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SAYING NO TO CHILD LABOUR

INTERNATIONAL NEWS

Oct US retail sales dip as economy starts to cool: Think tank

US retail sales fell for the first time in October since the first quarter (Q1) this year as consumers pulled back following a spending binge over summer, according to The Conference Board.

Consumer spending decreased by 0.1 per cent in October compared to a rise of 0.9 per cent in September and a 0.7-per cent increase in August.

After adjusting for inflation using consumer price index (CPI) data, real October spending growth was minus 0.2 per cent from September, Erik Lundh, a principal economist at The Conference Board, wrote on the think tank's website.

"We expect this pullback in spending to continue and intensify into 2024," he wrote. The economy is likely to slip into contractionary territory in the first of next year, and the think tank expects that the National Bureau of Economic Research will classify this period as a recession.

Consumer demand for goods fell by 0.2 per cent in October from the September figure in nominal terms.

Spending on motor vehicles and parts fell by 1.0 per cent in October from September. When adjusting goods spending for CPI inflation, the real growth rate was about minus 0.6 per cent.

Source: fibre2fashion.com– Nov 17, 2023

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Supply chain volatility index drops to -0.41 globally in Oct 2023

The global supply chain volatility index decreased again in October 2023 to -0.41, from -0.35 in September, indicating a 7th successive month of rising spare capacity across the world's supply chains. Additionally, the extent to which supplier capacity went underutilised was even greater than in September and August.

Coupled with October's downturn in demand for raw materials, components, and commodities, this shows rising slack in global supply chains, according to a report by S&P Global and the GEP.

A key finding from October's report was the strongest rise in excess capacity across Asian supply chains since June 2020. Sustained weakness in demand, coupled with falling pressures on factories in Asia, indicates that the global manufacturing recession has further to run. With the exception of India, which continues to perform strongly, large economies in the region, such as Japan and China, are losing momentum.

Suppliers in Europe continue to report the largest level of spare capacity. In fact, lower levels in GEP's supply chain index for the continent have, for the most part, only been seen during the global financial crisis between 2008 and 2009, highlighting sustained weakness in economic conditions across the continent. Western Europe, particularly Germany's manufacturing industry, is a key driver behind the region's deterioration.

A relatively bright spot is North America, where supply chains have excess capacity, but to a much lesser extent than elsewhere as the US economy continues to display its resilience, in stark contrast to Europe.

Demand for raw materials, components, and commodities remains depressed, although the downturn seems to have stabilised. There are still no signs of conditions improving, however, as global purchasing activity fell again in October at a pace similar to what was seen since around mid-year.

With demand falling, data shows another month of destocking by global businesses, signalling cashflow preservation efforts. Reports of item shortages remain at their lowest since January 2020.

Shortages of workers are not impacting global manufacturers' capacity to produce, with reports of backlogs due to inadequate labour supply running at historically typical levels. Global transportation costs held steady with September's level, although oil prices have declined in recent weeks.

The supply chain volatility index for North America fell to -0.34, from -0.30. This remains much softer than the global average and continues to suggest the US economy is poised for a soft landing.

The index for Europe rose to -0.90, from -1.01, but still remains at a level that is indicative of considerable economic fragility.

The index for the UK edged slightly higher to -0.93, from -0.98. Still, the data point to a substantial rise in excess capacity at suppliers to UK markets.

Notably, the index for Asia dropped to -0.38, from -0.20, highlighting the biggest rise in spare supplier capacity in Asia since June 2020 as the region's resilience fades.

Source: fibre2fashion.com– Nov 17, 2023

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October 2023 brings relief in material shortages for Germany

German manufacturing is seeing a considerable reduction in material shortages. In October 2023, 18.2 per cent of the companies surveyed reported shortages, down from 24.0 per cent in September 2023.

Among manufacturers including those of machinery, around one in four reported supply bottlenecks. Supply problems in the manufacturing sector peaked in December 2021, when 82.4 per cent of companies reported it as an issue, ifo Institute said in a press release.

“Things are almost back to pre-crisis levels,” said Klaus Wohlrabe, head of surveys at ifo. “Companies should plan now for future shortages, diversify their supply chains, and increase inventory levels.”

Source: fibre2fashion.com– Nov 17, 2023

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Like 'Watching a Car Wreck Unfold': Poverty Wages Pressure Bangladesh-Sourcing Brands

A group of human-rights multistakeholder initiatives representing more than 2,500 international brands, retailers and suppliers in Bangladesh has written to the South Asian nation's government urging it to reconsider the proposed new minimum wage, which experts say is well under what is necessary to sustain garment workers in the face of runaway inflation.

"The announcement of a new legal minimum wage…by the RMG Minimum Wage Board has prompted serious concerns," Amfiori, the Ethical Trading Initiative (ETI), the Fair Labor Association (FLA) and the Fair Wear Foundation, together with Dutch workers' union Mondiaal FNV, said Thursday of their letter to Prime Minister Sheikh Hasina. "This amount falls short of covering basic needs and a decent standard of living for the workers and contradicts the government's commitment to decent work standards."

The wage board announced earlier this month that the lowest-grade workers will receive a wage of 12,500 Bangladeshi taka ($113) beginning Dec. 1, a 56 percent increase from the previous floor of 8,000 taka ($72) but just over half of the 23,000 taka ($208) unions have been lobbying for. The gap between the legal minimum wage and the average living wage in Bangladesh, which the Wageindicator Foundation estimates at 74 percent, remains the highest among major garment-producing countries, "posing challenges to the RMG sector's aspirations to meet international standards and maintain its position as a responsible sourcing country."

Amid continuing protests that have already claimed four lives, the organizations pressed authorities to respect the workers' freedom of association, their right to strike and their right to demonstrate, as well as to release the protestors they've arrested and drop all charges. The letter's signatories also expressed their "dedication to supporting a new legal minimum wage that ensures a decent living for RMG workers in Bangladesh" by encouraging members such as Adidas, H&M Group, Uniqlo parent Fast Retailing and Zara owner Inditex, to practice responsible purchasing by incorporating "fair wages into their human rights due diligence" and ensuring that suppliers can afford to pay decent wages by including a "fair and sustainable sharing of the cost burden for the increase in the legal minimum wages."

"We know the employers' concern is that in negotiating prices, their buyers will not enable them to pay higher wage increases," Alexander Kohnstamm, executive director of the Fair Wear Foundation, told Sourcing Journal. "However, with the new minimum wage being insufficient, brands sourcing from Bangladesh must conduct heightened due diligence on wages to uphold their responsibility to respect human rights. This means higher resource investments in stakeholder consultation and remediation."

Kohnstamm said that some Fair Wear member brands have approached the group with the "intent to apply their purchasing to stimulate wages higher than the new minimum wages." While the organization will work closely with them to realize this, he said, there must be a "much broader commitment" from global brands because of the fragmented market—and soon.

"Workers shouldn't be waiting another five years for [the] next inadequate increase," Kohnstamm said. "In fact, an annual minimum wage review would be a great improvement from that taking place now every five years."

So far only Patagonia has come out in support of the 23,000 taka figure workers are asking for. No brand or retailer, however, has publicly and explicitly committed to paying more even as the likes of Adidas, Levi Strauss & Company and Puma have expressed their concern about the surging violence and expressed their beliefs in the rights of workers. Even H&M, which a Bangladesh Garment Manufacturers and Exporters Association (BGMEA) executive said was among a "handful" of businesses that informed suppliers that there will be a blanket increase in prices, will only say officially that it recognizes the "important role we play to facilitate a fair compensation through responsible purchasing practices."

Several brands that signed a previous letter to Hasina asking for "inclusive dialogue" with labor groups when determining the new wage, including Gap Inc., Hugo Boss, Lululemon, Patagonia, Calvin Klein owner PVH Corp. and Under Armor, have not responded to multiple emails from Sourcing Journal. Neither would the American Apparel & Footwear Association, the trade group that represents many of them, say anything more specific than the fact that its members are "absolutely committed" to responsible purchasing practices to support the wage increase.

At an event in New York City on Thursday night, Yukihiro Nitta, group senior vice president of Fast Retailing, said that conversations about prices and wages happen directly with suppliers and that it endeavors to pay fair rates because it's important to maintain stable business relationships. Some of its suppliers already provide their employees a living wage, he said, though he declined to specify which ones.

"Absent an explicit commitment from the brand members of the ETI, FLA, and Fair Wear to pay prices sufficient for the wage to be raised to 23,000 [taka], without reducing orders, these communications are not meaningful," Scott Nova, executive director of the Worker Rights Consortium, a Washington, D.C.-based advocacy group, told Sourcing Journal.

"All three organizations have elaborate living wage policies, but none of these policies do the one thing that matters: requiring member brands to end the pricing practices that make living wages impossible," he said. "Instead, these organizations 'encourage' member companies to do the right thing. Encouraging giant apparel brands to take actions that raise their costs works about as well as encouraging your toddler to eat vegetables. Without rules and consequences, compliance will not be achieved."

Nova said that it's "essential" to bear in mind that the brands, including those in organizations like ETI, have the "power in their hands" to secure a decent minimum wage. "If the end result is the perpetuation of poverty wages, it will be because that is the result the brands wanted," he said.

Peter McAllister, ETI's executive director, previously said that organizations like his cannot "compel" individual companies to share the cost of any wage rises, only "encourage and support and make the case for absorbing what in real terms is still a very small wage increment."

"When it comes down to individual commercial negotiations, we do not have sight of these and a number of factors come into play," McAllister said. "We would say that given Bangladesh is essentially an export market and exports are paid for in hard currency, then the real value of wages in Bangladesh in hard currency terms have clearly diminished and just bringing them back up to where they were, let alone giving a real terms increase, is needed."

Kalpona Akter, president of the Bangladesh Garment and Industrial Workers Federation and a former child garment worker, told Sourcing Journal that multistakeholder initiatives could be taking "strong steps" rather than "waiting to see our workers suffer" from poverty wages and violations of labor laws and rights.

"They all [have] the backs of these greedy corporations [that have] left workers striving or losing their lives while legitimately raising their voices," Akter said. "This is enough. This deprivation should stop and our workers should be recognized with higher pay, union [representation] and jobs with dignity."

In a memo to brands that attended a meeting "on short notice" on Wednesday, Faruque Hasan, president of the BGMEA, said that he appreciated their "support, collaboration and cooperation" but that he must reiterate the "uphill struggle" for suppliers negotiating "spiraling" costs while investing millions into remediating and "greening" factories and trying to remain competitive. He noted that the price of electricity has risen by 25 percent, gas by 286.5 percent and diesel by 68 percent, along with other "notable" factors, resulting in both a higher cost of production and a higher cost of goods.

"As to the implementation of the new minimum wages which will take effect on Dec. 1, 2023, I have already appealed [to] you to consider its impact on the cost and factor it in in your negotiations duly," Hasan said. "I have also appealed [to] you during the meeting that during the unexpected labor unrest in the past three weeks, factories which were forced to close down (some of them were vandalized)…were not able to continue their operations during those days. You have assured us that the factories will not be penalized, and I hope you will support your suppliers as much as possible."

Over in the United States on Thursday, President Joe Biden signed the first presidential memorandum outlining his administration's commitment to worker rights globally. In doing so, the White House said, the president is "directing" federal departments and agencies to "advance labor rights and worker empowerment in their work abroad."

"First, we will engage governments, workers, labor organizations, trade unions, civil society, and the private sector around the world to protect and promote respect for internationally recognized labor rights," Secretary of State Antony Blinken told reporters in San Francisco. "That means, for instance, that all of our ambassadors, all of the folks running our embassies around the world, will engage with workers, with unions so that their voices are reflected in everything that we do."

"Second, we will work to hold accountable those who threaten, who intimidate, who attack union leaders, labor rights defenders, labor organizations—including using things like sanctions, trade penalties, visa restrictions—all the tools in our kit," Blinken said. "We want to be there for people like Kalpona Atker, a Bangladeshi garment worker and activist, who says that she is alive today because the U.S. embassy advocated on her behalf. When we use our voice, when we use our advocacy around the world, we can make a concrete difference in making sure that those who are trying to advance labor rights are protected and defended."

Last week, both the Department of State and the Department of Labor condemned what they described as "recent violence" against garment workers in Bangladesh, condemning in particular the alleged police involvement in the deaths of Md. Rasel Howlader, a 25-year-old maintenance machinist at Design Express in Gazipur, and Anjuara Khatun, a 26-year-old machine operator at Islam Garments, also in Gazipur.

"We call on the government of Bangladesh to respect workers' freedom of assembly, end the violent crackdown on workers and conduct a full investigation of alleged police involvement in Howlader and Kahtun's killings," Thea Lee, deputy undersecretary for international affairs at the Labor Department said in a statement.

"We urge the government of Bangladesh to revisit the recent minimum wage decision to ensure that it provides equitable compensation that meets the needs of workers and their families," Lee added. "To prevent future unrest, we also urge the amendment of existing labor laws to guarantee that all workers can fully exercise their right to freedom of association and collective bargaining, as called for by the International Labor Organization."

IndustriALL Global Union, whose affiliate, Sommilito Garments Sramik Federation, counted Howlader as a member, too, continues to call upon the government of Bangladesh to reassess its minimum wage proposal so it's in line with the 23,000 taka demand.

“Further, it is essential that government and employers respect international human rights, and immediately refrain from violence against protestors and ensure that no workers are blacklisted or detained for exercising their legal right to freedom of association and assembly,” Christina Hajagos-Clausen, the union federation’s director for the textile, garment, shoe and leather sector, told Sourcing Journal.

Hajagos-Clausen recently embarked on a whistle-stop tour of New York and Washington, D.C. to convince American brands and lawmakers about the importance of binding agreements, such as its ACT—short for Action, Collaboration Transformation—Memorandum of Understanding on living wages, freedom of association and collective bargaining, which IndustriALL has entered into with 19 fashion purveyors, including H&M, PVH Corp. and Inditex.

Thulsi Narayanasamy, director of international advocacy at the Worker Rights Consortium, also called into question whether voluntary initiatives have the power to hold brands to account for “their pricing practices that ultimately result in the exploitation of workers.”

“Until and unless brands commit and follow through on paying suppliers enough to facilitate a wage increase, we will still have an industry that is predicated on unfair wages that are at odds with brands’ stated commitments on living wages,” she said. “The local industry has repeatedly pointed to brands’ pricing practices as a barrier to increase wages, yet brands behave like innocent bystanders watching a car wreck unfold in Bangladesh, when in fact, they are the ones driving the car.”

Source: sourcingjournal.com– Nov 17, 2023

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EU should continue its support to Bangladesh RMG industry, say BGMEA

In a meeting with the European Union (EU) monitoring mission in Bangladesh, Faruque Hassan, President of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), has urged the global trade body to sustain its backing for the country's ready-made garment industry.

Hassan pressed the EU mission to enhance its commitment to sustainability and uplift the well-being of garment workers. He also advocated for extending the Generalized System of Preferences (GSP) transitional period from three to six years, aiming for a smoother transition during the Least Developed Country (LDC) graduation.

The EU delegation, led by Paola Pampaloni, Acting Managing Director of the Asia-Pacific Department at the European External Action Service (EEAS), included key representatives from EEAS, the Directorate General for Trade, and the Directorate General for Employment, Social Affairs, and Inclusion. The discussions covered critical issues related to the garment industry, addressing a six-point recommendation encompassing child labor, labor law reform, and other worker rights issues.

Hassan outlined the current situation, placing emphasis on workplace safety, sustainability initiatives, and recent labor reforms. He highlighted a significant increase in the minimum wage for garment workers in Bangladesh.

Additionally, Hassan urged ongoing EU support to maximize the advantages of the GSP Plus arrangement following the country's graduation from the category of Least Developed Countries.

Source: fashionatingworld.com– Nov 17, 2023

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Pakistan: Textile exports rebound

The textile and clothing exports bounced back in October from the previous downward trajectory, according to statistics issued by the Pakistan Bureau of Statistics on Friday.

The sector recorded growth of 5.92pc, with exports rising to $1.44bn, up from $1.35bn in the same month last year.

The data, however, showed that the export value of textile and clothing exports shrank 6.33pc in the first four months (July-October) FY24 to $5.56bn from $5.94bn in the corresponding period last year. The textile and clothing sector has experienced a decline in exports mainly attributed to escalating production costs and a liquidity crunch.

Caretaker Commerce Minister Gohar Ejaz last month announced that the government would soon offer regionally competitive energy prices to textile exporters and resolve their cash flow issues by releasing pending sales tax refunds. However, the decision was yet to be implemented.

The PBS data showed the exports of readymade garments shrank 0.43pc in value in October and by 1.83pc in quantity, while knitwear dipped 5.27pc in value but grew 52.98pc in quantity, bedwear posted a positive growth of 12.19pc in value and 29.85pc in quantity. The towel exports increased by 17.93pc in value and 35.24pc in quantity, whereas those of cotton cloth slightly increased by 0.45pc in value and 11.21pc in quantity.

However, the export of raw cotton and yarn increased by over 324pc and 87.88pc during October of FY24 from a year ago. The export of made-up articles — excluding towels — went up by 10.87pc, and tents, canvas and tarpaulin by 37.71pc in October from a year ago.

The import of textile machinery declined by 37.63pc in October — a sign that expansion or modernisation projects were not a priority.

In the first quarter of FY24, the total exports slightly increased 0.48pc to $9.59bn this year from $9.55bn over the last year.

Source: dawn.com– Nov 18, 2023

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Pakistan: Jul-Oct period: Textile exports down 6.33pc to $5.565bn YoY

The country's textile group exports declined by around 6.33 per cent during the first four months (July-October) of the current fiscal year and stood at $5.565 billion compared to $5.940 billion during the same period of 2022-23, Pakistan Bureau of Statistics (PBS) said.

The country's overall exports during July-October fiscal year 2023-24 totaled $9.6 billion (provisional) against $9.554 billion during the corresponding period of last year showing a decrease of 0.48 percent.

The data on exports and imports released by PBS revealed that on a month-on-month (MoM) basis textile exports registered 5.61 per cent growth in October 2023 and stood at $1.437 billion compared to $1.360 billion in September 2023.

On a year-on-year (YoY) basis, textile exports increased by 5.92 per cent in October 2023 when compared to $1.356 billion in October 2022.

The exports in October 2023 were $2.690 billion (provisional) as compared to $2.476 billion in September 2023 showing an increase of 8.64 per cent and by 12.84 per cent as compared to $2.384 billion in October 2022.

Cotton yarn exports increased by 42.85 per cent during the first four months quarter of the current fiscal year as it stood at $407.564 million compared to $285.315 million during the same period of last fiscal year.

On a year-on-year basis, cotton yarn exports registered 87.88 per cent growth and stood at $92.160 million when compared to $49.052 million, while on a MoM basis, it registered 18.85 per cent negative growth when compared to $113.567 million in September 2023.

Rice exports increased by 30.12 per cent during the first four months of the current fiscal year and stood at $710.788 million when compared to $546.261 million. Food group exports increased by 30.29 per cent during the first four months of the current fiscal year and stood at $1.944 billion when compared to $1.492 billion during the same period of last fiscal year.

The main commodities of exports during October 2023 were knitwear (Rs104,025 million), readymade garments(Rs76,920 million), bed wear (Rs68,298 million), rice others (Rs66,558 million), cotton cloth (Rs47,758 million), oil seeds, nuts and kernels (Rs33,897 million), towels (Rs26,312 million), cotton yarn (Rs25,838 million), rice basmati (Rs18,783 million) and made-up articles (excl. towels and bedwear) (Rs17,980 million).

Source: brecorder.com– Nov 17, 2023

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NATIONAL NEWS

India's commerce ministry soft-launches updated eBRC for exporters

India’s commerce ministry soft-launched on November 15 the revamped electronic bank realisation certificate (eBRC)for self-certification by exporters to promote ease of doing business.

Banks issue an eBRC to an exporter as a confirmation that it has received the payment from a foreign buyer against export of goods or services.

The upgraded system is based on electronic inward remittance messages to be transmitted directly by banks to the Directorate General of Foreign Trade (DGFT), a notice by the latter said.

Exporters would self-certify their eBRCs based on the messages received.

"The enhanced eBRC system shall enable exporters to reduce transaction time and costs. It would also ease the burden on bankers by simplifying the reconciliation of IRMs [independent review mechanisms] with shipping bills, SOFTEX, invoices, etc. and promote ease of doing business in general," the notice said.

"A soft launch of the revamped eBRC system is proposed with effect from November 15. Starting from given date, each bank will set its cut-off date based on their readiness after completing user acceptance testing," DGFT said.

It will also organise exporter outreach programmes to demonstrate and raise awareness about the revamped system.

Source: fibre2fashion.com– Nov 17, 2023

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South-South collaboration can strengthen the foundation of future trade: Shri Goyal

The Global South needs to discuss ways and means for countries to cooperate and act together to make our supply chains open, secure, trusted, stable, and equitable, thereby making them more resilient. Union Minister for Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Shri Piyush Goyal was speaking at the 2nd Voice of Global South Summit today.

Shri Goyal said that the crisis of COVID-19 pandemic, impact of climate change and raging geopolitical tensions have disrupted and underscored the fragility of global supply chains. These disruptions have created monumental challenges of food and energy security, cost of living and achievement of the Sustainable Development Goals.

He said that Prime Minister Shri Narendra Modi has rightly pointed out that most of the global challenges have not been created by the Global South, but they affect us more. Prime Minister has further underscored the need for our collective voice to be heard whenever and wherever the world looks for solutions, he added.

Shri Goyal pointed out that India successfully hosted the G 20 Summit in New Delhi in September, under the theme “one earth, one family and one future” with the support of the Global South. During its presidency, India made strong interventions in strengthening the voice of the global south including by making the African Union a permanent member of the grouping and by galvanising concrete action oriented, G 20 outcomes for the Global South, he said, adding that the African Union will now be a part of the G 20 permanently. It is necessary to make further efforts to strengthen the voice of the global south and to come together for our and humanity's future, he said.

During India's G 20 presidency, the G20 generic framework for mapping global value chains was adopted to make GVCS resilient and inclusive, Shri Goyal said, adding that this framework has been prepared, keeping in mind how countries of the global south could not only become an integral part of was GVCS, but also move up the value chain to generate more prosperity for the people.

The framework promotes transparency and confidence amongst all stakeholders, as well as allows anticipation and estimation of potential risks embedded within value chains, he said. He pointed out that the key building blocks of the framework are data analysis and representation. By incorporating this building blocks, the framework can help in the identification of sectors and products critical to GVC resilience for each of the countries. He urged the participating countries to adopt this mapping framework as they undertake an exercise to assess their abilities and their GVCS both at the sector and product level as well as identify opportunities that will open up, he said, adding that this framework, once implemented, has the potential to address four key concerns related to resilience and inclusivity.

With respect to the global South, the first need is to identify global value chains, where each of the countries could focus on not only increasing their participation, but also improving the quality of their participation by moving up the value chain, Shri Goyal remarked. This will help them to partake, largest share of high value added parts of the GVCS. Secondly, he said, it will help GVCS to withstand both natural and manmade shocks. Thirdly, better integration of our micro small and medium enterprises in international markets and trade.

Finally, it will help us to visualise gaps in our logistics infrastructure. The filling up of these critical gaps would help further integration and participation of the global south in global trade, he said, adding that if we work together on this, we could accelerate transformative impact that solves our trade can have in the overall growth and prosperity and also specifically on achieving sustainable development goals. For example, the phenomenal nine-fold increase in South-South trade from 600 billion US dollars in 1995 to 5.3 trillion US dollars in 2021 had a major impact on economic growth and resilience of many countries.

Shri Goyal said that during the Indian presidency, the G 20 has also recognised the importance of the WTO as aid for trade initiative for enabling developing countries, notably less developed countries to effectively participate in global trade, including through enhanced local value creation. Due to sustained efforts, the G 20 also called upon enhanced mobilisation of necessary resources. In this regard, we get the support of all our dear friends from the global south will keep pursuing this and the WTO for effective implementation, he added.

Shri Goyal pointed out that the G 20 under India's presidency has brought the G 20 framework for systems of digital public infrastructure. This recognises the role of DPIs in the delivery of services at the societal level for the people directly. We are also pursuing use of modern technology for enhancing fair and equitable global trade, Commerce and Industry Minister said. He said that the New Delhi leaders' declaration focuses on two aspects: first, realising the importance of MSMEs and the role they play in our economies.

We have identified access to trade related information and access to market as the major challenges faced by our countries in our efforts to internationalise our economy. Due to inadequate access to information MSMEs often are unable to identify potential markets, he said, adding that they have limited knowledge about business opportunities, customers, competitors, distribution procedures, local rules and regulations and taxation.

As a result, they are unable to exploit market opportunities that require large volumes, consistent quality, homogeneous standards and regular supply. Under the Indian G 20 presidency, a Jaipur call for action to enhance the MSMEs access to information has been adopted in the envisages upgradation of international trade centres. Shri Goyal said that global trade helped us the portal, which will work as a one stop hub for MSMEs seeking business and trade related information. He urged all participating countries to partner in this initiative to better integrate their MSMEs in global trade.

Continuing with the achievements of recent G20 Summit in New Delhi, Shri Goyal said that it focused on trade cost reductions by increasing digitalization of trade documents. It is seen that irrespective of digitalization of documents for domestic purposes, documents critical for international trade are still not digitalized, as much implementation of electronic bill of lading, a vital document, for enabling smoother international trade can itself lead to savings of nearly six and a half billion dollars in direct costs, he said.

In this regard, the G 20 has adopted 10 high level principles for digitalization of trade documents. These principles laid the roadmap for eventual transition and adoption of a widespread paperless trading system globally. This can sustainably benefit all of the developing countries by reducing the cost of doing trade, he said.

Shri Goyal pointed out that we are in the midst of a massive global shift in the way work is being done and how it will be done in the future. The future of work will be determined by industry 4.0, energy transition and New Age technologies, he said. These are bringing changes at the world workplace and workforce level.

He added that we have built a consensus on how this challenge is handled in an inclusive and equitable manner to ensure the same it is important that countries of the global south collaborate in technical education, research and development, deployment of technology and related services. This South-South collaboration can strengthen the foundation of future trade, including in technology and services. As the name of the summit emphasises it is the time for countries of the global south to build partnerships based on trust and mutual respect, leveraging each other's strengths and capabilities, Shri Goyal concluded.

Source: pib.gov.in– Nov 17, 2023

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India-UK FTA: Issues to be resolved in coming weeks, says Piyush Goyal

Trade Minister Piyush Goyal on Friday said India and the United Kingdom (UK) would be able to resolve the pending issues for a free-trade agreement (FTA) in the coming weeks, as the remaining issues were not insurmountable.

“FTAs are crystal-gazing into the future. You have to really project how the agreement will play out in 20, 30, 50 years into the future. So they are drafted very carefully. One never rushes to do an FTA. One should do it with great care and consideration of different interests,” Goyal told news agency ANI.

He said both sides were looking at issues that are of a very sensitive nature as well as very important to each other. “We hope that in the coming weeks we will be able to come to some conclusion,” he said.

The minister said both sides had several rounds of negotiations, and 20 of 26 chapters had been sealed. “Currently, we are in active dialogue on different tracks. Amongst the few issues pending, there is nothing impossible to navigate,” he said.

On Wednesday, Commerce Secretary Sunil Barthwal told reporters that they were not working under any deadlines on the conclusion of negotiations on the FTA, citing there are issues that are slightly complex in nature and of economic significance to both countries.

“We are not working under any deadlines. Though, there are internal timelines as such, and round-wise discussions happen there,” Barthwal had said, adding that issues were being examined carefully in a roundwise manner and they were expected to finish soon.

Till now, 13 rounds of negotiations have concluded on the issue, and chief negotiators of India and the UK are expected to soon hold the next round of talks to iron out remaining issues, including concessions for electric vehicles (EVs) and greater market access in services, among others.

Launched in January last year, the agreement was originally scheduled to conclude by Diwali (October 24, 2022), but the deadline was missed due to several adverse developments.

On his visit to the Tesla factory in San Francisco earlier this week, Goyal said no decision had been taken on when Tesla would come to India and what role it would have in India's private sector engagement on space.

"Those are for officials to look at. The purpose of my visit was very clear. I was looking at engaging with the high-quality senior-level Indian talent who are contributing to Tesla's success story. I was also very keen to see the EV factory because we are now increasingly contributing through parts and components in the making of EVs," he had said.

"Last year, India exported about a billion dollars' worth of goods. This year, it will almost double to $1.9 billion exports from India to Tesla. India is producing really high-quality products, spare parts, auto components, which I am sure will help us as we expand our electric auto ecosystem," he added.

Goyal said as more and more companies from around the world come into India and as the homegrown Tatas and Mahindras expand their operations, India is poised to become a big market and big producer of EVs. "The idea behind the visit (to the Tesla factory) was to understand the story and see how it is going to move forward," he said.

Source: business-standard.com– Nov 17, 2023

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RBI permits banks to open current account for export proceeds in addition to special rupee vostro accounts

The Reserve Bank of India (RBI) on Friday permitted banks to open additional current account for exports proceeds in addition to special rupee vostro accounts with a view to provide greater operational flexibility to exporters. To provide greater operational flexibility to exporters, banks maintaining special rupee vostro account as per the provisions of the RBI circular dated July 11, 2022 are permitted to open an additional special current account for its exporter constituent exclusively for settlement of their export transactions, RBI said in a notification.

In July 2022, the RBI had asked banks to put in place additional arrangements for export and import transactions in Indian rupees in view of increasing interest of the global trading community in the domestic currency.

"In order to promote growth of global trade with emphasis on exports from India and to support the increasing interest of global trading community in INR, it has been decided to put in place an additional arrangement for invoicing, payment, and settlement of exports/imports in INR," it said.

India has been trying to promote rupee trade following the Russia-Ukraine war and the sanctions imposed by the West. In July 2022, the Reserve Bank of India (RBI) decided to allow the settlement of India's international trade in rupee. Accordingly, authorised Indian banks must open and maintain special rupee vostro accounts of the partner trading country's banks.

These accounts keep the foreign bank's holdings in the Indian counterpart in rupees. When an Indian trader wants to make a payment to a foreign trader in rupees, the amount will be credited to this vostro account.

Similarly, in the reverse scenario, the amount to be paid to an Indian trader is deducted from the vostro account, and credited to the person's regular account.

Source: economictimes.com– Nov 17, 2023

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Shri Piyush Goyal participates in Partnership for Global Infrastructure and Investment (PGII) & Indo-Pacific Economic Framework for Prosperity (IPEF) Investors Forum

Union Minister for Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Shri Piyush Goyal, participated in the Investor Forum of the Partnership for Global Infrastructure and Investment (PGII) & Indo-Pacific Economic Framework for Prosperity (IPEF). The Forum, a moderated discussion, was co-hosted by U.S. Secretary of Commerce Ms. Gina Raimondo and Senior Advisor to the President Mr. Amos Hochstein with the discussion centred on collaborative actions and shared priorities to increase private investment in the Indo-Pacific.

The Forum was also attended by Ministers and senior officials from IPEF partner countries including the Prime Minister of Fiji, His Excellency Mr. Sitiveni Rabuka, and Minister of Trade of Korea His Excellency Mr. Dukgeun Ahn; and corporate leaders including Co-CEO of KKR Joseph Bae; Chairman and CEO of BlackRock Larry Fink; CEO of Citi Jane Fraser; Founder and Chairman of Fortescue Andrew Forrest; Founding Partner of Global Infrastructure Partners Matthew Harris; Founding Partner, Chairman and CEO of Global Infrastructure Partners Adebayo Ogunlesi; President, CIO and CFO of Alphabet and Google Ruth Porat; Founder and CEO of RockCreek Afsaneh Beschloss; and Founding Partner and Executive Chair of TPG Jim Coulter.

U.S. Secretary of Commerce Gina Raimondo in her address to the forum highlighted the continuing partnership between India and USA through the Green Transition Fund co-created by U.S. International Development Finance Corporation (DFC) and National Investment and Infrastructure Fund (NIIF) aimed at providing climate impact benefits and accelerating the development of clean-energy transition projects in India through investments in solar, energy storage, and e-mobility.

The Minister in his address extended his appreciation to IPEF partners on the conclusion of negotiations on Pillar-III (Clean Economy) and Pillar-IV (Fair Economy) and emphasised on India's commitment to enhancing ease of doing business, ushering in transparency in business regulatory ecosystem, delivering sustainable growth and development.

Thereafter, the Minister participated at the APEC Informal Leader's Dialogue where he highlighted India's environmental leadership in successfully meeting the renewable energy target of 175 gigawatt nine years ahead of its target. Additionally, he also called upon the world leaders to join hands as a global community to construct a future where sustainability is not a distant aspiration but a way of life and where climate action is not a burden but an opportunity for innovation and growth.

As part of day's engagements, the Minister joined the world leaders at IPEF Leader's Meeting. The engagement was attended by several world leaders including His Excellency Mr. Joe Biden, President of the United States of America. Several IPEF initiatives such as Critical Minerals dialogue, Investment Accelerator, Catalytic Fund, Investor Forum, IPEF Networks etc were announced during the meeting.

Besides participating at the PGII Investor Forum, APEC engagements, including the dinner reception for APEC Leaders, and IPEF Leaders' meetings, the Minister during the day held several bilateral and one-to-one meetings with world leaders and corporate giants. He met H.E. Mr. Juan Carlos Mathews, Minister of Foreign Trade and Tourism of Peru, and discussed ways to enhance bilateral trade and investment linkages, reviewed progress of bilateral FTA negotiations and suggested expedited conclusion. The Minister also met Mr. Alex Rogers, President, Qualcomm Technology Licensing & Global Affairs and discussed the vast opportunities for collaboration that India's rapidly evolving semiconductor ecosystem & robust innovation landscape offers to companies like Qualcomm.

Source: pib.gov.in– Nov 17, 2023

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Indo-Pacific Economic Framework for Prosperity (IPEF) Supply Chain Agreement signed by the 14 IPEF Partners

The third Indo-Pacific Economic Framework for Prosperity (IPEF) Ministerial Meeting was held in San Francisco, California on 14 November 2023 hosted by the US. Union Minister for Commerce and Industry, Consumer Affairs, Food and Public Distribution, and Textiles, Shri Piyush Goyal participated in the Ministerial meeting.

IPEF was launched jointly by the USA and other partner countries of the Indo-Pacific region on May 23, 2022 at Tokyo. IPEF has 14 partner countries including Australia, Brunei, Fiji, India, Indonesia, Japan, Republic of Korea, Malaysia, New Zealand, Philippines, Singapore, Thailand, Vietnam & USA. It seeks to strengthen economic engagement among partner countries with the goal of advancing growth, peace and prosperity in the region.

The framework is structured around four pillars relating to Trade (Pillar I); Supply Chains (Pillar II); Clean Economy (Pillar III); and Fair Economy (Pillar IV). India had joined Pillars II to IV of IPEF while it has an observer status in Pillar-I.

At this Ministerial Meeting, negotiations under the IPEF Pillar-III (Clean Economy), Pillar IV (Fair Economy) and the Agreement on the Indo-Pacific Economic Framework for Prosperity (which seeks to establish a ministerial-level council and a commission) were substantially concluded.

Moreover, following the substantial conclusion of the negotiations on the IPEF Supply Chain Agreement in May 2023, the IPEF Ministers signed the IPEF Supply Chain Agreement during the Ministerial Meeting. Pillar-wise Press Statement was issued at the end of the San Francisco Ministerial meeting highlighting the contours and the efforts planned under each of the substantially concluded Pillars (link below).

Under the Clean Economy (Pillar-III), IPEF partners are aiming to advance cooperation on research, development, commercialization, availability, accessibility, and deployment of clean energy and climate friendly technologies, and facilitate investment towards climate-related projects in the region.

During his intervention under this Pillar, Shri Goyal emphasized the need for increased collaboration among partners on research and development of innovative and affordable climate friendly technologies. Further, Shri Goyal stressed the need to prioritize implementation of Cooperative work programmes envisaged under this pillar, including hydrogen supply chain initiative and other proposals in the pipeline such as India's proposal for biofuels and e-waste recycling.

Under the Fair Economy (Pillar-IV), IPEF partners aim to strengthen implementation of effective anti-corruption and tax measures to boost commerce, trade, and investment among IPEF economies. During his intervention under this Pillar, Shri Goyal highlighted enhancing information sharing among partners, facilitating asset recovery and strengthening cross-border investigations and prosecutions as the key benefits to emerge from the Agreement. Further, he highlighted that this will strengthen the joint resolve to fight against corruption, money laundering and terror financing.

[* Link to Pillar II-IV San Francisco IPEF Statement]

Source: pib.gov.in– Nov 17, 2023

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Indian e-commerce exports should touch $200 billion in next 6-7 years: DGFT

India's e-commerce ecosystem is about to explode in the near future as exports may touch $200 billion during the next six-seven years from the current $1.2 billion, said Santosh Kumar Sarangi, director general (DG), Directorate General of Foreign Trade (DGFT) at an event on Friday.

Addressing the 'E-commerce Exports' conference, organised by the Federation of Indian Chambers of Commerce and Industry (Ficci), he emphasised on the immense potential of e-commerce exports.

His forecast is backed by the huge product diversity, product innovation and the ability of Indian entrepreneurs to gauge requirements of specific markets and offer customised products.

"Currently, India only exports a fraction of what China does in the e-commerce sector. In the next six-seven years, we should be able to do around $200 billion of e-commerce exports. (For that) we need to bring about a lot of changes in the way logistics is handled in India and the way policy making happens. Also, the way the Reserve Bank of India (RBI) looks at e-commerce exports. In all of these, we have to make a lot of changes," Sarangi said.

Besides, Sarangi also asserted that India's e-commerce export ecosystem will evolve in a rapid manner and play a major role in realising the target of $2 trillion of exports in the days to come.

Further, he also said that the DGFT has taken a number of initiatives along with other regulatory agencies to ease e-commerce exports.

He listed the four key elements in the e-commerce business — logistics, e-commerce service platform providers, international payment systems and regulatory agencies. These agencies include the RBI, department of revenue and DGFT, among others.

"However, in order to achieve these export levels, there has to be a change in the mindset of the regulatory agencies as well, as they are still geared towards the old B2B models.

In the course of time, we also expect the fintech sector in India to play a key role in providing innovative payment solutions and more importantly, cost effective payment solutions," Sarangi added.

He also stressed on creating awareness and educating exporters to conduct the e-commerce business in a fair and ethical manner.

"Along with creating mass awareness among exporters, there is a need to create a pool of mentors, who will act as the fulcrum in handholding and guiding potential exporters in India," he added.

TIME FOR A CHANGE

- Indian e-commerce exports are worth around $1.2 billion now
- In comparison, China exports close to $250 billion
- To achieve target, exporters must conduct business in an ethical manner
- Also, there has to be a change in mindset of regulatory agencies

Source: business-standard.com– Nov 17, 2023

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Bharat Tex expo to be held in New Delhi in February 2024

As many as 11 textile and clothing export promotion councils will conduct Bharat Tex 2024, an exhibition of Indian textile and clothing products, in New Delhi from February 26 to 29 next year.

Rajeev Saxena, Joint Secretary, Ministry of Textiles, said at a roadshow in Coimbatore on Thursday, November 16, 2023, that the expo at Bharat Mandapam and Yashobhoomi will be spread across two lakh sq.mt and will have more than 3,500 exhibitors showcasing fibre, yarn, fabric, home textiles, technical textiles, handloom and powerloom products, handicrafts, and technical textiles.

R. Gandhi, Minister of Handlooms and Textiles, Tamil Nadu, said he would speak to Chief Minister M.K. Stalin regarding the mega textile expo of international standards and Tamil Nadu would participate in this expo.

Dharmendra Pratap Yadav, Secretary of Handlooms, Handicrafts, Textiles and Khadi, Tamil Nadu Government, said, "On behalf of the Tamil Nadu Government we will definitely look at how to provide all support to this event. We will see if we can become a partner State or a focus State," he said.

S.K. Sundararaman, chairman of Southern India Mills Association, said the textile industry is in tough times and the way to revive is to reinvent and venture into something new.

Source: thehindu.com– Nov 17, 2023

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Exporters gain flexibility as RBI nods to additional current accounts for settlement of export transactions

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Source: telegraphindia.com– Nov 17, 2023

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Technology Development Board and Small Industries Development Bank of India forge strategic alliance to boost MSMEs through Technology-Focused Financing

In a significant move to bolster the Micro, Small, and Medium Enterprise (MSME) sector in India, the Technology Development Board (TDB) and the Small Industries Development Bank of India (SIDBI) have formalized a Memorandum of Understanding (MoU) to facilitate easier access to credit for enterprises engaged in the development and commercial application of indigenous or imported technology.

Through this MoU, TDB and SIDBI have entered into a credit alliance, wherein TDB and SIDBI shall refer additional funding needs of companies they have previously funded to each other. With dedicated key contacts, both organizations will streamline coordination for seamless referral exchange. TDB and SIDBI will also provide financial support to eligible MSMEs, following their respective policy guidelines.

The collaboration extends beyond financial support, with the parties also planning joint outreach/marketing activities to promote the initiative and reach a wider audience. The scope of these outreach/marketing activities will be mutually agreed upon during the implementation of the terms outlined in the MoU.

The partnership between TDB and SIDBI reflects a shared commitment to supporting MSMEs in their efforts to develop and apply cutting-edge technology for the betterment of the society at large. This collaboration is expected to pave the way for increased innovation, job creation, and overall economic development in the MSME sector.

Speaking on the collaboration, Shri Rajesh Kumar Pathak, Secretary, TDB, expressed enthusiasm for the partnership. "This collaboration with SIDBI marks a significant milestone in our mission to promote technology development. By combining our strengths, we aim to create a conducive environment for MSMEs engaged in innovative endeavours, fostering entrepreneurship and economic growth," he said.

Source: pib.gov.in– Nov 17, 2023

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India's outward FDI commitments dip 12.14% MoM to $1.88 bn in Oct: RBI

India's outward foreign direct investment (FDI) commitments fell by 12.14 per cent to $1.88 billion in October this year compared to over $2.14 billion in September, according to Reserve Bank of India (RBI) data. These were worth around $2.66 billion in the same month last year.

Inward FDI has also been sluggish. Net FDI into India sharply declined to $2.99 billion in the April-August period of fiscal 2023-24—down from $18.03 billion in the same period of the last fiscal—due to a moderation in global investment activity and a rise in repatriation.

Economic and business slowdown, especially in developed markets, has affected direct investment flows, both inbound and outbound.

In the outbound FDI, equity commitments rose to $865.28 million in October this year from $485.08 million in September, but significantly lower than the $1.42 billion recorded in the same month last year.

Debt commitments fell to $245.81 million in October, down from $510.29 million in September, and lower compared to $515.56 billion in October 2022.

Guarantees for overseas units declined to $774.19 million in October from $1.14 billion in September. However, they were slightly higher compared to $721.43 million a year ago.

Source: fibre2fashion.com– Nov 17, 2023

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Tamil Nadu government will release revised textile policy soon, says Minister

Tamil Nadu government will declare a revised textile policy soon, said R. Gandhi, Minister for Handlooms and Textiles, Tamil Nadu, in Coimbatore on November 17, 2023.

Speaking at the inaugural of the second edition of the conference on technical textiles, organised by the Confederation of Indian Industry (CII) and the Department of Textiles, he said the aim was to make Tamil Nadu a leader in textiles.

The government will consider giving thrust to technical textiles at the PM MITRA park at Virudhunagar. The Tamil Nadu government has announced mini textile parks and textile city in Chennai and formed a scientific committee to address the issue of safe disposal of salts at common effluent treatment plants. An integrated textile park is coming up near Salem, and the Tamil Nadu has urged the Union government to approve it under the Scheme for Integrated Textile Parks (SITP), he said.

The Minister later told reporters the revised textile policy would encourage units with less than ₹50 crore turnover in the manmade fibre (MMF) sector. Government orders have been issued to start 10 mini textile parks and Chief Minister M.K. Stalin would launch them soon. The integrated park near Salem, when approved by the Centre, would be a solution to the textile processing industries in Salem.

Secretary to the Department of Handlooms, Handicrafts, Textiles and Khadi Dharmendra Pratap Yadav said the government had created a technical textiles cell and would conduct a focused workshop in the next couple of months connecting the centres of excellence for technical textiles with the entrepreneurs.

“The government wants to create an advisory group and have a networking platform for technical textiles,” he said. The State would focus on developing synthetic yarn and fabric making units.

According to M. Vallalar, Commissioner of Textiles, while the textile industry is concerned about the impact of economic slowdown, industries that are producing innovative products are having a market.

K. Sunitha, secretary of textiles, Andhra Pradesh, urged the entrepreneurs to explore setting shop in that State as it had abundant land.

Shankar Vanavarayar, chairman of CII, Tamil Nadu, G.R. Gopikumar, Convenor of Textiles Panel, CII- Tamil Nadu, and A. Sakthivel, chairman of Federation of Indian Export Organisations, also spoke.

Source: thehindu.com– Nov 17, 2023

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Amrit Kaal 2047: Manufacturing a prosperous Bharat

The wise learn from their experiences, the wiser from those of others.

India's per capita income was $369 in 1990, China was $319. Today India is $2,600 and China $13,720. China's goal of becoming a manufacturing superpower, supported by its accelerated hard and soft infrastructure development over the last 30 years has catapulted it into the developed league.

With 80 per cent of the global trade sea-bound, China's expansion of its ports' capacity to over 240 million TEUs (Twenty foot Equivalent Units), versus 20 million TEUs for India, is just one example of deliberate planning and focused execution.

At 14 per cent manufacturing contribution to GDP, we punch below our weight. Indonesia at 19 per cent, Malaysia at 24 per cent, Vietnam at 25 per cent, South Korea at 25 per cent and China at 27 per cent manufacturing muscle compete for superior returns.

The pandemic-catalysed demand for diversified off-shore production hubs presents India a unique advantage, supported by the tailwinds of its structural macros. Circa 2047, 20 per cent of the global workforce will be Indians.

However, with unemployment running at 7.10 per cent this demographic dividend can morph into a societal challenge if we don't generate 10 million new jobs every year. Growing manufacturing to 25 per cent of GDP will generate 100 million new jobs for India, in addition to the 407 million at present.

40 per cent of the net value added in manufacturing today is from just 3 states – Maharashtra, Gujarat, and Tamil Nadu. Just 5 states – Maharashtra, Gujarat, Tamil Nadu, Karnataka, and Andhra Pradesh are currently expected to contribute about 50 per cent of India's GDP by 2030.

The quest to attract capital and generate jobs cannot be a parochial fight, it has to be an inclusive national priority.

India needs a transformative environment for attracting capital and advanced technologies in core industries like Food Processing, Automotive, Pharma & Healthcare to amplify their export potential. We also need to urgently drive import substitution in the priority sectors of Defence & Aerospace, Green Energy, Bio-Technology, and Rare Metals. Let us consider four opportunities for this leapfrog agenda.

1. Incentivise green energy transition: USA passed the $369 billion IRA Act last year to deliver incentives, tax credits, and research grants promoting switch to clean energy. India paid a $270 billion bill for coal and crude import in 2022.

a. Fuel is 50 per cent of our logistics costs. Bringing fuel under GST will not only reduce the compliance and tax burden for companies but also drop costs for consumers and industry alike. ITC (Input Tax Credit) on fuel should be allowed for investment in migration to green energy.

b. Net metering of solar energy will buttress India's energy future. Today many states don't allow or restrict generation at scale. The country has a 2030 goal of 500GW clean energy. We however failed our 2022 milestone of 175GW. Logistics parks, factories and warehouses have millions of square feet of roof, that can be quickly converted into solar farms minus any concomitant CapEx for land and building. This will not only feed clean energy into the grid, but also make manufacturing competitive by providing power at rationalised rates.

c. India has the world's largest reserves of Thorium to produce nuclear energy at scale. J&K has the 5th largest global deposits of Lithium, critical for energy storage. These advantages, backed by enabling policy, can rapidly transform India into a green energy hub by 2047.

2. Enable efficient logistics: Logistics costs 8 per cent for mature economies, but 14 per cent to India's GDP. Shedding 6 per cent inefficiency will save us $200 billion annually. The government's ambitious Gati Shakti program for multi-modal connectivity is a progressive step in this direction.

a. Agri-logistics is a key impact area for such outcomes. India wastes more grain than Australia produces, wastes more fruits and vegetables than UK grows. US processes 65 per cent of its agricultural produce, India does only 2.2 per cent. Overcoming these challenges to enhance shelf life and market value could double India's food processing to $600 billion by

2030. Availability of quality warehousing and efficient cold chains will not only strengthen our food security but also generate massive hinterland employment. Central and state governments will do well to work in PPP mode with industry. FDI can contribute technology and CapEx, with the government providing land and assured returns.

b. Urban areas constitute 3 per cent of the land mass but contribute 70 per cent to the GDP. Today 34 per cent of India is in its cities. 50 per cent of our population will be city dwellers by 2047. Zoning in-city logistics hubs, will not only drop supply chain and operating costs but also reduce traffic congestion, pollution and environmental attrition. Government can partner with developers to promote compliant urban logistics real estate, utilities and support infrastructure.

3. Double women in the workforce: India employs 24 per cent women in its workforce, Indonesia 53 per cent, Japan 54 per cent, USA 56 per cent, China 61 per cent and Vietnam 69 per cent. The formula for doubling India's GDP is simple - double women in the workforce and plug this massive leak of the nation's capital and talent pool.

a. The government will do well to offer a Rs 10,000 stipend per month to women for pursuing vocational skilling at industrial training institutes. This initiative could be financed out of the CSR fund of India and will help achieve PM Modi's target of 50 per cent women in workforce by 2047.

b. USA's $280 billion 2022 CHIPS act promoting in-country semi-conductor manufacturing demands on-premise child care facilities for receiving federal grants. While we have such templates to learn from, let us start with a positive bias - everything else being equal, recruit women.

4. Scale intellectual capital: India averages 75 thousand patents a year, South Korea 320 thousand, Japan 500 thousand, USA 840 thousand and China 1.6 million. Higher the intellectual capital generation, greater is the nation's opportunities spectrum and richer is its economic value add.

a. The 2016 launched Atal Innovation Mission reflects understating of this opportunity. Incorporating research as a credit accretive discipline in school and university curriculum and supporting it with low risk financial grants will incubate wide and deep pools of intellectual capital across the country.

b. The Parliament will do well to set up a bi-partisan Standing Committee on Innovation, chaired by the Prime Minister. The committee should have inter-ministerial representation, besides industry and academia to frame India's innovation master plan and monitor its implementation.

An integrated roadmap harnessing these four critical opportunities will catapult Bharat into a $30 trillion developed economy orbit of $18 thousand per capita income by 2047 – the Amrit Kaal of 100-year of our Independence.

Source: business-standard.com– Nov 17, 2023

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Amazon eyes $20 bln exports by 2025 from India, says company official

Amazon (AMZN.O) is targeting merchandise exports worth $20 billion from India by 2025 by adding thousands of small sellers to its e-commerce platform, a company official said on Friday. "We are very encouraged by the number of entrepreneurs who signed up this year. We are looking to scale up," Bhupen Wakankar, director global trade, Amazon told Reuters on the sidelines of an industry event, referring to plans for exports.

There was huge demand for "Made in India" organic health supplements, homeware like bath towels, jute rugs, and robotic games for children ahead of the Black Friday Cyber Monday sale, an 11-day shopping period from Friday, Wakankar said. Launched in 2015 with a handful of sellers, Amazon Global Trade, the business to consumers (B2C) exports platform of the e-commerce giant, is gaining traction in India.

The company has added more than 100,000 small manufacturers to sell a wide range of products to overseas customers, he said. "Some of the sellers are first time exporters, including those who left their corporate jobs to start e-commerce exports," he said. Thousands of small exporters, who earlier lacked access to global markets, have seen 70% business growth annually through e-commerce platform, which provided logistics support and access to more than 200 million Amazon Prime members globally, he said.

This comes as India's exports of goods declined 7% year-on-year during first seven months of this fiscal year. On the e-commerce platform, the highest growth was seen in categories like beauty, apparels, home, kitchen, furniture, and toys.

Holidays such as Halloween, Thanksgiving, Black Friday, Cyber Monday, Christmas, and New Year were driving sales of Indian products in markets such as the United States, Britain, Canada, Australia and Germany. To encourage exporters, Wakankar said, Amazon had slashed the subscription fees for its global selling programme from $120 to $1 for the first three months for exporters signing up before March 31.

Source: reuters.com– Nov 17, 2023

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