 'missing children' of primary-school age and almost 12 million missing secondary-school children who should be in school but are not.

UNICEF's Director for the CEE/CIS Region, Maria Calivis, said that meant more than 14 million children entered adult life every year without any kind of formal education or school diploma and this in a region largely known for its former high levels of access, quality and equality in education.

"This situation will lead to intergenerational cycles of poverty, and undermine the capacity of governments to develop globally competitive economies based on skilled labour rather than cheap labour," Calivis said.

The report found that public expenditure on education reinforced rather than counteracted social, ethnic and economic inequalities in access to and in the completion of basic education. Family background, mainly parents' income but also education, had increasingly become a determinant in enrolment and attendance, particularly at pre-school level.

Armenia, Georgia, Kyrgyzstan, Moldova and Tajikistan countries with low economic indicators had the lowest attendance rates, less than 50 per cent for upper high school, and in some instances less than 30 per cent for pre-school.

The report identified two further issues for UNICEF: the situation of the Roma children and gender equality. In three of the countries with the largest Roma communities Bulgaria, Hungary and Romania only a tiny proportion of Roma have any schooling beyond primary, compared to the non Roma people. Roma children's educational attainment ranges from 10 per cent to 35 per cent in secondary school. Across the region only one percent of

Roma had attended higher education.

The report also showed that no country was achieving equal representation of girls in basic education but the numbers were close, 95 girls to 100 boys on average. The most striking aspect of the figures was the feminization of higher education throughout the region. Girls outnumbered boys, in most cases significantly, in all countries except Tajikistan, Uzbekistan, Turkey and Azerbaijan. Only Turkey and Tajikistan were in trouble to meet Millennium Development Goal 3, elimination of gender disparity at all levels of education by 2015.

The study found that, while reforms of education systems had been initiated, they had not penetrated into the classroom, thus affecting the overall quality of education, especially in poor and rural areas.

"This in turn affected demand for education which now was falling among disadvantaged families due to the poor quality of services provided, lack of relevance of curricula to the labour market, low transition to the upper-secondary education and insufficient perceived benefits from education," Calivis said.

The report warned that it would not be possible to achieve education for all goals and thus achieve the Millennium Development Goals in the region if this situation of "Education for some, more than others" continued to prevail.

The report advocated that Governments should substantially increase spending on education to at least 6.0 percent of their GDP, as against a regional average of 3-4 percent, and move from a distribution of public expenditure that reinforces inequality to one that counteracts inequality. It also urged central governments to intervene to create the policy conditions that will ensure 'Education for All'.

About UNICEF

UNICEF is on the ground in over 150 countries and territories to help children survive and thrive, from early childhood through adolescence. The world's largest provider of vaccines for developing countries, UNICEF supports child health and nutrition, good water and sanitation, quality basic education for all boys and girls, and the protection of children from violence, exploitation, and AIDS. UNICEF is funded entirely by the voluntary contributions of individuals, businesses, foundations and governments. ■

Индия на пике передачи выполнения функций сторонней организацией (оутсорсинг):

Перспективы и трудности

Экономические реформы и политика либерализации Индии способствовали росту участия частных компаний в телекоммуникационном секторе, особенно за последние двадцать лет. Поддерживаемый интернетом, этот ключевой сегмент экономики достиг больших успехов. Введение ряда новой продукции в интернет и улучшенные условия международной телефонной связи привели к буму в информационной технологии (ИТ) содействующих ИТ услуг в Индии. Хотя медицинская транскрипция была пионером в сегменте оутсорсинга в Индии, в нескольких бизнес-процессах, таких как обработка информации, ведение счетов и обслуживание клиента в различных сферах услуг (таких как банковские операции, страховка, телеком, послепродажное обслуживание) появилась тенденция офшоринговой деятельности.

Аутсорсинг знаний (КРО) является более высокой версией аутсорсинга бизнес-процесса (ВРО), который требует значительной экспертизы в этой сфере деятельности. С развитием и зрелостью аутсорсинговых стратегий компаний бизнес движется к высококачественным процессам, исследования и анализа рынка, инженерных процессов, развитие дизайна и продукции.

В то время как аутсорсинг бизнес-процесса (ВРО) предоставляет экспертизу и решения бизнес-процессу, аутсорсинг знаний (КРО) концентрируется на услугах с экспертизой знаний. И так как аутсорсинг знаний (КРО) стал традиционным парадигмой стоимости-качества, на котором развивается индустрия бизнес-процесса (ВРО), то аутсорсинг знаний (КРО) рассматривается как следующая стадия цепи ценности аутсорсинга.

Эволюцию аутсорсинга знаний (КРО) в Индии нужно понимать в контексте силы Индии, как место назначения и двигатель деятельности основанной на знаниях. Несколько аналитиков говорят, что преимущество

низкой стоимости в Индии является значимым двигателем деятельности основанной на знаниях. Однако некоторые аналитики доказывают, что недостаток квалифицированных профессионалов в странах-членах организации экономического сотрудничества и развития (ОЭСР), которые в конечном счёте играли ключевую роль в повышении зарплаты, как двигатель сорсинга деятельности основанной на знаниях от таких развивающихся стран как Индия.

Сейчас в Индии есть большое число квалифицированных профессионалов, которые не уступают качеству рабочей силы имеющейся в развитых странах, но по значительно низкой стоимости. Дополнительным преимуществом являются знания и экспертиза в различных сферах деятельности, которые всё больше передаются развивающимся странам. Индийские профессионалы имеют преимущество над другими благодаря хорошему знанию английского и применения ИТ, по сравнению со многими странами Азии, восточной Европы и так же Латинской Америки. Первоначальное преимущество также делает Индию идеальным местом назначения для офшоринга деятельности основанной на знаниях.

Эксперты демаркировали терминологию аутсорсинга и офшоринга. В то время как аутсорсинг является общим понятием, который практикуется даже внутри страны (сорсинг деятельности/услуг от одной фирмы в другую внутри страны), на офшоринг ссылаются как на сорсинг деятельности/услуг из другой страны.



Офшоринг аутсорсинга знаний (KPOf) в Индии

В конце девяностых годов несколько высоко профильных основанных на знаниях организаций таких как (Mc Kinsey) из развитых стран установили внутрефирменные центры, осуществляющие высококачественную, основанную на знаниях деятельность в Индии. Позднее, несколько компаний аутсоринга бизнес -процесса (BPO) таких как Progeon, слились с основными компаниями это - Infosys, WNS, Office Tiger, WIPRO Consulting, Accenture, Integreon, Mphasis и продвинулись вперед в цепи ценности, предлагая услуги основанные на знаниях в области офшоринга аутсорсинга знаний (KPOf). Вслед за трансформацией компаний аутсоринга бизнес -процесса (BPO) в глобальные консалтинговые основанные на знаниях фирмы в Индии, появилось несколько компаний третьей стороны аутсоринга бизнес -процесса (BPO), чтобы использовать имеющийся в Индии талант. Произошли и другие трансформации таких глобальных консалтинговых основанных на знаниях фирм как Goldman Sachs, Morgan Stanley, J P Morgan, которые открыли свои внутрефирменные центры в Индии.

Деятельность офшоринга аутсорсинга знаний (KPOf) становится очень популярной, как много обещающий сектор в Индии, который может генерировать иностранную валюту для страны и предоставить возможности трудоустройства. После достижения успеха в бизнесе некоторые индийские предприятия офшоринга аутсорсинга знаний (KPOf) открывают свои филиалы за границей.

Таким образом, хотя не являясь непосредственной компанией офшоринга аутсорсинга знаний (KPOf), индийские предприятия деятельности офшоринга аутсорсинга знаний (KPOf) получают преимущество от предоставления своих услуг от рынка третьей страны клиентам в развитых странах, пользуясь преимуществом разницы во времени и

наличии квалифицированной рабочей силы в избранных вертикалях деятельности. Некоторые фирмы, также, стратегически устанавливают за границей маркетинговые/сбытовые офисы, чтобы использовать деловые потенциалы на различных рынках. Такие стратегии помогают индийским фирмам специализироваться в сфере знаний, чтобы удовлетворять требованиям конечных пользователей.

Многие основанные на знаниях фирмы были созданы на основах аутсоринга бизнес -процесса (BPO), и хорошо понимают требования по безопасности данных/информации.

Многие фирмы имеют сертификат бюро стандартов БС7799-2 и продвигаются к международной организации по стандартизации (МКС)- ISO 27001. Эта тенденция принуждает новичков в этой индустрии получить сертификат (МКС) ISO 27001, чтобы заверить клиентов в качестве безопасности данных.

Офшоринг аутсорсинга знаний (KPOf) – преимущества Индии

Чтобы понять эволюцию офшоринга аутсорсинга знаний (KPOf), нужно рассматривать её с перспективы силы Индии как места назначения и двигателя феномена офшоринга аутсорсинга знаний (KPOf). Аналитики придают ценовому преимуществу большое значение как мощному двигателю бизнеса KPOf. Другим критически

важным двигателем является недостаток квалифицированных людских ресурсов в таких развитых странах, как США и ЕС. Ожидается, что к 2010 году в США будет не хватать 5.6 миллионов квалифицированных профессионалов и в Великобритании 700,000 человек. Это вместе с ценовым преимуществом привело к This, coupled with the cost advantage, has resulted in high высокому общегодовому росту в различных вертикалях офшоринга аутсорсинга знаний (KPOf) в Индии.

Офшоринг аутсорсинга знаний (KPOf) в инженерных услугах.



Соответственно подсчётам, Индия сейчас получает примерно 30% от глобальных возможностей фирм европейской патентной службы (EPOf) или 6 млрд. американских долларов в денежном исчислении. В Индии есть несколько ключевых преимуществ. В Индии, предприятия госсектора, научно исследовательские оборонные предприятия и организации частного сектора продолжают стоять в авангарде инженерных проектно-конструкторских работ и инноваций. Другой важной причиной роста офшоринга высококлассных инженерных и дизайнерских услуг является наличие инженерного таланта (ежегодно свыше 300 000 студентов выпускают индийские институты). Средняя начальная зарплата индийского инженера составляет одну десятую зарплаты инженера в развитых странах. Подсчитано, что Индия предоставляет услуги фирмам европейской патентной службы (EPOf) на 25% дешевле. Индия также обладает значимой экспертизой в аутсорсинге сегментов технологического процесса. Конечные пользователи сегментов технологического процесса, таких как автомобильная, авиационная промышленности, строительство и монтаж промышленных заводов, электроника и телекоммуникация могут воспользоваться их мощным присутствием в Индии. Мощь Индии в таких сегментах конечных пользователей признана по всему миру.

Легальный процесс офшоринга (LPOf)

Индия имеет второе самое крупное число работников легальной профессии. Сейчас в Индии работают свыше 600,000 юристов, сейчас на долю Индии приходится 20% глобального рынка легального процесса офшоринга (LPOf) примерно 400 миллионов долларов. Индия обладает значительным преимуществом в различных параметрах, которые работают на пользу продвижения отрасли легального процесса офшоринга (LPOf) в направлении к Индии. Легальная система в Индии, США и Великобритании имеют общие корни британского англо-саксонского права, что даёт индийским юристам большую компетентность, и когда они предпринимая стандартную легальную работу им не нужно дополнительное обучение. С годами, легальная система Индии претерпела изменения в свете растущей глобализации индийской экономики.

Это содействовало трансформации индийских юристов в исполнителей глобальных услуг. Со времени либерализации, индийские адвокаты

обретали динамический опыт в решении дел охватывающих широкий ряд областей таких как, банковские операции, телекоммуникация, страховка, энергетика, гражданская авиация, транспорт, которые раньше рассматривались только государственными структурами. Также юристы приобретали опыт в областях касающихся налогов, слияний и приобретений, совместных предприятий, прав интеллектуального имущества, прямой иностранной инвестиции и специальных экономических зон.

А то что касается институциональной экспертизы, в Индии есть 750 колледжей юриспруденции, ежегодно выпускающих более 30,000 адвокатов. Подсчитано, что офшоринговая легальная работа в Индии экономит около 80% стоимости той же работы проделанной в таких развитых странах как США.

Офшоринг научно исследовательского процесса

Торговый оборот всемирного рынка аутсорсинга научно исследовательской работы превышает 100 миллиардов долларов, из которого на офшоринг научно исследовательского процесса приходится 8 млрд. Долларов. Офшоринг научно исследовательского процесса в Индию составляет в денежном исчислении 2 миллиарда долларов.

Принятие решений вносить инвестиции в научно-исследовательскую работу в Индии руководствуются несколькими факторами таким как, нормативно- правовая средой, наличие квалифицированных учёных и институциональных структур и рядом глобальных альянсов и субконтинентальных отношений сформированных индийской промышленностью.

В дополнение к этому, производственные способности и наличие ресурсов являются другими определяющими факторами делающими Индию центром научно-исследовательской деятельности. Еще одним важным фактором является близость научно-исследовательских объектов к рынку. Индия сама себе имеет огромный рынок и близка ко многим развивающимся странам Азии, что ещё больше улучшает перспективы офшоринга научно исследовательского процесса.

Индия занимает четвертое место в мире по количеству учёных, где всё большее число студентов проявляют интерес в науке. В Индии есть 3000 научно-исследовательских институтов, в их числе национальные лаборатории, научно-

исследовательские институты центра, штатов и неправительственных организаций и научно-исследовательские институты в промышленном секторе. Притом, стоимость научно-исследовательских работ в Индии составляет одну пятую той, что в США или Европе. Правительство Индии внесло поправки и ввело в силу ряд законов, в соответствии с изменяющейся средой и требованиями ВТО.

С годами индийские учёные разработали сферу знаний в различных интенсивно научно-исследовательских секторах таких как автомобильная промышленность, фармацевтика, инженерия, ИТ и телекоммуникация. Многие индийские фирмы сформировали глобальные альянсы или субконтинентальные отношения с транснациональными корпорациями. За последние несколько лет свыше 100 компаний в списке журнала Fortune 500 таких как, Delphi, Eli Lilly, GE, Hewlett Packard, Daimler Chrysler, Novartis, Volvo, Bosch, открыли научно-исследовательские объекты в Индии

Исследование рынка офшоринга (MROf) и аналитика

Стоимость всемирного рынка исследования рынка офшоринга (MROf) и аналитики составляет немного меньше 2 миллиардов долларов. Индия, в которой сейчас торговый оборот исследования рынка офшоринга (MROf) составляет 600 миллионов долларов, считается растущим рынком для исследования рынка офшоринга (MROf) и анализа, где ведущие исследовательско аналитические фирмы мира открывают свои офисы, для того чтобы выполнять требования как внутри фирменные так и третьих сторон. Есть несколько побуждений деятельности исследования рынка офшоринга (MROf) и аналитики ведущих в Индию.

Во первых, после либерализации в Индии значительно улучшилось образование в области менеджмента. Эти институты выпускают тысячи

студентов каждый год, некоторые из них обладают высшими степенями в таких течениях как, инженерная область, технология, торговля, экономика и наука. Индия обладает значительным объёмом знаний в различных сегментах исследования рынков. В их число входят потребительские исследования, исследования финансовых услуг, денежного рынка, фондового рынка и валютного рынка. Индийские учёные обрели знания в общепринятых принципах бухгалтерского учёта США, и всё возрастающее число индийских транснациональных компаний перенимают нормы общепринятых принципов бухгалтерского учёта США.

Неустанное усилие совета ценных бумаг и фондов Индии по усовершенствованию рамок корпоративного управления на индийских фондовых рынках, подняли индийские фондовые рынки на более высокий уровень по сравнению с другими появляющимися рыночными экономиками. За последние несколько лет иностранные институциональные инвесторы проявляют большой интерес в индийских фондовых рынках. Игроки на индийских фондовых рынках обрели глубокие знания в исследовании фондовых рынков, в глобальном контексте с введением новых производных инструментов.

Эти факторы привлекли в Индию многие международные рыночно-исследовательские, управленческие, инвестиционные и консалтинговые фирмы. Сравнительно низкая стоимость недвижимого имущества в Индии и низкая зарплата привлекли несколько организаций рыночного исследования, таких консалтинговых фирм как McKinsey, Price waterhouse Coopers, KPMG, Booz Allen, Boston Consulting Group, A T Kearney, A C Neilson, Gartner, IDC, Goldman Sachs, J P Morgan, Deloitte, Lehman Brothers, чтобы создать внутрифирменные исследовательские центры в Индии. Ведущие рейтинговые агентства такие как, Standard & Poors, Moodys and Fitch установили своё присутствие на индийском рынке, предприятиях и секторах специфических исследований. Присутствие таких агентств создаёт спилловер эффект на индийском рынке, и среднего размера консалтинговые фирмы прокладывают путь в индийский рынок.

Задачи и стратегии

В нынешних обстоятельствах острой конкуренции, компании борются друг с



другом за завоевание места на международном рынке. Ведущие компании мира переделывают свои ценовые структуры, значительно сокращая стоимость труда, добавляя новые способности и улучшая продуктивность и качество. В таком расположении дел, международным организациям приходится смотреть за пределы своих традиционных стратегий для того чтобы выполнить рыночные задачи.

Изменения в подходе и стратегиях принятые транснациональными фирмами помогают эволюции и популяризации процесса аутсорсинга и офшоринга знаний.

Задачи и вызовы.

Главной силой Индии продолжает быть её сильная база снабжения квалифицированной рабочей силы, знание английского языка и низкие оплаты вместе с крепкими навыками знания и доказанной надёжной способностью поставок. Однако растёт осознание того, что такие низкие цены и наличие большого пула квалифицированной рабочей силы, обладающей знанием английского языка не будут долго оставаться главными ключевыми привлекательностями зовущими в Индию индустрию офшоринга аутсорсинга знаний (КРОф). В связи с чем, задачи и вызовы Индии вероятно возрастут в предстоящие годы. Некоторые из этих задач будут генерическими по характеру, а некоторые другие - индустриально специфическими. Поэтому очень важно перечислить и понять задачи и одновременно вырабатывать стратегии по подъёму внутренних преимуществ, вынуждаемых глобальными требованиями.

Плохая структура создаёт большие задачи в поставке услуг высокого качества международным клиентам. Постепенно растёт численность населения в метрополисах и растёт стоимость деятельности – в таком положении дел необходимо развить инфраструктуру во вторых по размеру городах.

Стратегии

В предприятиях области офшоринга аутсорсинга знаний (КРОф) людские ресурсы являются главенствующим фактором их успеха. И чтобы поддержать позицию Индии как привлекательное место назначения офшоринга аутсорсинга знаний (КРОф), очень важно увеличить силу и численность талантов наделяя их

дополнительными знаниями. Кроме этого, очень важно постоянно усовершенствовать квалификацию.

И в этот процесс усовершенствования талантов можно вовлечь иностранные филиалы фирм, поощряя их участвовать в совместных проектах с университетами и другими училищами.

Привлечение и усиление индийской диаспоры.

Подсчитано, что в свыше 70 странах мира живут 20 миллионов индийской диаспоры, которые успешно вносили вклады в развитие таких областей как инженерное дело, исследование космического пространства, здравоохранение, ИТ, управленческое дело и предпринимательство.

Привлечением знания обрётённого индийской



диаспорой в различных странах, индийские предприятия КРОф смогут освоить и применить лучшую практику в поставке услуг и использовать сеть, чтобы построить брендовую Индию, как самая лучшая страна для офшоринга.

Близкий шоринг как стратегия бизнеса.

Обретая богатый опыт в различных областях знаний и успешно выполняя требования транснациональных корпораций, индийские предприятия КРОф должны также усвоить стратегию установления операций за рубежом Индии и поставлять клиентам основанные на знаниях услуги. Фирмы могут также усвоить стратегию создания центров поставок - снабжения в других географических местах, пользуясь своими преимуществами в знании языков и культуры и также используя преимущество зоны времени. ■



Биотехнология является одной из прогрессивно развивающейся отраслью в индийской экономике. В эту отрасль входят компании, которые используют клетки и биологические молекулы в медицине (как в ветеринарии так и человеческой медицине), сельском хозяйстве и управлении окружающей среды. Индийская биотехническая промышленность состоит из пяти отчётливых сегментов: биофарма, биоуслуги, биоагрия, биоиндустрия и биоинформатика. В этих сегментах оперируют свыше 325 компаний и почти 40% этих компаний оперируют в секторе биофармы.

За последние годы биотехнологическая индустрия буйно развивается. «Благодаря крупномасштабному экспорту и растущим слияниям и приобретениям этот сектор прогрессивно глобализируется». В 2006-07, промышленность зарегистрировала доход в 8,5410 000 000 рупий. На самый крупный сегмент биотехнологии – биофарму, приходится почти 70% общего дохода индустрии. Этот сегмент возрос на 27% в 2006-07г.

Рынок биогенерики в 10 млрд. долларов готов к вашему захвату

Индия становится международным ключевым игроком в биофарме

Другими сегментами добившимися очень высокого роста являются биоагрия (59%) и биоуслуги (53%).

Экспорт

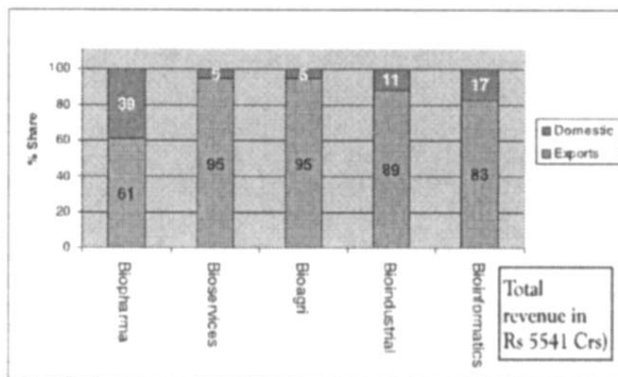
Биотехнология стала одной из самых высоких экспортно интенсивных отраслей. Доля её экспорта составляет почти 58% общего дохода в 2006-07. Экспорт увеличился до 49370 000 000 рупий в 2006-07г., от 33580 000 000 рупий в предыдущем году, составляя подъём в 47%. Экспорт биофармы составляет 61% от общего дохода. А доля биосервиса и биоагрии в экспорте-95%.

Биофарма: потенциалы для Индии

Индия сейчас признаётся как один из важных игроков на биофармацевтическом рынке. Во многих исследовательских документах доказано, что основанные на химии медицинские инновации предыдущего столетия теряют свою важность, и заменяются современными биофармацевтическими исследованиями, которые будут содействовать росту госдохода и прибыли в предстоящие годы. Многие индийские фармацевтические компании воссоединяют свои силы с биотехнологической промышленностью в разработке новых препаратов. Подсчитано, что к 2010 г. биофармацевтическая продукция стоимостью в более чем 10 млрд долларов потеряет свою патентную защиту на рынках развитых стран. Более того, недавно управление по санитарному надзору за качеством пищевых продуктов и медикаментов США одобрило закон о ревитализации, позволяющий производителям медикаментов продавать генерические варианты биофармацевтики после 12 летних эксклюзивных рыночных прав инноваторской компании. Это даст большие возможности индийским

фармацевтическим рынкам использовать возможности этого большого биогенерического рынка.

Индийская биотехнологическая промышленность: Экспорт в противовес продаже на внутреннем



Source: Biospectrum : ABLE Survey 2007

рынке Industry: (2006-07)

Экспорт в противовес продаже на внутреннем рынке (2006-07)

общий доход – 55410 000 000 рупий

Национальная стратегия по развитию биотехнологии:

Правительство Индии играет проактивную роль в развитии биотехнологической промышленности. С целью поощрения дальнейшего роста индийского биотехнического сектора, правительство разработало «национальную стратегию развития биотехнологии». Стратегия поможет решить ряд задач касающихся исследования и развития биотехнологической промышленности, создания инвестиционного капитала, поглощения и распространения, права интеллектуальной собственности, нормативно правовой базы и управление людскими ресурсами.

С целью упрочения нормативно правовой базы

этого сектора будет учреждён национальный орган регулирования, предоставляющий механизм «одного окна» клиринга биобезопасности для генетически модифицированной продукции и процессов. Помимо этого будет учреждён межминистерский координационный комитет для эффективной координации развития сектора с помощью решения межотраслевых вопросов.

С целью поощрения частно-государственного партнёрства будет выделено 30% бюджета отдела биотехнологии для развития инновации, исследования predetermined концепции и партнёрской программы по передовой технологии. В этой специфической программе долевого участия в расходах, промышленный партнёр сохраняет за собой интеллектуальное имущество, заплатив соответствующий лицензионный платёж учёным содействующего государственного сектора

Сейчас организуется совет по содействию исследованиям в биотехнологической индустрии, который будет действовать как согласующий орган между академическим и частным сектором, в частности между малыми и средними предприятиями и вновь созданной компанией, и для роста и катализирования исследования и развития биотехнологии в частном секторе

Индийская биотехнологическая промышленность в 2006-07 г.

сектор	Доля совокупном доходе	Доход (Rs. Crores)		% рост
		2006-07	2005-06	
биофарма	69.93	5973.0	4708.0	26.87
биоуслуги	12.90	1102.0	720.0	53.06
биоагрий	10.84	926.0	598.0	54.85
биопромышленность	4.62	395.0	375.0	5.33
биоинформатика	1.71	145.0	120.0	20.83
итого	100.00	8541.0	6521.0	30.98

Региональные торговые соглашения (РТС): Пути к международной торговле

Многие страны сейчас осознают, что региональные и многосторонние соглашения могут быть взаимодополняющими и взаимно подкрепляющими подходами к торговым реформам. Такие регионально интегрирующие соглашения могут привести к улучшению региональной торговли, которая в свою очередь может предоставить импульс региональной торговле. Более того, декларация достигнутая в конце 2001 года, в Дохе министрами стран членов ВТО тоже признаёт, что региональные торговые соглашения (РТС) могут играть важную роль в поощрении либерализации и расширения торговли и также в увеличении инвестиции и производительности и содействовать развитию, особенно в развивающихся странах.

Сейчас всё больше стран рассматривают РТС, как связь между развивающимися и развитыми странами, имеющими общую цель экономического развития и как ворота к международной торговле. Необходимость таких соглашений истекает из ряда социально-экономических и политических соображений и обеспечения безопасности. Страны заключают региональные соглашения по следующим причинам:

- Извлечение пользы от возрастающего преференциального выхода на высоко конкурентные более крупные рынки;
- Медленный прогресс либерализации торговли, проводимой ВТО и узкие места в многосторонних торговых переговорах;
- Большое увеличение соглашений о свободной торговле (ССТ) по всему миру, которые побудили другие страны, не вовлечённые в региональные торговые соглашения, тоже рассмотреть участие в таких соглашениях и оставаться конкурентно способными в международной торговле.
- Поощрение либерализации и осуществление политики реформ.
- Привлечение большей иностранной прямой инвестиции; и
- Соображения о безопасности и политике.

Распространение РТС

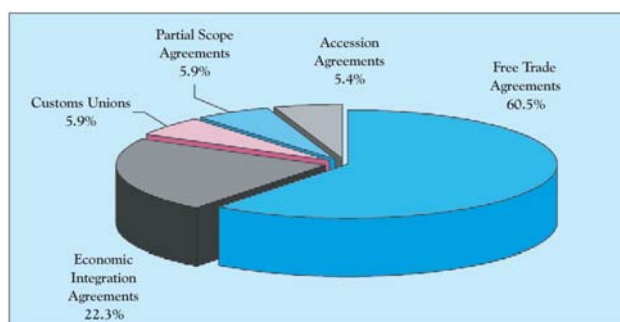
За последние годы число региональных торговых соглашений (РТС) значительно возросло. И сейчас свыше одной третьей всемирной торговли проводится в рамках таких соглашений. Из 205 РТС, извещённых ВТО и вошедших в силу 18 июля 2007 года, 124 являются соглашениями о свободной торговле (ССТ), на долю которых приходится 60% от

всего, 46 являются соглашениями об экономической интеграции (СЭИ), 12 – таможенными союзами (ТА), 12 – соглашения о частичных перспективах (СЧП) и 11 являются соглашениями о присоединении (СОП). Преобладание соглашений о свободной торговле (ССТ), вероятно объясняется тем, что их можно заключить быстрее и при более низкой степени координации политики между согласующимися сторонами, по сравнению с многосторонними переговорами.

Особенно стал заметен растущий интерес в региональных торговых соглашениях среди стран мира со времени прихода нового тысячелетия; 124 соглашения (составляющие 60% всех) вошли в силу после наступления 2000 года. Как было указано выше, соглашения о свободной торговле (ССТ) продолжают быть самыми предпочитаемыми по сравнению со всеми другими и поэтому 65% от всех соглашений, которые вошли в силу после прихода 2000 года, являются (ССТ). Согласно исследованиям, большинство соглашений вошло в силу в период от 2004 по 2006 год. Это вероятно объясняется провалом канунской министерской конференции 2003 года и шестой гонконгской министерской конференции ВТО состоявшейся в 2005 году. И потом между 2004 и 2007 годами вошли в силу 40 соглашений о свободной торговле (ССТ) and 23 соглашения об экономической интеграции (СЭИ). В то время, как доминирование соглашений о свободной торговле (ССТ) означает растущую тенденцию среди стран членов заключать двусторонние преференциальные соглашения, растущее число соглашений об экономической интеграции (СЭИ) указывает на рост предпочтения среди стран углублять двустороннюю экономическую интеграцию за пределы торговли товарами..

Тенденция региональных торговых соглашений.

Distribution of RTAs notified to WTO (% of total)
(as on July 18, 2007)



По сравнению с большинством соглашений заключённых развивающимися странами в первые годы региональных торговых соглашений, среди развитых стран наблюдалась растущая тенденция войти в торговые договоры между собой и так же с развивающимися странами, что видно из возросшей доли таких соглашений в период от 2000 г. по 2007 год по сравнению с периодом от 1995 г. до 1999 года. В результате чего, доля соглашений в рамках юг-юг, составляющая 67% всех соглашений в 1995-99 годы, сократилась на 39% между 2000 г. и 2007 годом. По сравнению с всего лишь десятью соглашениями заключёнными между развитыми и развивающимися странами в период между 1995-1999 годами, их число значительно возросло до 51 за последние семь лет, составляя 46% всего числа соглашений заключённых за этот период.

Развивающиеся страны проявили большую заинтересованность в заключении региональных торговых соглашений с развитыми странами, чтобы получить возможность выхода на более крупные и потенциальные рынки и получить пользу от огромных торговых возможностей на этих рынках. Переход интереса развивающихся стран к заключению соглашений с развитыми странами и наоборот был особенно заметен с 2004 года. Это вероятно можно объяснить интересом развитых стран в заключении соглашений с развивающимися странами в следствии эрозии их уверенности в многосторонности. Здесь можно заметить, что все торговые соглашения США вошли в силу, кроме как с

Израелем и Иорданией, после 2004 года.

Появление торговых блоков и региональных торговых соглашений РТС

В результате готовности стран мира улучшить и расширить торговые отношения с соседними странами наблюдалось быстрое увеличение числа региональных торговых блоков. Страны так же пытаются преодолеть физические географические границы, чтобы тоже быстро войти в торговые отношения с отдалёнными странами. Общий рынок стран Южной Америки (МЕРКОСУР) и Северо-американская зона свободной торговли (НАФТА) стали самыми крупными блоками в Америке. С появлением важных торговых блоков, таких как Ассоциация государств Юго-Восточной Азии (АСЕАН) и южно-азиатская ассоциация по региональному сотрудничеству (ЮААРС), Азия тоже стала быстро охватывать регионализм.

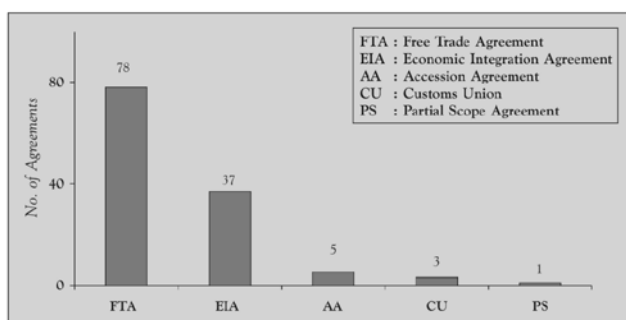
Общий рынок восточно-и южноафриканских государств (ОРВЮАГ) и сообщество развития стран Южной Африки (СРСЮА) в Африке; большое арабское соглашение по свободной торговле (БАССТ) и совет по сотрудничеству стран Персидского Залива (СССПЗ) в Западной Азии; Европейский Союз (ЕС) и европейское соглашение по свободной торговле (ЕФТА) в Европе и торговый блок Содружества независимых государств (СНГ) могут быть названы критически важными событиями в региональной экономической интеграции, которые также значительно улучшили межблоковую торговлю.

Межблоковый экспорт товаров, как процентная доля общего экспорта блока Европейского Союза достигла почти 66% в 2005 году; а то что касается Северо-американской зоны свободной торговли (НАФТА), то она равнялась 56% и около 50% имело Евразийское экономическое сообщество (ЕАЕС), указывая на высокую степень интеграции между этими блоками. Не смотря на существование блока, есть примеры заключения торговых соглашений между странами внутри блока. Эти отличительные черты особенно заметны в торговом блоке СНГ, где все страны СНГ, кроме Молдавии, вошли в соглашение с только другими странами СНГ. Другую интересную черту можно заметить в инициативе Японии выдвинутой по отношению к торговому соглашению с АСЕАН, не смотря на установление двусторонних соглашений с Сингапуром и Малазией, которые являются членами АСЕАН. Как и страны СНГ, Индия Шри Ланка тоже создали свободную торговую зону – СТЗ, не смотря на то, что они являются членами Южно-азиатского соглашения по свободной торговле (SAFTA). Подобным образом, как и в случае с Японией Индия имеет торговое соглашение не только с АСЕАН, но и так же с некоторыми странами-членами, такими как

Таленд и Сингапур

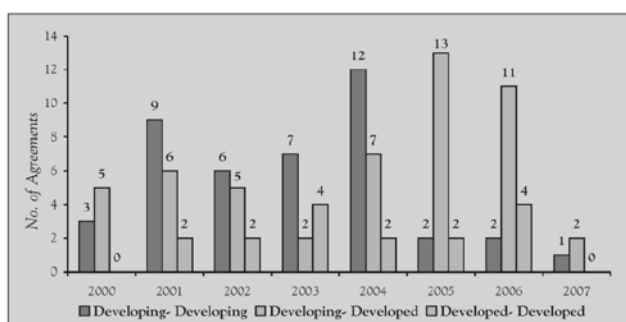
Здесь стоит отметить, что страны заключают соглашения с торговыми блоками, чтобы иметь

Number of RTAs notified to WTO since 2000
(as on July 18, 2007)



Source : WTO

Year wise distribution of agreements



доступ к более крупным и потентным рынкам региона. Типичным примером в этом отношении может быть преимущество заключения соглашения с такими блоками, как ЕС, который даёт доступ ко всем странам-членам ЕС. Признавая это, такие страны как Норвегия, Хорватия, Албания, Мексика, Иордания, Алжир, Тунисия, Чили, Египет и т.д. заключили двусторонние торговые соглашения с ЕС. Однако, для страны-члена, таможенный союз или рынок сообщества смогут ограничить свободу входа в двусторонние соглашения со странами не являющимися членами, потому что нужно придерживаться к общим внешним тарифам. Это особенно верно для более крупных и относительно более развитых стран-членов блока.

Нужно так же отметить, что страны большинства регионов мира проявляют растущий интерес в расширении своих двусторонних торговых возможностей со странами не входящими в их регион или блок. В Азии, Сингапур был самым агрессивным в желании заключить торговые соглашения с рядом стран, таких как Новая Зеландия, Австралия, США, Иордания и Панама. Сингапур является одним из ведущих подписчиков региональных торговых соглашений (РТС), имея 18 таких соглашений. Другими странами подписавшими большой ряд региональных торговых соглашений (РТС) являются Мексика, она подписала 19 соглашений, Чили - 17 соглашений, США подписали 15 и Турция – 10 соглашений. Изучение торгового характера этих стран за последние 10 лет явно подтверждают положительное влияние региональных торговых соглашений (РТС) на достижения торговли этих стран.

За последние пять лет оценочная стоимость торговли всех этих стран с индивидуальными партнёрами региональных торговых соглашений (РТС) тоже круто возрасла. Более того, торговля со странами партнёрами (РТС) составляет большую часть общей торговли этих стран, что ещё раз подтверждает важность (РТС) в международной экономической интеграции этих стран. К примеру, в случае Мексики и Сингапура, торговля со странами партнёрами (РТС) составляет соответственно примерно 85% и 63% их международной торговли. Подобным образом, для Чили торговля со странами партнёрами (РТС) составляет почти 80% её глобальной торговли.

Существуют некоторые ключевые факторы, которые поощряют региональные торговые соглашения (РТС) в этих специфических странах. В случае Мексики, переход от вовнутрь направленной политики к более либеральной и внешне ориентированной политике, офшорные сборочные установки вдоль американо-мексиканской границы, Maquiladoras, и ряд экспортных инициатив предоставленных Мексикой играли важную роль в развитии торговых отношений с другими странами как внутри региона, так и за его пределами. А то что касается Сингапура,

то его про-экспортная, либеральная торговая политика и устранение большинства ограничений на импорт содействовали бурному росту его торговых взаимодействий.

Подобным же образом, приоритизация обеспечения выхода на более крупные рынки и её многосторонней торговой политики, введение низких и одинаково применяемых тарифов и стабильная экономика были инструментальными в расширении взаимодействия Чили с США в рамках РТС.

Усилия США в создании торговых мощностей тоже играли важную роль в упрочении торговых отношений особенно с развивающимися странами.

Признавая потенциалы большего регионального сотрудничества по развитию, крупные азиатские страны тоже стали быстро принимать регионализм особенно в последнее десятилетие, что привело к росту числа РТС, вовлекающих большинство азиатских стран. Ассоциация государств Юго-Восточной Азии (АСЕАН) является самым крупным торговым блоком в Азии, внутриваловый экспорт которого составлял в 2005 году 23% всего международного экспорта.

Ассоциация государств Юго-Восточной Азии (АСЕАН) так же расширяется с инициативой «АСЕАН плюс три» с торговыми соглашениями с Японией, Китаем и Кореей. Ассоциация государств Юго-Восточной Азии (АСЕАН) также подписала в 2003 году соглашение с Китаем по формированию соглашения о свободной торговле (АСТ). Так же прилагаются усилия по заключению соглашения по более тесному экономическому партнёрству АСЕАН с Японией, АСЕАН с Корей и АСЕАН с Индией. Инициативу «АСЕАН плюс три» можно определить как важное событие в региональной интеграции, имеющей потенциалы значительно увеличить торговлю и развитие в Азии. Ценовая стоимость всей торговли стран участниц инициативы «АСЕАН плюс три» достигла 4.3 триллиона американских долларов в 2005 году, составляя 20% международного экспорта. Поэтому для Индии очень важно упрочить сотрудничество с АСЕАН и таким образом стать интегральной частью пан азиатской зоны свободной торговли.

Вовлечение Индии в региональные торговые соглашения

Усилия Индии в поощрении региональной торговли содействовали росту и расширению всемирной торговли. Во многих регионах мира находятся страны, с которыми Индия заключила ряд соглашений. В 1998 году в Азии, Индия подписала региональное торговое соглашение по свободной торговле с Шри Ланкой. За этим последовали соглашение по всеобъемлющему экономическому сотрудничеству с Сингапуром, соглашение по свободной торговле со странами членами южно-азиатской ассоциацией по региональному сотрудничеству (ЮААРС) и со странами Бенгальского Залива членами инициативы

соглашения по много – секторальному техническому и экономическому (BIMSTEC), рамочное соглашение по свободной торговле с Таиландом и рамочное соглашение СЕАС с АСЕАН.

Благодаря учреждению совместных исследовательских групп, Индия начала вести переговоры с рядом стран таких как Корея, Китай, Япония, Россия, Малазия и Индонезия. Эти инициативы формируют интегральную часть политики «смотри на восток», которая в последние годы набирает энтэртиию и стала приносить результаты на экономическом, политическом и стратегическом фронтах. Индия со всей серьёзностью проводит прерговоры по установлению РТС с другими развивающимися странами, расположенными в различных частях мира. .

Индия заключила преференционное торговое соглашени (ПТС) с общим рынком стран Южной Америки (МЕРКРСУР) и с Чили; рамочное соглашение по свободной торговле с советом по сотрудничеству стран Персидского Залива (СССПЗ); преференционное торговое соглашени (ПТС) с южно-африканским таможенным союзом (SACU). Индия также учредила совместную исследовательскую группу с Маврикий и с Израелем, чтобы изучить возможности заключения соглашений по свободной торговле.

Вовлечение в региональные торговые соглашения значительно повлияло на достижения торговли Индии с её торговыми партнёрами в последние десять лет. Экспорт и импорт Индии из стран партнёров по региональным торговым соглашениям РТС значительно возросли в период от 2001-02 до 2006-07 годы. Торговля Индии с партнёрами по РТС в процентном исчислении по отношению к всеобщей торговле значительно возросла от 20% до 30% в период от 2001-02 до 2006-07 годы.

Путь вперёд для Индии

Очень важно для Индии оценить долгосрочные последствия исходящих из заключения региональных торговых соглашений (РТС) и принять интегрированный подход отвечающий долгосрочным интересам и потенциалам экономики. Взаимодействие в региональных торговых соглашениях должно быть одним из путей, а не только один путь к расширению международного экономического сотрудничества.

Индии нужно рассматривать двусторонние и многосторонние торговые инициативы и эффективный регионализм за пределами соглашений по свободной торговле, но продолжая продвижение к многостороннему сотрудничеству.

Хотя Индии нужно придерживаться к последоаптльности негативного списка по отношению к соглашениям с различными странами, чтобы эффективно защищать внутреннюю промышленность, так же очень важно рассмотреть вопрос о безтарифных торговых барьерах, особенно в делах касающихся региональных торговых соглашений с такими развитыми странами, как США и странами ЕС.

Признавая позитивный эффект региональных торговых соглашений (РТС) на достижения торговли страны, Индия должна так же рассмотреть торговые соглашения со всеми крупными торговыми блоками мира т.е. с общим рынком стран Южной Америки (МЕРКРСУР), Северно-американской зоной свободной торговли (НАФТА), ЕС, АСЕАН, с советом по сотрудничеству стран Персидского Залива (СССПЗ); GAFTA, SADC/ SACU и Содружества независимых государств (СНГ), которые смогут существенно улучшить доступ Индии к рынку и выбору конкурентного импорта. Более того, Индия так же может рассмотреть осуществление соглашений, по крайней мере, с одним целым блоком, который может стать потенциальным выходом на рынки других блоков.

Индия может изучить международные направления и тенденции постепенного перехода от торговых соглашений в рамках юг-юг к преференциальным соглашениям между развивающимися и развитыми странами и также изучить возможности осуществления торговых соглашений с более развитыми странами, такими как США, Япония и странами ЕС. Индия начала переговоры по заключению соглашения по всеобъемлемому экономическому партнёрству с Японией и широко-базовому торговому инвестиционному соглашению с ЕС, которые нужно продвинуть вперёд. Региональное торговое соглашение с США, имеющее значительные рыночные потенциалы и явную взаимодополняемость могут стать выгодными для Индии. Такие соглашения смогут так же содействовать и увеличивать инвестиционный поток в Индию.

Индия так же может смотреть за пределы соглашений по свободной торговле (ССТ), котрые заключены эксклюзивно для товаров, чтобы расширить перспективы соглашений, для включения услуг, инвестиции, сотрудничества в области валютных отношений и торговли логистикой. .

Основываясь на силу своего сектора услуг, Индия может заключать эксклюзивные торговые соглашения, которые позднее можно расширить до торговли товарами. Индия может расширить перспективы двусторонних соглашений по поощрению инвестиций, чтобы включить специфические средства стимулирования инвестиций в такие растущие отрасли, как инфраструктура.

А что касается сотрудничества в области валютных отношений, то образец структурного конвергенционного фонда (FOCEM), МЕРКРСУРА, способствующий передаче фондов от более развитых к к менее развитым странам в блоке, может стать примером, которому может следовать регион южно-азиатской ассоциации по региональному сотрудничеству (ЮААРС), и который сможет эффективно возглавить экономическое развитие и интеграцию региона. . ■