



Open Trade

CONNECTING GLOBAL COMMERCE

www.opentrade.in



To Boost Farm Output
& Curb Price Rise...

WANTED GLOBAL ACTION





SOLUTIONS IN THE POWER, INFRASTRUCTURE, FACILITIES AND MUNICIPAL WASTE MANAGEMENT SECTORS!

We are an Engineering, Procurement and Construction company in India and have been providing services to the Power Transmission and Distribution sector with a focus primarily on the Distribution segment. In addition, we are significantly focused on and involved in other businesses that include generating power from Renewable Energy sources; providing Municipal Solid Waste Management Services; providing Facility Management Services; and developing Information Technology solutions for Power utilities. Our business operations are geographically spread across India and conducted through A2Z Maintenance & Engineering Services Limited and its direct and indirect subsidiaries.

*A2Z Maintenance & Engineering Services Limited

- Providing EPC Services to Power Transmission and Distribution Sector
- Installation of Power Transmission Line Projects
- Electrical Distribution System
- Substation up to 400kV
- Transmission Line up to 765 kV
- Rural Electrification
- BOP for Power Plants
- Railway Electrification
- EHV Cabling

A2Z Infrastructure Limited

- South East Asia's largest integrated MSW processing facility
- COGEN Project in three sugar mills
- Operates a 1500 TPD MSW Project in India
- Integrated MSW Projects Varanasi (600 TPD), Indore(600 TPD), Meerut (600 TPD), Aligarh (220 TPD) and Moradabad (280 TPD)
- Engaged in Municipal Solid Waste Management and Renewable Energy sectors

A2Z Infraservices Limited

- Providing Comprehensive Engineering, Business Support, Housekeeping and Project Management Services
- Multi-Location, Multi-Service provider
- Servicing diverse industry segments-Corporate, Shopping Malls, Commercial Buildings, Retail outlets, BFSI sector, India Railways and Airports
- Providing specialized services to the Indian Railways under the CTS scheme
- Clients in Public and Private sector



Corporate Office: Plot No. 44, Sector-32, Institutional Area, Gurgaon-122001, Haryana (INDIA)
Tel: 0124-4517600, Fax : 0124-4380014, Website : www.a2zgroup.co.in

In This Issue

COVER STORY

05



India Seeks Global Initiative to Boost Agricultural Output

06

COVER STORY

'India Must Become Competitive in Farm Production & Exports'



TRADE

07



Indo-Australian CEO'S Forum to Meet by Year-End
Progress of FTA Process to be Speeded Up

12

FOCUS

'MSME Sector Holds Great Potential for Collaborations'



FOCUS

15



Japanese SMEs Keen to Move into India for Tie-ups

18

EVENT

India Show in Jakarta in March 2012
Non-Tariff Barriers on Indian Exports to Indonesia Must Go



EDUCATION

29



US Committed to Academic Ties with India
Higher Education Helps Youth to Tap Global Opportunities

Founder Chairman
Late Shri R.K. Prasad

Distributed by:
New Media Communication Pvt. Ltd.

Managing Editor: Satya Swaroop
Directors: B.K. Sinha
Cdr. P.S. Amar
Group Editor: Dev Varam
Editor: Uday Tarra Nayyar
Executive Editor: Suresh Vasudevan
Consulting Editors: Prabhhu Sinha,
Md. Sabir Nishat, Tripat Oberoi
Deputy Editor: Tripti Chakravorty
Assistant Editor: Jyoti Pathak
Editorial Assistant: Shraddha Varadkar
Strategic Advisor: Vinaya Shetty
Head - Admin & Finance: Sunil Kumar
Liaison Officer: Vrunda Gurav
Special Projects: Manjeet Bhawar
Support & Executive Database: Madhavi Singh,
Arvinder Kaur Sethi
Circulation: Jawaharlal, Santosh Gangurde,
Vijay Wangade & Suraj
Art Director: Santosh Nawar
Associate Art Director: Sagar Banawalikar
Visualizer: Maya Vichare
Photographers: Kishen Singh, Ramesh Singh

BRANCHES:

Kolkata:
Anurag Sinha, Regional Head,
Mob: 098300 43339
Email: anurag@newmediacomm.biz

Pune:

Jagdish Khaladkar, Regional Director,
Mobile: 098230 38315
Email: pune@newmediacomm.biz

Patna:

Rajesh Narayan, Vimmi Prasad
173 - B, 2nd Floor, S.K. Puri, Patna 800001, Bihar
Email: rajeshnaraen@newmediacomm.com
Mob: 09334390988

Australia Office:

Bandhana Kumari Prasad, 129 Camboon Road,
Noranda, Perth, W.A. 6062 Tel: 0061 892757447
Email: bandhana@newmediacomm.biz

New Media Communication Pvt. Ltd.,

New Media House, 1 Akbar Villa,
Near Old State Bank, Marol-Maroshi Road,
Andheri (E), Mumbai - 400 059.
Tel: +91-22-2925 0690. Telefax: +91-22-2925 5279
E-mail: enquiry@newmediacomm.biz
www.newmediacomm.com

Printed & Published by

Veerendra Bhargava and printed at: Jayant Printery 352/54,
Girgaum Road, Thakurdwar, Mumbai 400002 and published
from New Media House, 1 Akbar Villa, Near Old State Bank,
Marol-Maroshi Road, Andheri (E), Mumbai - 400 059.

Editor: Dev Varam

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. Today, the world is reeling under the burden of rising food prices, which in turn are stoking the flames of inflation. The phenomenon has a multiplier effect on the economies of countries, already hit by recessionary conditions across the globe. Against this gloomy background, Agriculture Ministers from the G-20 countries met recently in Paris to discuss the ways and means of stepping up food productivity and production in order to arrest the galloping commodity prices. It was at this meeting that India's Agriculture Minister Sharad Pawar called for urgent global action to meet the challenges the world is facing on both the counts - food production and prices. The current issue of Open Trade carries the deliberations of the Paris food meet as its cover story. India and Australia are pushing their bilateral trade to new highs and are keen to finalize the Free Trade Agreement (FTA) which is still being negotiated by both the countries. We carry a write-up in the trade section of the magazine. The focus article of the issue is on Small and Medium Enterprises (SMEs), which hold immense potential for boosting bilateral trade through possible collaborations. The issue highlights the possible collaboration between India and South Africa in the SME sector. Tadashi Okamura, Chairman of the Japan Chamber of Commerce and Industry (JCCI), in a write-up says that small and medium Japanese companies are keen on moving into India for collaborations. The magazine presents separate articles on two events, India Show in Canada aimed at boosting engineering exports, held in October 2011 and the other, to be held in Jakarta in Indonesia on 12 March 2012, focusing on pharmaceuticals besides other key sectors. In the news section, we have India and Indonesia setting a bilateral trade target of \$25 billion for 2015, India and Israel deciding to co-operate in promoting tourism and India and South Africa signing a pact on electoral cooperation and reforms. In the education section, US Secretary Hillary Clinton offers advice to the youth to tap global opportunities through education. The magazine carries its other regular features as usual.

Wish you happy reading.

Satya Swaroop

Managing Editor

satya@newmediacomm.biz

India Seeks Global Initiative to Boost Agricultural Output

India has sought global action to achieve higher agriculture production to meet global food grain requirement. In the meeting of G-20 Agriculture Ministers held on 22 and 23 June at Paris, Agriculture Minister Sharad Pawar stressed the need for concerted global action to achieve higher agriculture production in order to meet the growing demand of food grains.

The meeting was convened by the French Presidency, the current chair of G-20 countries in response to the growing concern about the food price volatility, particularly in the context of very high food prices in recent times and an assessment that the prices were likely to remain high.

Minister Pawar endorsed the 'Action Plan on Food Price Volatility and

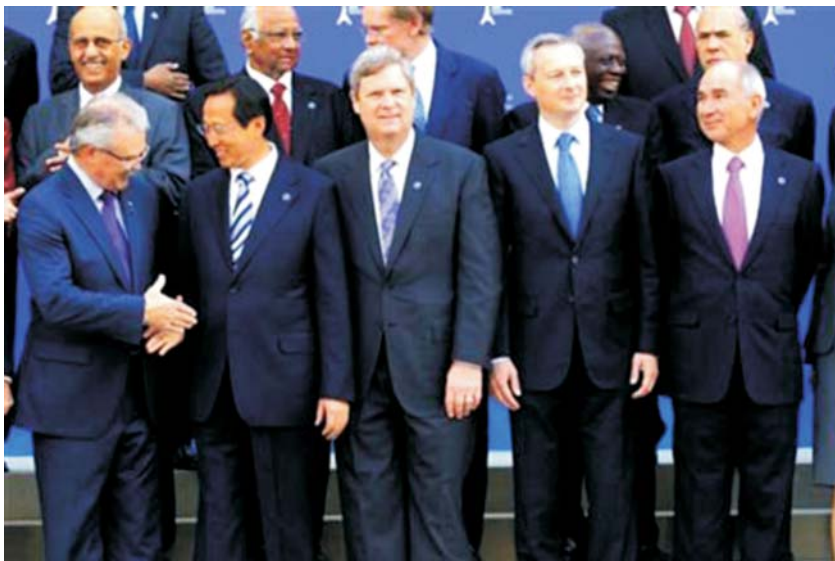
Agriculture' prepared by French Agriculture Ministry in consultation with the officials of the G-20 countries and said that adequate supply response to the growing demand of food grains was the most important measure to stabilize the food prices. He also welcomed the new initiative on 'Agriculture Market Information System' to be housed in FAO headquarters for developing early warning system. G-20 members agreed to share information on production, consumption, price, trade and stocks to build the information system.

It was also agreed by G-20 Agriculture Ministers to create a 'Rapid Response Forum' linked to the 'Committee on Food Security' in FAO. This forum would take note of

the analytical reports produced by the Information System for needed follow up action. International Research Initiative for Wheat Development has been agreed. This initiative would be a coordination mechanism that would work closely with the National Research Bodies, CGIAR and private sector to give more focus to research for development of wheat crop in terms of collaboration among agencies for avoidance of duplication of efforts and supplementing the ongoing research work.

In addition, G-20 Ministers agreed to launch 'The Global Agricultural Geo-Monitoring Initiative' through an inter-governmental organization GEO (Group on Earth Observations) for better assessment of the crops. These measures have been suggested to be implemented from September this year. Apart from these initiatives, a number of other measures have also been suggested in the Action Plan which would be submitted for consideration of the leaders in the summit scheduled at Cannes in November 2011.

On the sidelines of the G-20 meeting, Minister Pawar held bilateral meetings with the Agriculture Ministers of Canada and Australia to promote cooperation in agriculture and agro processing sectors. ■



'India Must Become Competitive in Farm Production & Exports'

Commerce Secretary Rahul Khullar delivered the inaugural address at a seminar on the prospects of India's agriculture export in 2025: opportunities, challenges and roadmap in New Delhi recently. The seminar was organized by the Centre for WTO studies at the Indian Institute of Foreign Trade for three days.



During his address, Khullar said, "Traditional agriculture has suffered because of production constraints, which in turn is holding up our agri exports. Agriculture has to be competitive and it's important that what you are producing".

Lack of research and development, inadequate infrastructure, lack of commercial agriculture, small land holdings, etc serve as a constraint and there is a strong case for agriculture reforms, he further added.

Khullar said, "Global trade in agriculture is most distressed and pressure is likely to stay on agri commodity prices. My own sense is that the pressure on agri prices is going to continue. I also think that domestically the pressure on prices is going to continue even more. However, the Government policies should not reflect a "knee-jerk reaction".

The inaugural function was also attended by Rajeev Kher, Additional Secretary and J.S Deepak, Joint Secretary from the Department of Commerce. The main purpose of the seminar was to discuss various issues related to the agriculture sector, especially constraints to agriculture exports, and draw a roadmap in order to make India not only self-sufficient in agriculture production but also generate export surplus in agriculture.

Speakers of the seminar noted that, in the recent past, various issues related to Indian agriculture have been debated, especially, the impact of economic reforms, trade liberalization and commitments under World Trade Organization (WTO) on Indian agriculture. Trade liberalization under WTO has created both challenges and opportunities for the Indian agriculture sector. The liberalization of the Indian economy during the

early nineties gave hope to the agricultural sector that the opening up of the economy would facilitate in removing discrimination against agriculture. It was expected that India would benefit by signing the Agreement on Agriculture (AoA) due to the comparative advantage in the production of agriculture commodities in early nineties.

However, the outcome of Agreement on Agriculture (AoA) has not been as beneficial to India as was expected due to external and internal factors. Numerous distortions and market access barriers in the developed countries have adversely affected Indian agriculture exports. On the domestic front, vast opportunities to harness agricultural potential still remain to be tapped for achieving higher agricultural growth. ■

Indo-Australian CEO'S Forum to Meet by Year-End

Progress of FTA Process to be Speeded Up



India's Minister for Commerce, Industry & Textiles Anand Sharma has invited his Australian counterpart Dr. Craig Emerson to India with a business delegation by the year end. The first meeting of the CEO's Forum will coincide with Dr. Emerson's visit. Indian Industrialist Navin Jindal from the Indian side and Lindsey Fox of Australia will co-chair the forum. The two leaders met at the sidelines of the ASEAN Economic Ministers+6 Summit at Manado in Indonesia recently. Ministers Sharma and Emerson reviewed the progress of Indo-Australia Free Trade Agreement (FTA) negotiations, the first round of which was held in May 2011. Both the Ministers agreed to give a strong push to the ASEAN+6 process and take forward economic integration in Asia.

During the bilateral meeting, Minister Sharma expressed optimism on the East Asia Summit, "We consider the East Asia Summit as an opportunity to establish a regional

architecture for cooperation, connectivity and future integration which will bring about a strong, sustainable and balanced economic growth in the region. For this we need to pursue the proposed Comprehensive Economic Partnership in East Asia (CEPEA) vigorously".

The Minister also took stock of the Doha round during the meeting with his Australian counterpart. Minister

Sharma stated that, "All of us have been active participants at the WTO with the common goal of early conclusion of the Doha Round. India supports a balanced, comprehensive and development-centric outcome".

Both Ministers noted the significant increase in trade and investment between ASEAN and India in 2010. Bilateral trade between India and ASEAN increased by 24 percent to US\$51.3 billion in 2010. India's exports grew at 33 percent to US\$ 23.1 billion while imports from ASEAN increased by 18 percent to US \$ 28.2 billion. Foreign Direct Investment (FDI) inflows from ASEAN reached US\$14.25 billion in May 2011 and accounted for 10.36 percent of India's total FDI.

FTA with Australia

The Indian Government is holding talks with Australia relating to a Free



Trade Agreement (FTA); India faces a trade deficit of US\$ 8.5 billion in goods trade with Australia in 2010-11. The major challenges faced by India on the trade front with Australia are issues relating to Sanitary and Phytosanitary measures and Technical Barrier to Trade for goods trade and flow of investment and services. On the educational front, safety of Indian students and status of their permanent residency and

employment are major challenges.

Consultations are made with trade and industry associations directly affected by the FTA. Views of relevant Export Promotion Councils are sought before the negotiations, as also of the concerned Ministries of the Government of India. For specific clauses, which can affect a State Government, regional meetings are held and inputs taken.

During FTA negotiations, discussions are mainly focused on challenges being faced in trade and commerce issues.

This information was given by the Minister of State for Commerce and Industry Jyotiraditya Scindia, in a written reply in the Rajya Sabha recently. ■

India, South Australia Discuss Mining Cooperation

A high-level delegation led by Mike Rann, Premier of South Australia called on Minister of State for Mines (Independent Charge) Dinsha Patel, to discuss cooperation between India and the State of South Australia in the field of geology and mineral resources. S. Vijay Kumar, Secretary, Ministry of Mines and Peter Varghese, Australian High Commissioner were also present at the meeting.

Australia is recognized as one of the major mineral producing countries. Australia produces a variety of

minerals. South Australia is known to have abundant resources of iron ore, copper, uranium, gold, silver, base metals, coal and magnesite. It also has a highly developed mining industry using advanced geological concepts and technology.

The focus at the meeting was on the possibilities for increasing business interactions between India and Australia in the mining sector. India expects to benefit from the highly successful experiences of South Australia in the fields of geo-scientific studies, exploration,

mineral investigations, geothermal technology and general administrative and environment management issues.

During the meeting the Premier informed that a vast area, called 'Woomera' has been opened up for mining and stated that South Australia's economy is under transformation. It has extremely huge deposits of uranium, copper and gold. The Premier invited Indian companies to directly invest in mining in South Australia.



Minister Patel, emphasizing similarities between the two countries, sharing similar heritage, federal structure and constitution features envisaged increased cooperation encompassing the fields of geoscience and geoscientific education as well as

exploration and mining technology.

He stated that with liberalization of the Indian mining regime, India has received a good response from the Australian mining companies. A number of Australian mining companies have been granted approval for exploration and they

are already operating in India. In future India expects that more Australian companies may come to explore mine. Both sides emphasized for increased cooperation and establishing a mechanism for meeting on a regular basis in future. ■

India to Tap Australian Expertise in Skills Development

India's Minister of Labour & Employment Mallikarjun Kharge has said that India is interested to share in the field of skill standards, qualification framework, quality framework and setting up of industry skill council, training of trainers and labour market information system with Australia. The remark came up during the visit of an Australian delegation led by Australian Minister for Tertiary Education, Skill, Jobs and Workplace Relations Christopher Evans to the Ministry of Labour & Employment in Shram Shakti Bhwan, New Delhi recently.

Minister Kharge said, "We have the highest young population and the Government of India attaches great

emphasis on 'Skill Development' as it is critically important to address the twin issues of enhancing the competitive strength of industry and employment generation. In this connection the Minister recalled the visit of India's HRD Minister Kapil Sibbal to Australia during April, 2010 when both Countries agreed to expand the existing exchange programme agreement to include greater cooperation in education, training and research through sharing expertise in qualification, quality frameworks, research and training, working together to evolve credit transfer arrangements between Australia and India.

Minister Kharge said the Ministry of Labour & Employment is also interested in the collaboration between Australian National Centre for Vocational Education Research and the Central Staff Training and Research Institute for Research in vocational training.

He gave an account of three proposals offered by the Australian delegation. These are:

- i. Proposal for trainers training and Development from TAFE NSW.
- ii. Vocational Education Leadership Training Program from TAFE Directors Australia (TDA).
- iii. Queensland Collaboration Proposal Vocational Education and Training into India for 2010-11.

Minister Kharge said the proposals are under examination and details will be discussed by the experts of both countries. He said the Government of India attaches very high priority for strengthening co-operation with Australia, especially in the field of education & skill development. He expressed the hope of a fruitful visit by the Australians.

The Australian delegation reciprocated the Indian warmth and cooperation in the areas of skill development in the areas of mining and infra structure development in addition to the education of Indian students in there countries. ■



India-EU Trade Pact Talks in Final Phase: Sharma Tells Poland

India's Minister of commerce & Industry Anand Sharma met with the Polish Foreign Minister Radoslaw Sikorski in New Delhi recently for bilateral discussions. During the meeting Minister Sharma said, "The India-EU Broad-based Trade and Investment Agreement (BTIA) negotiations are in their final leg. Thirteen rounds of negotiations have been held so far. A meeting of the Commerce Secretary & EU's DG Trade was held on 3rd June, 2011 at London. Both the sides have intensified negotiations with a view to closing negotiations in 2011".

These negotiations cover trade in goods, sanitary & phyto-sanitary measures and technical barriers to trade, trade in services, investment, Intellectual Property Rights and geographical Indications, competition policy, customs and trade facilitation, trade defence, dispute settlement, government procurement and sustainable development. Negotiations are

being carried out as per mandate received from TERC (Trade & Economic Relations Committee), he added.

During the meeting, the Indian Minister urged his Polish Counterpart that the issues related to India-Poland bilateral trade and investment cannot be isolated from the general issues which relate to trade and investment between EU and India. Later the Minister felt that Poland as Presidency of the EU can play an important role in resolving several of our market access issues with the EU including in respect of arbitrary SPS standards; CCC in grapes; honey, rice, fish and fishery products etc.

Minister Sharma highlighted the excellent trade relations between the two countries which did not see a downturn even during the recessionary phase of 2008-2010. Bilateral trade between India and Poland during the last couple of years has grown with consistency.

(US \$ 784.57 million in 2008-09 to US \$ 808.07 million in 2009-10 to US \$ 771 million in the first 3 Qs of 2010-11.) Poland was ranked 42nd in FDI in April 2011. Polish foreign direct investment approvals during the period April 2000 to April 2011 stood at US \$ 42.23 million.

Minister Sharma informed that Poland is a major supplier of railway equipment, particularly wheels, axles and rails, as well as turbines and diesel engines to India. A number of merchant ships have also been delivered by the Gdansk shipyard. In recent years, Polish companies are providing technical services for oil and gas exploration projects in India, including Seismic Data Acquisition in the east coast of India.

The Indian Minister invited Polish companies to take a closer look at opportunities unfolding in India in infrastructure development. The Ministry of Commerce and Industry along with FICCI will facilitate such ventures through 'Invest in India' set up since 2009.

The principal commodities of India's exports to Poland are transport equipment, machinery and instruments, drugs, pharmaceuticals and fine chemicals, readymade garments of cotton (including accessories). India's imports from Poland consist of coke and coal, machinery and equipment, iron and steel, machine tools, organic chemicals and project goods. ■



Partner in your Global Endeavours.



Bank's Major Initiatives

- Export Credits
- Finance for Export-oriented Units
- Overseas Investment Finance
- Lines of Credit
- SME & Agri Finance
- Support for Grassroot Enterprises
- Export Services

Products and Services

- Export Marketing
- Pre-shipment
- Post-shipment
- Investment Abroad
- Advisory Services
- Import Finance
- Export Product Development
- Export Production

EXIM Bank

Owned fully by the Government of India, the Bank was established by an Act of Parliament in September 1981 and commenced operations in March 1982. Exim Bank is an apex financial institution catering to diverse needs of exporters and importers, and facilitating two-way investment flows.

EXIM Bank's catalytic role

Ever since its inception, the Bank has been actively involved in catalysing India's international trade and giving it an enduring identity in the global market, through its pioneering initiatives to serve its constituents all over the world.

Awards

EXIM Bank has undertaken a multitude of promotional activities through innovative projects that have been highly acknowledged by its clientele and stakeholders.

- 'Trade Development Award' by the Association of Development Financing Institutions in Asia & the Pacific (ADFIAP) in 2010 in recognition of Bank's "Lines of Credit Programme."

Our evolving vision for your dream

To develop commercially viable relationships with a target set of externally oriented companies by offering them a comprehensive range of products and services, aimed at enhancing their internationalisation efforts.

Our goal for your future

At EXIM Bank we aspire to promote the country's international trade by providing comprehensive assistance to exporters and importers globally. The future will witness a plethora of products and services for the Rural Grassroot and SME sector, as EXIM Bank will take rural products to the international market.

EXIM Bank is dedicated to encouraging globalisation efforts of Indian enterprises across all sections of the economy. • Rated by Moody's (Baa3), ICRA (BBB+), S&P (BBB-) and Fitch (BBB-) • 28 years of continuous profits and dividends • Resources raised in International Debt Capital Markets through Loans/Bonds/FRN/Samurai Bonds



EXPORT-IMPORT BANK OF INDIA

Head Office : Floor 21, Centre One Building, World Trade Centre Complex, Cuffe Parade, Mumbai 400 005.

Phone : 022 - 2217 2600 • Fax : 022 - 2218 2572 • E-mail : cag@eximbankindia.in

Offices - India : Ahmedabad, Bangalore, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai, New Delhi, Pune
Overseas : Washington D.C., London, Singapore, Dubai, Dakar (Senegal), Addis Ababa (Ethiopia), Johannesburg (South Africa)
Website : www.eximbankindia.in

'MSME Sector Holds Great Potential for India-South Africa Tie-ups

India and South Africa have agreed to strengthen bilateral cooperation in the MSME sector. This was agreed during a bilateral meeting between India's Minister of state Commerce and Industries Jyotiradiya Scindia and South Africa's Deputy Minister for Trade & Industry Elizabeth Thabethe.

Minister Scindia was on a one-day visit to South Africa, heading a CII business delegation to that country. He held wide ranging discussions with Ms. Thabethe. During the discussions Minister Scindia referred to the historical ties and their common struggle against colonialism and apartheid.

Addressing the press after the meeting, Minister Scindia said, "South Africa houses many prominent centres of learning and excellence. There is scope for the universities and research and scientific institutions to enter into R&D collaborations. The MSME sector accounts for a large share of industrial output, employment and exports in both countries. There are immense opportunities of cooperation and strategic alliances in the MSME sector, which could be in the form of joint ventures, technology collaborations or marketing tie-ups".

The total trade between the two countries in 2010-11 was US\$ 10.6

billion, higher than bilateral trade target of US \$ 10 billion by the year 2012, set during the visit of South African President Jacob Zuma to India in June, 2010. A revised bilateral trade target of US \$ 15 billion has been set for the year 2014 during the meeting of Minister of Commerce and Industry, Govt. of India and the Minister of Trade and Industry, Govt. of South Africa held on 10 January, 2011.

Minister Scindia expressed hope that the India-SACU Preferential Trade Agreement (PTA) will be concluded soon, which will give a considerable boost to our exports in the Southern African region. South Africa is India's second largest trading partner in Africa. There is, however, ample scope of diversifying the existing trade basket by bringing in many more manufactured goods.

Addressing the business conference "India-South Africa: Developing Partnerships for Future" at Johannesburg, Minister Scindia said, "Our economies are placed in similar positions in the global economic order, and both our governments are faced with similar socio-economic imperatives. It is imperative for us to step up the bilateral cooperation, intensify knowledge sharing and jointly address developmental issues, leading to inclusive growth in our respective economies.

Speaking about the potential areas of cooperation Minister Scindia



mentioned that there are tremendous prospects for South African diamond mining companies to enter into long term contracts with the Indian diamond companies/rough purchasers like DIL, MMTC etc. and there exists tremendous scope for co-operation and JVs between public sector undertakings of the two countries in the coal sector.

He mentioned about the significant contribution made by 1.5 million strong Indian Diaspora in South Africa. The business conference was jointly organized by the Confederation of Indian Industries (CII) and the Business Unity South Africa (BUSA).

During the conference, Minister Scindia mentioned that the First

India-Africa Forum Summit in New Delhi in 2008, and the Second Summit, recently held in May, 2011 at Addis Ababa, have designed a new architecture for a structured engagement, interaction and cooperation between India and Africa in the 21st century.

At the 2011 Summit, Indian Prime Minister Dr. Manmohan Singh, made several announcements for the next three years, including the availability of \$ 5bn Lines of Credit; more than 22,000 scholarships and an additional US \$ 700 mn to establish new institutions and training programmes in consultation with the African Union and its institutions.

In a meeting organized by the Indian High Commission, he also

interacted with the leading CEOs of Africa and explained to them the opportunity India offers due to its unique democratic and demographic dividend.

There is active contact between India and South Africa in multilateral fora, particularly at the NAM, Commonwealth, G-77, G-20, NAASP and WTO. Both countries are part of the IBSA trilateral initiative. Both countries are currently non-permanent members of the UN Security Council (2011-2012). SA rendered pro-active support in the NSG decision to enable full civil nuclear cooperation with India. SA recently participated in the BRICS summit held in China in April, 2011. ■

India-South Africa Trade to Reach \$15 billion Before 2014

India's Minister of Commerce Industry & Textiles Anand Sharma expressed the confidence that India and South Africa will achieve the target of trade to USD15 billion by 2014 before the deadline.

Addressing the second India-South Africa CEO Forum in Adis Ababa recently, Minister said, "We are satisfied with the growth of trade and investment relations between the two countries. We are hopeful to achieve the target of US\$ 15 billion in the year 2014." He was interacting with the Forum along with his South Africa's Minister for Trade and Industry Rob Davies.

The CEOs of the two countries led by its two Chairmen, Ratan Tata, Chairman, Tata Sons and Patrice Motsepe, Executive Chairman, African Rainbow Minerals, met for the second meeting of the India-South Africa CEOs Forum. They met with the objective of giving a further impetus to the growing bilateral economic relations, the Indian and the South African CEOs. The meeting addressed the challenges and constraints hampering the growing economic partnership.

The Sectoral Groups on financial services, pharmaceuticals and healthcare, infrastructure and

energy, manufacturing and mining came out with a set of comprehensive recommendations which focused on constraints and issues that confronted businesses on both sides in these sectors.

The recommendations were presented to Ministers Sharma, and Davies for an interaction.

Taking forward the agenda of the first meeting that was held in August last year further, the sectoral groups led by their respective Chairmen discussed at length issues like tariff barriers, visa constraints, early finalization of PTA, technology



transfer etc that if addressed in the right manner would help in promoting bilateral trade and investments.

The two Ministers took cognizance of the recommendations that were brought to their attention and assured the Forum to look into their suggestions and recommendations. The Minister expressed their desire to expedite PTA negotiations. Both the ministers agreed that a friendly visa regime for business people should be established.

In 2010-11, provisional figures show 37.64 percent increase in the bilateral trade which stood at

US\$10,643.52 million with export of US\$ 4,161.51 million and imports of US\$ 6,482.01 million. Investments from and into South Africa have also seen substantial rise. Indian High Commission figures put the cumulative value of Indian investment in South Africa at US\$ 6.7 billion.

Minister Sharma expressed happiness over the substantial and healthy growth in two way investment flows. Principal commodities of Export from India to South Africa includes: transport equipments, petroleum (crude & products), drugs, pharmaceuticals & fine chemicals, machinery and

instruments, electronic goods, manufactures of metals, plastic & linoleum products, primary & semi-finished iron & steel gems & jewellery. And the principal commodities of Import from South Africa to India are: Gold, coal, coke & briquettes, metaliferous ores & metal scrap, inorganic chemicals, iron & steel, non-ferrous metals, machinery except electric & electronic, organic chemicals, pearls, precious semiprecious stones, transport equipments.

The meeting was well attended by around 35 South African and Indian CEOs. ■

Indian Exports Up 52 pc in April-Sept '11

India's exports for the first six months of the financial year 2011-12 (April-September) have registered a growth of 52 percent, at US \$ 160 billion.

Interacting with the media persons in New Delhi recently, Commerce Secretary Rahul Khullar gave the break-up of the trade figures for the six-month period. The imports accounted for US\$233.5 billion with a growth of 32.4 percent and a trade deficit of US \$ 54.9 billion, he said.

Khullar also informed that India's imports in September 2011 were US \$ 38.4 billion registering the growth of 41.8 percent. Balance of trade for the month of September 2011 stood at (-) 9.8 billion US \$ and cumulative balance of trade for the month of April-September stood at (-) 73.5 billion US \$.

During April-September 2011, the following sectors have done well viz., engineering, (US \$ 46.4 billion) which registered the growth

of 103 percent; petroleum & oil products, 53 percent (US \$ 27 billion); Gems & Jewellery registered the growth of 23 percent (US \$ 18.5 billion); Drugs and pharmaceuticals 33 percent (US \$ 6.5 billion US \$); leather 26 percent (US\$ 2.25 billion) Cotton yarn and fabric made-up 22.5 percent (US \$ 3.4 billion) ; electronics, 67 percent (US \$ 5.7 billion); Readymade garments, 32 percent (US \$ 6.8 billion).

Japanese SMEs Keen to Move into India for Tie-ups

- Tadashi Okamura, Chairman, JCCI



Tadashi Okamura, Chairman of the Japan Chamber of Commerce and Industry (JCCI), spoke on the theme "India Japan Economic Partnership: The Way Forward", at a meeting held in New Delhi on 9 September 2011. The meeting was attended by Ambassador Arjun Asrani, Chairman of the India-Japan Partnership Forum and former Ambassador of India to Japan, Akitaka Saiki, Japanese Ambassador to India, Rohit Relan, Managing Director of Bharat Seats, Dr. Rajiv Kumar, Secretary General of the Federation of Indian Chambers of Commerce and Industry (FICCI). Following are the excerpts.

Today I will address three points: the Great East Japan Earthquake and the current state of the Japanese economy, the outlook for Japan-India economic relations, and our

expectations for India.

In the aftermath of the March 11 Great East Japan Earthquake, Japan received welcome support from the government and people of India, including material assistance and rescue teams. I am very happy to have this opportunity to convey our profound thanks and gratitude.

Reconstruction and Recovery

As you know, the cumulative impact of the earthquake, the massive tsunami, the nuclear accident, and the subsequent damage caused by negative rumors dealt a severe blow to Japan as a whole. From April and June, I personally visited the length and breadth of the affected area, including Iwate, Miyagi, Fukushima, Ibaraki and Chiba Prefectures. I must admit, I was and remain astonished at what I saw. Reconstruction and recovery are at different levels in the coastal regions that suffered direct tsunami damage, the inland areas, and the district around the nuclear power plants. With the exception of this one small part of Japan, however, economic and social activity is now returning to a level close to that before the earthquake, and even in the worst affected areas reconstruction and recovery efforts are making steady progress.

JCCI Initiatives

Immediately after the earthquake,

JCCI set up the Great East Japan Earthquake Reconstruction and Recovery Office, which I head. Since then, JCCI and Japan's 514 chambers of commerce and industry have worked closely together on recovery efforts in the affected areas.

Initiatives have included organizing job seminars for those left unemployed due to the disaster, helping companies affected by the disaster to re-start business by acting as intermediaries that provide idle machinery and equipment, holding product and tourism fairs for affected areas, and issuing certificates to exporters stating that their products have not been contaminated by radiation.

We have also submitted a series of requests to the government aimed at rapid reconstruction and recovery. On September 7 we handed a request for acceleration of reconstruction and recovery efforts directly to Japan's new Prime Minister, Yoshihiko Noda. This document particularly asked the government to establish a recovery agency before the end of the year, to set up a system of special reconstruction zones and to establish grants to local governments in the affected areas.

I would also like to request the cooperation of the Indian business community. It is important to understand that Japan is doing its

utmost to ensure transparency and guarantee the safety of its products. We are conducting appropriate tests on foodstuffs to ensure the safety of shipments and exports, and publicizing radiation levels on a daily basis. Both the Tohoku Region and products produced in this part of Japan are safe.

As outlined in the handouts, Tohoku has many famous tourist spots including Hiraizumi, a world heritage site. I encourage you to visit this beautiful region.

The Japanese Economy: Current Status & Prospects

Although the economy was negatively impacted by the earthquake, it is expected to continue to improve as supply chains are restored and production picks up again.

Monthly government reports show an ongoing trend toward economic revival as things gradually return to normal, overseas economies gradually pick up, and various policy measures take effect.

The Local Business Outlook survey conducted by JCCI shows that SMEs have resolved difficulties in procuring parts and materials, and have fully restored production. JCCI now predicts increased sales of power-saving products.

However, many businesses are still concerned about a number of issues, among them the impact of electricity supply constraints on production and sales activities, the rapid strengthening of the yen, raw material price trends, and slowing overseas economies.

SMEs are worried about the hollowing out of industry caused by companies relocating overseas and the impact this will have on regional

economies.

Outlook for Japan-India Economic Relations

Since India has a population of more than 1.2 billion, 60 percent of which is aged 30 or under, it is a promising market that also offers the crucial attraction of an abundant labor force.

Since 1991 the Indian government has been working to lower barriers to market entry through deregulation. It recently abolished No-Objection Certificate regulations, and I understand it is examining easing regulations governing entry into the GMS market.

Drawn by such developments, Japanese companies have been taking a closer interest in India and its remarkable economic growth in recent years. A Japan Bank for International Cooperation survey of Japanese manufacturers shows that India ranks second only to China as a promising medium-term overseas business prospect in the next three years or so. Over the longer term, up to a decade ahead, India ranks number one.

A survey of SMEs by the Tokyo Chamber of Commerce and Industry last year revealed that India, following China and Vietnam, was regarded as one of the most promising countries for future overseas business in the Asian region.

There is no doubt that Japanese companies are moving into India at a faster rate.

A survey by the Japanese embassy in India found that Japanese companies had established 438 firms and 555 offices in India as of January 2008, and that this had grown to 725 firms and 1,236

offices by October 2010. The survey found steady growth over a wide area that included West Bengal, Andhra Pradesh, and Gujarat, with Tamil Nadu recording the highest growth. However, considering that India and Japan have a long history of interaction and

constitute the second and third largest economies in Asia, our economic relations do not necessarily reflect the size of the two countries' economies.

Japan-India CEPA

The Japan-India Comprehensive Economic Partnership Agreement came into force on August 1. Over the next 10 years this agreement will abolish tariffs on approximately 97 percent of exports from India to Japan and about 90 percent of exports from Japan to India, accounting for around 94 percent of our two-way trade.

The agreement sets high-level rules for liberalization and the protection of investment. It also achieves a higher level of liberalization of trade in services than required under WTO commitments. Moreover, this agreement sets up a framework that will help to create and improve business environments for companies doing business in India and Japan, with the participation of both countries' governments, the private sector, and relevant organizations.

JCCI issues certificates of origin under the Japan-India Comprehensive Economic Partnership Agreement, and in the first month after the agreement came into force we supplied 439 such certificates. This is the largest number of certificates of origin we have issued in the first month of an EPA concluded by Japan, and a

flying start for the Japan-India Comprehensive Economic Partnership Agreement.

India's Minister of Commerce and Industry Anand Sharma hopes that the value of trade between Japan and India will more than double to \$25 billion by 2014, and this goal is very likely to be achieved.

JCCI has high hopes that this agreement will create tremendous opportunities for businesses in both India and Japan and lead to even stronger and closer economic ties between our countries.

Japanese SME Expansion into India

When I was appointed as JCCI chairman in November 2007, I made SME globalization a key pillar of our activities.

During this visit, we plan to sign a memorandum of understanding with the government of Tamil Nadu aimed at cooperation in encouraging Japanese SMEs to invest in the state. We hope that this will prompt our members, especially manufacturers, to take even greater interest in India, and that it will accelerate expansion into Tamil Nadu and India as a whole.

The Indian Government is currently drawing up a National Manufacturing Policy aimed at raising the proportion of GDP output accounted for by manufacturing from the current 16% to 25% by 2025. Japan's small and medium-sized manufactures have advanced technical capabilities, and by expanding into India I believe they can help local manufacturers to become more competitive through technology transfers, employment opportunities, and human resources development.

Business Opportunities for Japanese Firms

I understand that in the Twelfth Five Year Plan (for 2012-2017), the Planning Commission aims to secure investments of almost one trillion dollars in such infrastructure as roads, railways, and power stations, in order to achieve a high annual GDP growth rate of between 9 and 9.5 percent. Roughly half of this investment will come from the private sector. As well as having a pump-priming effect for firms expanding into India, infrastructure development will present companies with enormous business opportunities.

Many Japanese firms are highly competitive in the infrastructure field and are very interested in the Delhi-Mumbai Industrial Corridor and the Dedicated Freight Corridor. They hope to have opportunities to contribute to India's sustained growth through such infrastructure projects.

At the COP 15 meeting on climate change held in Copenhagen in 2009, the Indian Government announced the voluntary goal of reducing greenhouse gas emissions to between 20 and 25 percent below 2005 levels by 2020.

I believe that Japanese companies' strength in energy-saving and environmental technologies can play a useful role in achieving the twin goals of maintaining high economic growth and reducing greenhouse gas emissions.

Expectations for States

Improving connectivity between key regions in India by enhancing infrastructure, especially roads and railways, will give Japanese companies a wider choice in selecting areas to expand their

operations. In addition to Tamil Nadu, JCCI is focusing on states including Andhra Pradesh and Karnataka, where economic development is accelerating, Gujarat, which is actively soliciting investment, and West Bengal, where there are moves to energize the economy through industrialization.

We would like to ask each state government to listen to the needs of Japanese companies doing business in the respective states and strive to create an even better business environment. Especially, improvements of infrastructures such as roads, ports, and electricity supplies as well as industrial parks are important for the betterment.

60th Anniversary of Japan-India Relations

Next year Japan and India will celebrate sixty years of diplomatic relations. As well as sharing the fundamental values of democracy, market economies and the rule of law, our two countries share wide-ranging interests in Asian development and especially economic integration in East Asia.

I hope that the visit of our business mission will provide opportunities to build even stronger economic ties and friendlier relations between Japan and India.

Allow me to conclude with one more request. In order to showcase Japan's recovery from the Great East Japan Earthquake to the world, Tokyo has decided to submit a bid to host the 2020 Olympic Games. JCCI is in agreement with this plan and has resolved to offer comprehensive assistance. I would like to request the wholehearted support of the Indian Business Community in helping to make the 2020 Tokyo Olympics a reality. ■

India Show in Jakarta in March 2012

Non-Tariff Barriers on Indian Exports to Indonesia Must Go

- Anand Sharma

India's Minister of Commerce, Industry and Textiles Anand Sharma has launched negotiations for India-Indonesia Comprehensive Economic Cooperation Agreement (II-CECA).

Speaking at the 1st Indonesia India Biennial Trade Ministers' Forum (BTMF) at Jakarta recently, Minister Sharma said, "We have launched our bilateral CECA negotiations and I am glad to note that the negotiations have got off to a good start. As agreed by our negotiators, the bilateral CECA would build on

what has already been achieved under the ASEAN-India FTA and would be a comprehensive agreement, covering economic cooperation, trade in goods and services, and investment. I am confident that the India-Indonesia CECA would lead to a higher-level and mutually beneficial economic cooperation between the two countries."

India-Indonesia CECA was announced on 25 January 2011 during the visit of Indonesian President to New Delhi. Indonesian

Trade Minister Ms Mari Elka Pangestu led the Indonesian delegation at the BTMF. The BTMF reviewed and expressed satisfaction over Pre-Negotiation Consultations.

The visit assumes significance given the fact that India would be participating in the ASEAN and East Asia Summits shortly at Bali under the Chairmanship of Indonesia. The Governments of Indonesia and India agreed to establish Working Group on Trade and Investment Forum and another Working Group on Identification and Elimination of



Trade Barriers.

"Our senior officials have discussed issues on both sides related to non-tariff barriers. India is particularly keen on bovine meat exports to Indonesia and higher participation in the pharmaceutical sector of Indonesia," said Minister Sharma. Indonesia continues to impose a ban on import of Indian buffalo meat citing that India is not free from Foot & Mouth Disease (FMD). India's contention is that we have FMD-free zones from which deboned, deglanded buffalo meat is produced, fully conforming to OIE standards stipulated for export of meat from countries reporting FMD. Currently India exports buffalo meat to more than 60 countries including Malaysia, Philippines, Saudi Arabia, Germany, UAE, Russia and Jordan.

Similarly, the Indian pharmaceutical companies face delays in drug registration, and there are certain regulations like those requiring foreign drug registration holders to set up a production facility in Indonesia within two years of registration and an FDI cap of 70 percent which inhibit Indian exports of pharmaceuticals and Indian

investment in the pharmaceutical sector. Establishment of a working group is a significant step towards resolution of these important issues.

Taking into account the potential existing in both countries, the Governments of Indonesia and India will intensify efforts to explore ways and means of increasing trade and investment relations by eliminating trade barriers and creating better business environment. The two Ministers hoped that these efforts would help achieve the bilateral trade volume target of US\$ 25 billion by 2015.

India would be holding its prestigious event India Show in Jakarta from 6 to 8 March 2012. Indonesia is the only country in ASEAN where the event is being held this year. An MoU between the Government of East Kalimantan Province and National Aluminum Co Ltd (NALCO) concerning Technical Cooperation on Aluminum Smelter Industry and Coal Based Thermal Power Plant was also signed in the presence of the two Ministers.

Earlier in the day, Minister Sharma

had a separate meeting with Minister Ms Pangestu, where he discussed ASEAN relations and global issues such as the WTO negotiations and G20. The Indian Minister also met Indonesia's Coordinating Minister for Economy Hatta Rajasa and discussed the issues of mutual interest.

Leading a business delegation, Minister Sharma addressed the Economic Association of Indonesia and India (ECAII) on 3 October, where he said "India and Indonesia, which are among the seven leading emerging nations, have many complementarities in trade and investment that need to be explored by the businesses of both sides." ■



EEPC India Banks on 'India Show' to Boost Engg. Export to Canada

The Engineering Export Promotion Council of India (EEPC), with an objective of achieving substantial rise in trade for engineering goods and services, organized a seminar on the theme - Doing Business with Canada in New Delhi recently. Speaking at the seminar, Arvind Mehta, Joint Secretary in the Department of Commerce said, "Considering the fact, that China is having an extensive presence in Canada, this event could be piggy backing on various other measures taken by the Government of India during 2011".

Mehta also mentioned the low cost and innovativeness of the Indian manufacturers will be of great help to Canada which is now looking towards countries beyond NAFTA for trade expansion. Mrs. Preeti Saran, the Consul General of India also attended the event. While delivering her keynote address, Mrs Saran was hopeful that these events could lead to double digit growth in trade

between the two countries.

Mario-Ste-Marie, Acting High Commissioner, High Commission of Canada in New Delhi was also present. EEPC India, with the support of Indian High Commission at Ottawa and Canadian High Commission in New Delhi, is organizing the next edition of the "India Show" at Toronto, Canada.

The India Show Toronto is being organized at the most opportune time with Year 2011 being declared as the "Year of India in Canada" by Indian Prime Minister Manmohan Singh and his Canadian counterpart Stephen Harper, during the latter's visit to India in November 2009.

Indo-Canadian bilateral trade stands at CAD 5 billion at present and is expected to increase to CAD 15 billion in the next five years. Ms. Preeti Saran in her address informed that Canadian businessmen are keen in partnering with Indian counterparts for trade, business and

joint venture opportunities. She further added that Toronto on its own holds a crucial status in Canada's overall economy.

Arvind Mehta indicated that North America and Europe have been the traditional focus markets for India's engineering exports, contributing 31.07 percent share. He also stated that the signing of Comprehensive Economic Partnership Agreement (CEPA) between India and Canada will help to strengthen the economic and commercial ties between the two countries.

Anupam Shah, Vice Chairman, EEPC India announced that India has been declared as the "Strategic International Partner" during the "Canadian Manufacturing Technology Show" being organized by the Society of Manufacturing Engineers (SME-Canada). EEPC India proposes to take over 130 Indian engineering companies from Large, Medium and Small Scale Enterprises to the Show.

R. Maitra, Executive Director, EEPC India stated that he is confident that the the India Show Toronto, Canada will spark the trade and investment relations between India and Canada in both the directions. The overall aim of the Show is to forge ties of Indian manufacturers and entrepreneurs with their counterparts in Canada in areas such as manufacturing, technology transfer, research and development, investments, sourcing and sub-contracting, he added.



The engineering exports which are to the tune of USD 60 billion in 2009-10 contribute a fifth of India's total exports. However, it is significant that although USA accounts for 10.72 percent of India's total engineering exports, Canada contributes only 0.56 percent. In fact, the total exports of engineering goods and services to Canada were to the tune of 373 Million dollars which is 0.28 percent of total imports of Canadian engineering basket. The exposition, therefore, at this stage will be very significant and will be a starting point to a gradual rise in exports to Canada. In fact, a target is set to achieve USD 1 billion exports of engineering goods and services to Canada by the year 2013-14. EEPC India aims to achieve substantial rise in trade for engineering goods and services by doing two back to back events sanctioned by the Government of India. The first one would be India Show in Toronto coinciding with the most famous engineering show in Canada (CMTS) from 17 to 20 October, 2011 and it will be followed by another mega show in Mumbai

which will be from 22 to 24 March, 2012.

In a joint press conference held by the EEPC and the Ministry of Commerce on India Show with the Canadian Manufacturing Technology Show informed that, more than 150 Indian engineering companies will participate in The India Show in Toronto, Canada, from 17 to 20 October 2011. It will be the biggest show of Indian engineering companies in Canada and a major effort to promote 'Brand India' in the North American continent.

Anup Wadhawan, Joint Secretary in the Ministry of Commerce and Aman Chadha, Chairman EEPC India along with the representative from Canadian high Commission, Ms. Sara Wishaw, Minister Commercial, interacted with the press and briefed them on the forthcoming India Show.

The India Show will be organized by EEPC India, Ministry of Commerce & Industry, Government of India and India Brand Equity Foundation (IBEF) with support from the Indian High Commission in Ottawa and the

Canadian High Commission in New Delhi.

EEPC Chairman Chadda informed that, "the India Show is the latest in a series of events that have been organized across the globe after Minister of Commerce, Industry and Textile Anand Sharma, announced the Foreign Trade Policy for 2009-2014 and the need to promote 'Brand India' through 'The India Shows'."

The big Indian companies at the Show will be Tata Motors, Tata Steel, Heavy Engineering Corporation, Bajaj International and Mahindra Reva Electric Vehicles. A large number of manufacturing exporters from the medium and small-scale sector will also show their products and services, he added.

Ms. Sara said that we are looking for the partnership in engineering services, India is a huge knowledge economy and its prowess in science & technology, ITES and services are well recognized. Indian companies should come to Canada and invest in manufacturing sector. She said that Indian companies are known for



low cost manufacturing. She further asked Canadian companies to work in the infrastructure sector.

The India Show will be part of the Canadian Manufacturing Technology Show (CMTS), the largest manufacturing exposition in North America and Canada's ultimate manufacturing event organized once every two years by the Society of Manufacturing Engineers (SME), Canada. India is the 'Strategic International Partner' at CMTS. India represents a dynamic business proposition, which will be projected by IBEF across The India Show in Toronto. In the run up to the Show, EEPC India and the Indo-Canadian Business Chamber organized several road shows in India.

Wadhawan said that, "bilateral trade between India and Canada was under US\$4.06 billion, well below the potential. He said that India and Canada had set a target of tripling bilateral trade by 2015 and engineering was the safest bet to reach this target". Engineering exports, with more than 25 percent share, is the largest segment of India's total exports. In 2010-11, it was US\$ 60 billion. In April-August 2011, it was US\$ 39.24 billion, a share of 29.18 percent. But India's engineering exports to Canada was only US \$ 0.265 billion, a mere 0.24 of Canada's total engineering imports. The India Show in Toronto will attempt to change that.

The show will showcase India's strength in automobiles, auto-components, electric goods, space research and science and technology and many other engineering items. The show will have sectoral representations in science & technology, space research, heavy industries, defence,

and tourism as well as Indian States like Jharkhand, Madhya Pradesh, etc. to promote investments in the manufacturing sector.

Rahul Khullar, Commerce Secretary, Ministry of Commerce & Industry will lead the Indian delegation to the Canadian Manufacturing Technology Show.

EEPC India Chairman Chadha, said, "a special effort would be made to promote the small and medium scale enterprises because they were the largest segment in the engineering sector. EEPC India hoped that the working models from the Department of Science & Technology, ISRO, and the Mahindra Rewa Electric Car and Tata Nano would be a big draw at the event".

As part of this major push into the North American continent, EEPC India has invited 50 Canadian manufacturing companies in Factory Automation, Technologies for Business, Clean Technology, Innovation, and Industrial Supplies to be part of the next version of EEPC's India Show in Mumbai in March 2012. Canada has agreed to be the 'Partner Country' at the Mumbai show.

India Canada agree on FIPA & SSA

India's Minister for Commerce, Industry and Textiles Anand Sharma and Canada's Minister of International Trade and Minister for the Asia Pacific Gateway of Government Edward Fast agreed that residual issues with regard to Foreign Investment Protection Agreement (FIPA) and Bilateral Social Security Agreement (SSA) between the two countries have been resolved and both agreements could now be signed at an opportune time.

Minister Fast also confirmed that the Canadian side has delinked the SSA from FIPA. He flew down to New York in September to hold discussions with Minister Sharma.

Minister Sharma raised the issue of constrained supply of Potash from Canada to the Indian buyers. He said that the Government of Canada should view this matter from a strategic perspective and urge the Canadian businesses to enter into long term agreements with the Indian buyers on commercial terms.

The two Ministers took stock of the current status of trade and commercial linkages between India and Canada. They also discussed steps to be taken by both sides to intensify the interaction between the government and the private sector stakeholder on both sides.

Minister Sharma underscored the need to convene the meeting of the India-Canada CEO Forum at an early date so that the agenda for positive engagement between the businesses of the two countries could be furthered. He raised the problems being faced by professionals of the Indian IT industry in obtaining appropriate visas for Canada. He said that this was limiting services trade between the two countries. In this regard, he asked Minister Fast to sensitize the relevant Canadian authorities to remove impediments to the movement of IT professionals from India to Canada.

Minister Fast said that the Canadian government had recently changed its policy and under the revised guidelines Canada was giving appropriate multiple entry visas if the passports were of 10-year validity. ■



Connecting Global Wealth Creators

India's only bilateral trade magazine publishing house

- Export Advisory Services ▪ K.P.O.
- Outsourced Publishing ▪ Online Publishing ▪ Events ...

To know more about our services: connect@newmediacomm.com



www.newmediacomm.com

New Media House, 1 Akbar Villa, Near Old State Bank,
Marol-Maroshi Road, Andheri (E), Mumbai 400059, India.
Tel: +91-22-2925 0690, Fax: +91-22-2925 5279

India, Indonesia set \$25-billion Bilateral Trade target for 2015

India's Minister of Commerce and Industry Anand Sharma, accompanied by an official and business delegation, visited Indonesia on 3 and 4 October 2011 and held discussions with Indonesia's Minister of Trade of the Republic of Indonesia Mari Elka Pangestu. They discussed ways of expanding bilateral trade and economic cooperation between the two countries at the 1st Indonesia India Biennial Trade Ministers' Forum.

The two Ministers issued a joint

statement, the text of which is as follows:

The Ministers noted with satisfaction the Pre-Negotiation Consultations of Indonesia India Comprehensive Economic Cooperation Agreement (II-CECA), held in Jakarta, on 3 October 2011. The Ministers emphasized the need to constructively engage in II-CECA negotiations which would result in mutual and beneficial outcomes for both countries.

The Ministers expressed their satisfaction at the strengthening of

bilateral cooperation and hoped for increasing and diversifying bilateral trade as well as promoting and stimulating bilateral investment flows. The Ministers hoped that these efforts would help achieve the bilateral trade volume target of US\$ 25 billion by 2015.

The Ministers reviewed the deliberations of the two Working Groups: (1) Working Group on Trade and Investment Forum and (2) Working Group on Trade Facilitation and Resolution.

The Ministers looked forward to the early operationalization of the Indonesia-India CEOs' Forum.

The Ministers welcomed the signing of Memorandum of Understanding between the Governor of East Kalimantan Province and National Aluminum Company of India on Technical Cooperation on Aluminum Smelter Industry and Coal Based Thermal Power Plant. ■



India & Israel Decide to Boost Tourism Cooperation

India and Israel have decided to enhance cooperation in the tourism Sector. This was decided at a meeting between Israel's Tourism Minister Stas Misezhnikov and India's Tourism Minister Subodh Kant Sahai held in New Delhi recently.

Welcoming the visiting dignitary, Minister Sahai said both the countries can explore the possibilities of cooperation in wellness, spiritual and religious tourism. The Israeli Minister said hoteliers of his country are interested to set up hotels in India. He also requested for more flights between India and Israel. Minister

Misezhnikov invited Minister Sahai to visit Israel.

Both the countries have decided to consider exchanging experience in destination management and promotion. Manpower development will be another area of cooperation between India and Israel. Exchange programme for teachers, students, and exchange of information on teaching modules will be considered by the two countries.

Tour operators and travel agents of both the countries will interact with each other in order to promote two-way tourism between India and Israel. The possibilities for

promoting package tours in either of the countries will also be explored by the travel trade of two countries.

Tourist traffic from Israel to India was 40,581 in 2009, which rose to 43,539 in the year 2010. An agreement between India and Israel on cooperation in the field of tourism was signed in New Delhi in May, 1993. Both the countries have ratified this agreement.

India Tourism Office located in Frankfurt is responsible for promoting India as a tourist destination in the Israeli market. India Tourism Office participates in International Mediterranean Tourism Market (IMTM) which is held in Tel Aviv to showcase India's tourism destinations and products to the tour operators and consumers of Israel. India is known in Israel as an ancient nation with strong cultural traditions and in popular Israeli perception India is an attractive, alternative tourist destination. ■



India & Germany Ink Social Security Pact

A comprehensive Social Security Agreement (SSA) was signed between India's Minister of Overseas Indian Affairs and Civil Aviation Vayalar Ravi and Germany's Federal Minister of Labour and Social Affairs Ursula von der Leyen in Berlin. The Agreement which subsume the earlier Indo-German agreement on Social Security on 8 October 2008 will enhance cooperation on social security between the two countries.

The Agreement with Germany will provide for the following benefits to Indian nationals working in Germany:

a) For short term contract up to five years, no social security contribution would need to be paid under the German law by the detached workers provided they continue to make social security payment in India.

b) The above benefits shall be available even when the Indian company sends its employees to Germany from a third country.

c) Indian workers shall be entitled to the export of the social security benefit if they relocate to India after the completion of their service in Germany.

d) The self-employed Indians in Germany would also be entitled to export of social security benefit on their relocation to India.

e) The period of contribution in one contracting state will be added to the period of contribution in the second contracting state for determining the eligibility for social security benefits.

This is the 60th year of diplomatic relations between India and Germany. There are about 68,500 Indians in Germany most of whom

are working as professionals and self-employed. During the visit of German Chancellor to India in May 2011, both India and Germany reaffirmed that the bilateral trade should reach US\$ 20 billion by 2012. There is a huge potential for Indian for Indian workers to take employment in Germany. As such, a bilateral Social Security Agreement with Germany is a significant requirement from the futuristic point of view to take advantage of the emerging employment opportunities and to strengthen the trade and investment between the two countries.

India has signed similar agreements with Belgium, Germany (Social Insurance for detached workers), France, Switzerland, The Netherlands, Luxembourg, Hungary, Denmark, Czech Republic, the Republic of Korea and Norway. ■

PM Chairs Ministerial Meeting on FDI Policy

Prime Minister Manmohan Singh chaired a high-level meeting to discuss the country's direct foreign investment (FDI) policy in the drugs and pharmaceutical sector. The meeting was attended by Finance Minister Pranab Mukherji, Health Minister Ghulam Nabi Azad, Commerce, Industry and Textile Minister Anand Sharma, Pharmaceutical and Chemical Minister M.K. Alagiri, Deputy Chairman Planning Commission Dr Montek Singh Ahluwalia, Member Planning Commission.

The meeting deliberated upon the Maira committee report, which

followed a CCEA decision to get greater clarity on the issue of FDI policy governing mergers and acquisitions in the pharmaceutical sector, while striking a balance between larger public health concerns and strengthening domestic manufacturing capacities. The meeting took the following considered decisions:

a) India will continue to allow FDI without any limits (100 percent) under the automatic route for Greenfield investments in the pharma sector. This will facilitate addition of manufacturing capacities, technology acquisition

and development.

b) In case of brownfield investments in the pharma sector, FDI will be allowed through the FIPB approval route for a period of up to six months. During this period, necessary enabling regulations will be put in place by the CCI for effective oversight on mergers and acquisitions to ensure that there is a balance between public health concerns and attracting FDI in the pharma sector. Thereafter, the requisite oversight will be done by the CCI entirely in accordance with the competition laws of the country. ■

India, South Africa Ink MOU on Electoral Cooperation, Reforms

India and South Africa signed a Memorandum of Understanding (MOU) in New Delhi recently to facilitate exchange of knowledge and experience related to the study, reform and management of election administration systems, promotion and implementation of educational research and training programmes, and mutual exchanges to enhance experience in electoral management and administration.

The MOU also envisages holding of conferences on topics of common interest. The MOU was signed by the Chief Election Commissioner of India, Dr. S. Y. Quraishi and the Chairperson of the Electoral Commission of South Africa, Dr. Brigalia Bam. V. S. Sampath and H. S. Brahma, Election Commissioners, diplomats and senior officials of the Election Commission of India were present at the signing ceremony.

Dr. Bam was on a visit to India for strengthening bilateral cooperation between the two Election

Commissions. She was accompanied by her Deputy Chief Electoral Officer, Mosotho Moepya.

Earlier, the two Election Commissions held bilateral discussions, and explored ways of working jointly to promote participatory democracy and best electoral processes in other countries, particularly in Africa, and possibilities of training electoral officials and other stakeholders, at the India International Institute of Democracy and Election Management of the Election Commission of India.

Dr. Bam complimented India for the model conduct of elections and the practices of democracy in a complex and challenging situation. She said that partnership between the two Commissions will benefit the whole of Africa, besides further cementing the historic relations between the two countries. She underlined the respect that the Indian Election Commission has earned for its

independent functioning.

Dr. Bam called for exchange of expertise between the India International Institute of Democracy and Election Management (IIDEM) and the South African institutions for strengthening electoral democracy.

Dr. Quraishi emphasized the similarity of experiences between the two Election Commissions. He offered the training facilities at IIDEM to South African electoral officials. He commended the South African Electoral Commission for having served as an example to Africa and, in fact, to the whole world.

Election Commission of India has so far signed 11 MOUs with Election Management Bodies across the world, seven of them being during the last one year. The seven countries are Brazil, Russia, Nepal, Chile, Indonesia, Bhutan and South Africa. ■



Indo-French Climate Satellite Launched to Study Tropics



Megha-Tropiques, the first Indo-French climate satellite, has been launched on 12 October 2011 from the Satish Dhawan Space Centre, Sriharikota. This is the first time that a satellite is used to help study atmospheric water cycles and energy fluxes in the inter-tropical region. Megha-Tropiques thus aims to improve our knowledge in tropical climatology.

A collaboration between the two national spatial agencies, the Centre National d'Études Spatiales (National Centre for Space Studies-CNES) and Indian Space Research Organization (ISRO), Megha-Tropiques is the result of a Memorandum of Understanding (MOU) for cooperation on this mission, signed in November 2004. This constitutes yet another major landmark in a rich and longstanding spatial collaboration between India and France, which dates back to the 1960s.

'Megha' means 'cloud' in Sanskrit and 'Tropiques' refers to the Tropics in French, thus bestowing a poetic

name for a very unique spatial mission. The mission's scope is extremely pertinent given recent events in the tropical zone, such as hurricanes or droughts, and will provide new and high quality data for the international scientific community.

The satellite, assembled in Bangalore and weighing around one tonne, will be put into orbit by a PSLV. Megha-Tropiques uses an Indian platform (IRS) and its payload consists of three instruments: MADRAS, a microwave imager that will study precipitation and cloud properties; SAPHIR, a microwave sounding instrument for atmospheric water vapour and SCARAB, a radiometer that will measure outgoing radiative fluxes at the top of the atmosphere. Once in orbit, the satellite will be monitored by ISRO.

The microwave instruments, which can soak in the clouds, will be able to provide complementary measurements with a good temporal repetitiveness. The orbit of the platform will be in a low inclination

on the equatorial plane and the altitude of the orbit will be high enough to allow a wide swathe for the instruments.

Prospects

A cooperation agreement was signed on 8 September 2011 in Washington between CNES and the National Aeronautics and Space Administration (NASA) to integrate data from Megha-Tropiques with those of the Global Precipitation Measurement mission (GPM). GPM will be an international network of satellites dedicated to the global study of precipitation that will eventually cover most of the planet. A similar agreement will be signed soon between ISRO and NASA. Megha-Tropiques is the first mission of its kind to observe the Earth and will cover countries other than India and France. This collaboration will increase the scientific impact and fame of the Megha-Tropiques, and is, in a way the first satellite of the entire GPM constellation. ■



US Committed to Academic Ties with India

Higher Education Helps Youth to Tap Global Opportunities

- Hillary Clinton

US Secretary of State Hillary Clinton has said that higher education is a passport to opportunity and stressed the need for both the United States and India to do more to facilitate the youth of both nations are benefited.

Following are the excerpts from Hillary Clinton's speech at the US-India Higher Education Summit in Washington held on 13 October 2011.

Our college experiences even those of us who can dimly remember them do shape who we become. When I started at Wellesley College many years ago, I had only been out of our country once. I had gone to the Canadian side of the Niagara Falls. I was president of the Young Republicans; so you see, times do change. And, actually, when I was a senior at Wellesley, my first hope was to get a Fulbright to India. And, for reasons having to do with geopolitics, the Fulbright program was put on pause at that time. So, I

ended up in Yale Law School. And, since then, I have seen the results of my education in nearly everything that I do on pushing me to become a global citizen, rooted here in my own country, whose values and traditions I cherish, but looking outward. I see higher education as an even greater passport to opportunity and understanding. So, as we strive to facilitate that between our young people, we have to do more.

Now, the US and India have a strong history of exchange. Last year, we welcomed over 100,000 students from India to pursue college or graduate-level study in the US. But we think the opportunities for collaboration are even greater. And, particularly, we want to see more American students enrolling for academic credit at Indian institutions.

The US government is fully committed to enhancing this

academic cooperation. The Obama-Singh initiative provides \$10 million for increased university partnership and junior faculty development. The Fulbright-Nehru program has nearly tripled in size in the past three years, and we are proud that the US now conducts more faculty exchanges with India than with any other country through this program.

And, with our new Passport to India program, we are working with the private sector to help more American students experience India through internships and service projects. We've expanded our Education USA advising services for Indian students and their families to provide information about opportunities for study, and frankly, to help you sort out misleading offers that come over the internet, giving students the idea that a certain approach will work for them when, in fact, it is a dead end. We don't want to see that happen. We want to see real exchanges with credible institutions. We're also encouraging state and local officials in our country to engage with their counterparts in India to support educational cooperation and connection at every level. So, we're going to continue to facilitate dialogues like this, but we're asking you to develop direct connections, faculty to faculty, student to student, business to business.





There are so many wonderful stories. I'm sure many of you could tell your own, but I want to end with this one because it really hits close to home in an area that I care deeply about. A few years ago, a small group of American and Indian classmates at Stanford University decided to work together to build a better baby incubator. Four hundred and fifty premature and low-weight babies die every hour, and traditional baby incubators can cost as much as

\$20,000. So, the students developed the Embrace baby warmer, a portable incubator for use in poor and rural areas that doesn't require electricity and only costs around \$100. After graduating from Stanford, this Indian and American team moved to Bangalore to continue working on their idea and launched their project. And, it's now in use in hospitals in India and saving babies' lives. Their goal is to save 100,000 babies by 2013.

Now, this is a simple idea born out of conversations between students from both of our countries talking about shared hopes for a better world. It took students from diverse backgrounds and perspectives working together to make it happen.

So, I'd like to challenge all of us to jumpstart these kinds of relationships and opportunities for cooperation today, and there is no better way to do it than to brainstorm in the sessions this afternoon to consider no idea off limits, no outcome impossible, asking yourselves: How can our universities deepen our collaboration and particularly our student and faculty exchanges, and how can we set goals for ourselves that we then work toward meeting?

We want our relationship between these two great democracies to be as interconnected as possible at every level. Yes, government to government, but that is just the beginning and is clearly not the most important of the lasting collaborations that we seek. ■

Indo-Czech Trade to Touch \$2 bn by 2012

India's Minister of Commerce, Industry & Textiles Anand Sharma has upgraded the Joint Commission for Economic Cooperation with Czech Republic to Ministerial level and has also accepted the invitation of his Czech counterpart for the next meeting of the Commission. Both the sides have also agreed to take the bilateral trade to US \$ 2 billion by 2012 from current level of US \$ 1.3 billion which in itself is an increase of 26 percent from the previous year. Czech Minister for Industry & Trade, Martin Kocourek met Shri Anand

Sharma with a high-level Czech delegation in New Delhi recently.

Minister Sharma also stressed the need of a liberal visa regime for business people and suggested that a system of issue of long-term business visa on the recommendations of apex business chambers should be put in place. The Czech Minister agreed that visa regime needs to be addressed more forcefully and informed the Indian side that next week their government will discuss Investment Incentive Act for the Czech Republic and

corresponding resolution of visa related issues will form part of the discussion.

Minister Sharma expressed happiness over the fact that Czech Republic has launched a National Strategy of Competitiveness. He also informed the Czech Minister that there is a great potential to improve the width and depth of economic engagement between the two countries especially in the areas of information technology, pharmaceuticals, textiles and energy. ■



Micro Technologies

Secure your Vehicle by **SMS**



MICRO VBB

VEHICLE SECURITY SYSTEM

Features :

- Lock, Unlock, Stop your vehicle
- **SMS*** Alerts in case of entry in your vehicle/Tampering with stereo set
- Get exact location of vehicle (Navigator Model only)

Email : info@microshoppe.biz
www.microshoppe.biz

*Conditions apply



YOUR SECURITY IS OUR CONCERN

Call Toll Free
1800 209 2000

SMS*
MICRO VBB to 56363

*Rates as applicable

Available at your nearest



For Dealership, Distributorship, DSA Enquiries Call 022-40743000

Putting Science Into Agriculture Mahyco's Mission Since 1964



A pioneering seed company, Mahyco is focused on developing genetically enhanced crops with the use of gene transfer technology. This ongoing research facilitates Mahyco to always remain at the forefront of supplying top quality seeds to the farming community. Mahyco believes in utilizing the latest technological developments for the good of farmers and the people. The recent developments in hybrid seeds would go a long way in addressing the need for feeding a growing population. It has always been Mahyco's endeavour to provide the best hybrid seeds.



Maharashtra Hybrid Seeds Co. Ltd.

4th Floor, Resham Bhavan, 78, Veer Nariman Road, Mumbai-400020

Tel.: 022 30273025, Fax: 022 22047871

E-mail: info@mahyco.com, website: www.mahyco.com