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IBTEX No. 59 of 2019 March 20, 2019

USD 69.10| EUR 78.41 | GBP 91.59 | JPY 0.62

Cotton Market

Spot Price - Shankar 6 (Ex. Gin), 28.50-29 mm

Rs./Bale	Rs./Candy	USD Cent/lb
20813	43500	**80.17**

Domestic Futures Price (Ex. Warehouse Rajkot), March

Rs./Bale	Rs./Candy	USD Cent/lb
21170	44245	**81.55**

International Futures Price

NY ICE USD Cents/lb (May 2019)	75.65
ZCE Cotton: Yuan/MT (May 2019)	15,265
ZCE Cotton: USD Cents/lb	103.16
Cotlook A Index – Physical	**84.15**

Cotton Guide: ICE cotton futures edge slightly higher. The most active ICE May contract settled at 75.65 with a change of +38. But the important fact to notice is that the ICE May contract breached the 76 mark and hit a high of 76.35 cents/lb. A further breach of 76.50 can even mean that the prices can soon approach 77 cents/lb.

The ICE July and the ICE October contracts settled at 76.72 cents/lb and 75.42 cents lb with a change of +31 and +20 points respectively. The total volumes were up by around 25% at 33362 contracts as compared to the previous 25,043 contracts. A rise in volumes was seen for the ICE May contract at 18301 contracts as compared to 13716 of the previous day. The open Interest increased by 961 contracts to 221,972 contracts. May 2019 interest decreased by 242 contracts to 107,074 contracts.

The MCX contracts on the other headed the opposite direction (as compared to ICE) yesterday. The MCX March contract settled at 21,170 Rs/Bale with a change figure of -120 Rs. The MCX April and MCX May contracts settled at 21,480 and 21,740 Rs/Bale at -100 and -80. This can be noted as a minor correction. However, despite the fact the prices were low yesterday, the market sentiments still seem to be bullish. However for this week, with the festival of Holi approaching coupled with a long weekend, we expect domestic markets to be subdued a little showing consolidation with a bias towards the positive.

The arrival figures are estimated to be at 104,500 lint equivalent bales (source cotlook) which includes 33000 registered in Gujarat, 32000 in Maharashtra and 13000 in Andhra Pradesh. The prices of Shankar 6 are at around 43,500 Rs/Candy. Cotlook Index A has been adjusted towards the downside at 84.15 cents/lb with a change of -0.20.

With respect to the US China trade tensions, the meeting between the two Presidents has been pushed back to June. They are most likely to meet in Osaka Japan for the G20 Summit.

ICE Cotton May future moved higher after breaching the higher end of the consolidation phase 74-76.14. In the daily charts price moved out of the downward sloping channel with formation of a pennant, suggesting price to trade firm. Meanwhile above 76.14, crucial resistance exists around 76.91 (50% Fibonacci retracement level), a close above the range would bring renewed buying interest in cotton futures. More over a positive cross over in short term EMA above the long term EMA, accompanied by positive divergence in RSI. On the downside, below 71.80 crucial support exists around 70.80. So for the day price is expected to remain in the range of 74.60- 76.14 with side ways to positive bias. In the domestic market MCX Cotton Mar is likely to consolidate in the range of 21050-21450 with positive bias.

Currency Guide

Indian rupee may note some decline against the US dollar. Indian rupee depreciated by 0.6% yesterday as recent rally to August 2018 highs resulted in some profit taking. We are also seeing some positioning ahead of FOMC decision today. Rupee and other emerging currencies have risen in last few days amid expectations that Fed may maintain dovish stance. A decision is due today at 2330 IST. Amid other factors, rupee's recent rise came to a halt also as equity market rally stalled amid US-China trade uncertainty and Brexit concerns. Concerns about US-China trade deal rose amid reports that some US negotiators are concerned that China is pushing back against American demands in trade talks. Britain is struggling to get a Brexit deal approved and we are now looking at possibility of a long extension, a situation which will open up possibility for various outcomes thereby keeping uncertainty high. Higher crude oil price is also challenging rupee's gain. Brent crude has tested 4-month high amid supply tightness concerns and China's growth stimulating measures. The recent gains in rupee and other emerging market currencies has also fueled concerns that central banks may take measures to stall the gains. Rupee has rallied sharply in last few days and we are now seeing some signs of correction which could continue if equity markets come under pressure. USDINR may trade in a range of 68.65-69.25 and bias may be on the upside.

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INTERNATIONAL NEWS

China's VAT cut influences on cotton market

Following the conclusion of the annual Parliament meeting on Mar 15, Premier Li Keqiang said in a post-event news conference China would be cutting value-added tax (VAT) for manufacturing and other sectors on April 1 and lowering social security fees on May 1 2019, which values nearly 2 trillion yuan.

1. From the medium-to-long term perspective

The tax and fee cut reduces almost all enterprises' costs in China, and compared with the international market with no reduction, Chinese commodity will be more competitive, which of course includes China's textile and apparel for exports.

From the angle of the industry, the VAT cut rate for agricultural and industrial products is different.

According to current news, the VAT of agricultural products will be reduced by 1% from 10% to 9%, and that of industrial products will be cut by 3% from 16% to 13%.

Cotton belongs to agricultural products, while PSF and VSF belong to industrial products, meaning that tax cut rate for PSF and VSF, the competitive products for cotton, is higher than cotton. Therefore, the demand for cotton may reduce somewhat affected by higher competitiveness of PSF and VSF.

2. From the short-term perspective

Market players can gain short-term profits by time difference, through controlling the time to make out an invoice of input tax and output tax.

For cotton, no matter the domestic sales or import/export sales, the tax cut rate is only 1%, and the operating space is about 150-160yuan/mt. Nevertheless, the operation space for downstream industrial products is 6% at the highest.

The VAT cut will give enterprises more profits in short term, or enterprises will have larger bargaining power. For most inland cotton yarn mills, selling cotton yarn after Apr 1 is favorable while for those in Xinjiang, purchasing cotton before Apr 1 and selling cotton yarn after Apr 1 is the most favorable. For downstream fabric plants, it is the same. If they purchase cotton yarn before Apr 1 and sell grey fabric after Apr 1, they can enjoy the 13% VAT and 16% input tax deduction.

Without external stimulus, Chinese cotton market continues to be in a period of "loose supply and cost support", and the market is mainly dominated by demand. Currently, through tax cut, downstream sector, especially weaving, printing and dyeing sectors, increases the profits in short term. Therefore, the speculative demand for cotton may increase, but the time is short, and the industrial pattern will have no significant change.

Source: caionline.in - Mar 19, 2019

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US Said to See China Trade Pushback as Trump Touts Talks

Some U.S. negotiators are concerned that China is pushing back against American demands in trade talks, according to people familiar with the negotiations, even as President Donald Trump sounded optimistic about reaching a deal that could boost his reelection chances.

Chinese officials have shifted their stance because after agreeing to changes to their intellectual-property policies, they haven't received assurances from the Trump administration that tariffs imposed on their exports would be lifted, two of the people said on condition of anonymity.

Beijing has also stepped back from its initial promises over data protection of pharmaceuticals, didn't offer details on plans to improve patent linkages, and refused to give ground on data-service issues, one person familiar with the U.S.'s views said. Beijing is trying to bring in wording that would ensure rules in the trade agreement have to comply with Chinese laws, the person added.

"Talks with China are going very well," Trump said in response to a shouted question at the White House where he held a joint press conference on Tuesday with Brazilian President Jair Bolsonaro.

U.S. Trade Representative Robert Lighthizer and Treasury Secretary Steven Mnuchin will travel to Beijing the week of March 25 for high-level talks to try to hammer out a deal, according to a senior administration official, who asked not to be identified. The men agreed to the plans in a phone call on Tuesday with Chinese Vice Premier Liu He, who would then make a return visit to Washington at a date yet to be confirmed. The Wall Street Journal earlier on Tuesday reported details about the trip.

Talks are going well and are expected to wrap up in the coming weeks, the official said.

In recent days, USTR has sent comments to its Chinese counterparts seeking to address concerns with language in China's revised offer on intellectual-property protection, according to one person briefed on the discussions.

While some American officials see China's strategy as backpedaling on commitments, others were less concerned saying it was a normal part of the negotiation process.

A person close to Lighthizer denied that Chinese officials have backed away from previous pledges. A Chinese official briefed on the talks said that the negotiations are still ongoing and that a back-and-forth is to be expected in such circumstances.

Trump is pushing for U.S. negotiators to close a trade deal with China soon, concerned that he needs a big win on the international stage to boost his reelection chances. Trump has repeatedly said that talks with China are "moving along nicely," and said earlier this month that markets will experience "a very big spike" as soon as the trade deal is complete.

In recent weeks, possible dates for a signing of an accord between Trump and his Chinese counterpart Xi Jinping have been pushed back amid what Lighthizer has called "major" outstanding issues. The U.S. has said a trade deal with China must address its alleged theft of trade secrets and IP from American companies, regardless of any pledge from Beijing to buy more U.S. goods and services.

In video conferences over the past few weeks, the two countries have advanced a series of documents that would eventually become the trade agreement. On IP, U.S. and Chinese officials had come up with an almost 30-page text, Lighthizer told lawmakers this month.

The Ministry of Commerce and the State Council Information Office in Beijing didn't immediately respond to request for comment on the negotiations. White House communications aides didn't immediately respond to a question for comment.

Tariff reversal

A deal between the U.S. and China could see them reverse tariffs on roughly $360 billion of goods they've imposed on each other's imports since July.

Trump has twice delayed imposing additional tariffs on Chinese goods, that were scheduled to begin Jan. 1 and then March 1, citing progress in the trade talks. In recent weeks, investors had been heartened by signs that Trump is looking to sign a deal with Xi, possibly at a summit at Trump's Mar-a-Lago resort in Florida.

The U.S. is pushing for enforceable targets after Trump and his trade team have criticized China for failing to live up to past promises.

U.S. and European business groups voiced skepticism about the effectiveness of a new law on foreign investment that China's parliament rubber-stamped last week. The legislation, which is set to take effect next year, is supposed to put foreign-run enterprises on more equal footing with locally owned business and end forced technology transfers.

The American Chamber Commerce in China, however, said in a statement that it appreciated some "last-minute" changes in the laws to address the concerns of foreign investors, without offering details.

But the legislation's lack of details, including on how it will be executed, has raised concerns it lacks teeth. Chinese Premier Li Keqiang said on Friday that China will protect IP and he hopes "foreign governments can view in an objective light the collaboration between Chinese and their foreign partners based on contractual consent."

Bipartisan issue

Trump has the benefit of bipartisan support for taking a tough approach on China, even from political adversaries in Congress. Senate Minority Leader Chuck Schumer, in multiple floor speeches in the past month, has urged Trump to hold the line and strike a strong and lasting deal with Beijing rather than resolve the trade war for a quick win.

Still, Trump has maintained the threat of abandoning the China talks. After walking out of a summit with North Korean leader Kim Jong Un in Hanoi last month, Trump stressed that he would be willing to do the same in a meeting with Xi if he didn't like the terms of their deal.

Source: sourcingjournal.com - Mar 19, 2019

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How Speed and Technology Can Boost Made in USA Textile Production

The U.S. textile industry has come back from near extinction some 20 years ago to become a smaller but important player in global sourcing.

Much of this is thanks to a move to nearshoring to meet quick-turn needs for Western Hemisphere apparel manufacturers, increased costs and risks in Asia, and investments in new equipment and machinery.

The U.S. textile industry invested $20 billion in new plants and equipment from 2006 to 2016, according to the National Council of Textile Organizations, and that has continued since, with U.S. manufacturers opening new facilities throughout the textile production chain, including recycling facilities to convert textile and other waste to new fibers and resins.

But further impetus likely is needed to continue the momentum, executives contend. David Sasso, vice president of sales at Buhler Quality Yarns/Samil, said the answer lies in one word and concept: speed.

Sasso said when U.S. textile or apparel production can pick up speed, be more automated and evolve to become less labor intensive, “it flattens the cost across the globe.”

"So the better we get at being faster and lower cost on a yarn, the more competitive U.S. manufacturers can be," Sasso said.

This is especially true for U.S. manufacturers that compete against companies subsidized by their governments. If the yarn is available and cost competitive, it makes it easier to charge a premium for speed to market, he said.

"Where you need speed is the higher-priced garments that are higher risk or in trends like special color or texture," Sasso said. "The riskier a garment is in terms of trends, the easier it is to source nearby. As we move toward more automation, more speed and more flexibility, it tends to support that scenario."

Klaus Dieter Eisenhauer, sales director for Stoll America Knitting Machinery, said the company takes several routes in helping the U.S. industry. It offers sampling services for the fashion and technical textile sectors for established companies, startups and young designers who don't have the internal structure or capability.

"We offer our know-how and facilities," Eisenhauer said of the firm's combination showroom, training center, production and innovation center on West 39th Street in New York City's Garment Center.

Stoll America's training includes machine training on many levels and has some external partners with which it works. Much of the interest in U.S. manufacturing is coming from the technical textiles field, he noted.

"If I would say where the future of the U.S. industry is and for us at Stoll, it's in the technical textiles area," Eisenhauer said. "This is a relatively new industry in flat knitting and we are helping to create knowhow and hopefully jobs, and hopefully machine sales and knitting facilities."

He said Stoll's high-speed ADF knitting machines offer fast-paced capacity and diversity in the types of knits it can make. The innovative yarn carrier technology of ADF is powered by two motors that work independently, so the yarn can move horizontally and vertically.

This allows for the realization of even more knitting techniques. Equipping is also faster than ever before due to faster and easier threading.

Stoll also has seamless machine technology that allows for a reduction in work processes, “saving time by avoiding the bottleneck of linking.”

Looking ahead, Eisenhauer said automation and individualization of production is the future, from design to the final stage of manufacturing. Stoll has a software package called Knitelligence that addresses these many stages. The modular system combines Stoll’s software solutions covering the entire value chain of flat knit production.

The company also has a Production Planning System (PPS) that controls the entire production processes.

“What we are seeing is that the interest in bringing production back to the U.S. is definitely increasing,” Eisenhauer added. “There is a turnaround in the mindset of many people… which is very positive and we try to help wherever we can.”

Thomas Kuettel, president and CEO at Rieter, noted than among the four types of spinning technologies–ring, compact, rotor and air jet–the newest development, air jet, is 20 times faster than the slowest, which is ring-spun yarn.

“In the U.S. we have a very favorable situation because energy costs are relatively low,” Kuettel said. This means that if companies convert to air-jet machines, they can more quickly achieve return on investment, he said.

Sasso cited an innovation from German machinery maker Mayer & Cie called Spinitsystems that combines the spinning, cleaning and knitting process in one machine. Knitwear is manufactured not from yarn but straight from the fiber roving.

Mayer & Cie said, “Fewer machines are needed and capital expenditure is reduced. Significant space and energy savings become possible, yarn storage can be reduced and less waste is produced. Production costs overall can be reduced considerably and the reduction in CO2 emissions makes a valuable contribution towards sustainability.”

U.S. textile companies are taking innovations and technologies that enable them to revive their businesses, and are expanding.

Unifi recently completed expansions of its Reidsville and Yadkinville facilities in North Carolina that are involved in turning recycled plastic water bottles into polyester and nylon fiber. Unifi invested $130 million to expand production of its Repreve recycled fibers and other advanced performance technologies.

The expansions in both Reidsville and Yadkinville fulfill Unifi's goal of vertical integration for the Repreve recycled product line, adding flexibility, expanding production capabilities and supporting volume growth.

Stein Fibers Ltd., which owns and operates two recycled polyester staple fiber production facilities in the U.S., just expanded its production capabilities with the installation of four new extruders and spin beams. The addition of these state-of-the-art machines will broaden its already wide product range offerings and improve the quality and consistency of the fiber, the company said.

The new equipment is capable of running three to 25 denier recycled polyester in a variety of colors and cross sections. Installation of the new extrusion equipment is expected to be completed during the second quarter.

Invista is entering the final design phase for a $250-million project at its Victoria, Tex., site to upgrade its manufacturing technology and increase production of adiponitrile (ADN), a key ingredient for nylon 6,6 fibers and plastics. Construction for the project is slated to begin in the first quarter.

Committing to a Made in America strategy, Fanatics Inc. and Jakprints Inc. recently inked a five-year partnership deal that allows Jakprints to support the domestic production needs of Fanatics, a major distributor of licensed sports merchandise.

In conjunction with the agreement, Jakprints has opened a new 140,000-square-foot facility in Eastlake, Ohio, that includes a $7-million investment in state-of-the-art equipment and the creation of more than 100 new jobs. The facility will be Jakprints' third location, joining facilities in downtown Cleveland, and in Oceanside, Calif.

The new partnership incorporates Jakprints production capabilities that include screen printing, full color transfers, dye sublimation, embroidery and made-to-order digital printing. The aim is to support Fanatics in offering a wide assortment of merchandise across all categories, including a growing direct-to-consumer and wholesale business. Fanatics holds apparel and fan gear licenses with all major sports leagues and hundreds of professional and collegiate partners.

"We continue to build strategic partnerships that drive our integrated domestic embellishment strategy," said Jim Hardy, senior vice president of supply chain for Fanatics. "This strategy is built on delivering manufacturing agility and speed to market."

Source: sourcingjournal.com - Mar 19, 2019

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China's 'unprecedented and sufficient' tax cut still does not do enough for small manufacturers, owners say

- Premier Li Keqiang said last week that Beijing will cut the value-added tax (VAT) rate for manufacturing firms by 3 percentage points to 13 per cent from April 1
- Owners play down suggestions it could boost domestic business and aid employment to help offset the slowdown in growth caused by the US-China trade war

After much consideration, Guangdong garment factory owner Steve Liu reluctantly decided to turn down an order from an overseas client for two million pairs of trousers even after China's decision to cut taxes to help businesses, highlighting the "cruel world" of small and medium-sized manufacturing.

The order of cropped pants would have, in the end, resulted in a loss for Liu as the offer of US$4 (26.86 yuan) per pair was below the 29.3 yuan production cost before tax.

"Those boasting that these policy tax cuts are unprecedented and sufficient, I bet they have never been a boss of a small factory like ours," he said.

Liu's decision highlights the dilemma faced by many small and medium-sized (SMEs) manufacturing operations in China as the government's well-intended efforts to help are not sufficient because of rising costs.

“Do you know why we still prefer the export orders? Because there is no profit at all from the production process. What we earn is the export tax rebate of between 11 and 13 per cent. It’s an open secret in the industry,” added Liu.

“I hesitated for days but had to reject the order. Firstly, I don’t have enough liquidity [because of lack of credit]. Secondly, I have to employ more workers if I take this order.”

Brokerages and government think tanks have hailed the government’s plan to cut the value-added tax (VAT) rate for manufacturing firms by 3 percentage points to 13 per cent from April 1, saying it would boost domestic business and aid employment to help offset the slowdown in growth caused by the US-China trade war.

“The [value added] tax and [social security contribution] fee reductions are definitely positive and important steps. However, I think, the biggest problems that the Chinese manufacturing sector currently faces is downward pressure on the economy and the severe decline in market demand,” said Yang Senping, a professor at the School of Economics and Business Administration of Jinan University and a member of Guangdong province’s Chinese People’s Political Consultative Conference.

“When the economic situation is good, strong market demand allow manufacturing firms to absorb the pressure from the tax burden. But when the economic situation is very bad, even if the tax reduction is comprehensive, companies do not dare to expand or employ [more] people.

“In addition, most small and medium-sized enterprises are in the middle and upper portions of industrial supply chains. They are facing additional problems of recruiting workers, financing difficulties and a deteriorating local business environment making their survival even more difficult.”

Guangdong garment factory owner Liu suggested low margins and weak demand mean that small manufacturers could be forced to fraudulently report their taxes, making a lower tax rate irrelevant. “If an enterprise has always been law-abiding, the tax cuts could help save a small part of its costs. But if it is not, the policy will not help much, and most SMEs are not, especially in the fields of traditional manufacturing, like textiles and garments,” Liu added.

"The gross profit of an ordinary garment factory is only a few percentage points. Value-added taxes account for between 10 and 20 per cent of the operating costs of a small or medium-sized garment factory, along with other categories of taxes and social contributions. If we don't attempt reasonable tax avoidance to give the appearance of business losses, most garment factories would just shut down immediately."

The average after-tax profit margin of Chinese enterprises is 3.3 per cent, while the profit margin of private domestic companies stands at 3.9 per cent, much higher than 2.2 per cent for state-owned enterprises and the 2.1 per cent for foreign-invested companies, according to a 2017 study based on data from the China Enterprise-Employee Survey.

Click here for more details

Source: scmp.com- Mar 19, 2019

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US, China trade talks to resume next week

The United States and China will resume trade talks next week after a pause in negotiations, according to an administration official.

Quoting the official, CNN reports that Treasury Secretary Steven Mnuchin and US Trade Representative Robert Lighthizer will travel to Beijing for discussions, aimed at finalising a trade deal between the two countries. Subsequently, a Chinese delegation led by Vice Premier Liu He will then visit Washington for the next round of talks.

Following the previous round of talks, negotiations were put on hold after the two sides broached disagreements regarding the enforcement mechanisms in the final deal, according to CNN.

"China's going very well. China talks going very well," US President Donald Trump said on Tuesday during a joint press conference here with his Brazilian counterpart Jair Bolsonaro.

Both Beijing and Washington are engaged in intense negotiations in the wake of a trade dispute, which would've originally seen the United States substantively increase tariffs on Chinese goods from March 1. Trump has since withheld the tariff increase as talks between the two sides have been promising.

The two countries now hope to reach a final trade deal which will be signed during a late-April summit at Mar-a-Lago in Florida, the official added.

Source: business-standard.com- Mar 20, 2019

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Uzbekistan, UAE explore partnership in trade, investment

Uzbekistan and the United Arab Emirates (UAE) have agreed to increase trade volume and investments in textile, renewable energy, agriculture and infrastructure at the third session of the joint economic committee of both the countries that was held recently in Tashkent. Both sides also agreed to cooperate in small and medium enterprises and manufacturing.

The committee was chaired by Sultan Bin Saeed Al Mansouri, UAE minister of economy, and Ganiev Elyor Majidovich, deputy prime minister of Uzbekistan, according to UAE media reports.

The UAE Government is looking forward to the session's outcomes as an important factor to enhance economic partnerships between both sides, said Al Mansouri.

The volume of non-oil trade exchange between the two countries in 2017 was worth $387 million, which, he said, does not go well with the aspirations and potential of both the countries.

The UAE Minister also called on Uzbek companies to participate in Expo 2020.

During the session, both sides agreed to implement mutually beneficial investments with the support of a joint venture company with a declared capital of $1 billion. The company is now being set up by the Abu Dhabi Fund for Development and the Uzbek Fund for Reconstruction and Development.

Source: fibre2fashion.com- Mar 20, 2019

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Vietnam: Trade union organisations trained to create better work in businesses

A training programme on how to create better work in businesses is being held in Ho Chi Minh City on March 19-20 for leaders of trade union organisations in southern localities.

Better Work - a partnership programme of the International Labour Organization (ILO) and the International Finance Corporation (IFC) – focuses on activities to promote occupational health and safety, and effective social dialogues.

The programme aims to empower participants to shape the future of the textile-garment, footwear and other export industries. It will provide basic knowledge about the global supply chain and how to manage social responsibility issues as well as experience in promoting dialogues between employers and employees.

It also develops skills for workers, reform working conditions, and harmonise relations between business leaders and workers.

Source: brinkwire.com- Mar 19, 2019

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Uzbekistan's foreign trade turnover hits $6.4 billion

From an economic point of view, Uzbekistan is an industrially oriented country, which is engaged in various fields of activity. Important areas of Uzbek economy are agriculture, transportation, trade, construction and services.

In January-February 2019, Uzbekistan had trade relations with more than 140 countries of the world.

The foreign trade turnover of the republic in January-February 2019 amounted to $6.39 billion and grew by 25.4 percent on an annualized basis, according to the State Statistics Committee.

Exports reached $ 3.03 billion (a growth rate of 20.4 percent), and imports reached $ 3.35 billion (a growth rate of 30.3 percent). Foreign trade surplus totaled $319.2 million.

In January-February 2019, exports of goods and services were $ 513.7 million more than in the corresponding period of the previous year, while imports of goods and services increased by $ 779.6 million compared to the corresponding period of the previous year.

In the mentioned period of time, enterprises engaged in the export of goods increased by 281 units compared with the corresponding period of the previous year and reached 2,096 units.

Data on the dynamics of foreign trade turnover show that the figures have increased compared with previous years. In addition, the volume of exports in January-February 2019 increased by $ 3.03 billion compared with previous years.

The share of goods in the composition of exports reached 86.6 percent, of which energy and oil products - 16.0 percent, textiles and textile products - 7.5 percent, food products - 4.2 percent, ferrous metals and products from them - 1.4 percent, non-ferrous metals and products from them - 4.6 percent.

In January-February 2019, the share of the CIS in foreign trade turnover totaled 31.4 percent, and foreign trade turnover amounted to 113.4 percent compared to the same period last year.

The main partners in the export of goods and services in foreign trade were China (17.7 percent of total exports), Russia (11.4 percent), Kazakhstan (5.3 percent), Turkey (5.0 percent), Afghanistan (2,2 percent), Kyrgyzstan (1.7 percent) and France (1.2 percent).

In January-February 2019, the volume of imports in Uzbekistan amounted to $ 3.35 billion (growth rate - 30.3 percent).

The main share in its structure is occupied by machinery and equipment, including parts and accessories (42.0 percent), chemical products and products from it (12.9 percent), as well as ferrous metals and products from them (7.9 percent).

In January-February 2019, as many as 124 countries imported goods and services into Uzbekistan.

Five major partner countries (China, Russia, Kazakhstan, South Korea and Turkey) have a total share of imports of 65.7 percent, which is $ 2.2 billion.

Source: azernews.az- Mar 19, 2019

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Tunisia: exports down 3.5% at end of February

Tunisia's external trade recorded in volume (constant price) an around 3.5% drop in exports and 3.1% decrease in imports in the first two months of 2019, compared to the same period in 2018, according to data from the National Institute of Statistics (INS) released Monday.

In terms of prices, they increased by 20.9% for imports and 19.1% for exports. Excluding energy, prices rose 21.2% for exports and 18.2% for imports, according to INS.

In fact, energy prices recorded increases of 17.4% in the export market and 25.5% in the import during the first two months of the current year.

According to the same source, exports by volume fell by 2.2% for the textile, clothing and leather sector and by 3.9% for the mechanical and electrical industries sector, compared to the same period the previous year.

In addition, exports of the energy sector increased in volume by around 20.9%.

In terms of imports, the volume trend is marked by a decline in the majority of the sectors, mainly phosphate mines and derivatives (-32.7%), energy (-13.1%) and textiles, clothing and leather (-3.7%).

In current values, exports amounted to 7.72 billion dinars at the end of February while imports amounted to 10.18 billion, rising 16.7% and 15.3%, respectively.

Source. africanmanager.com- Mar 19, 2019

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Pakistan: Slow growth in exports

The performance of exports in the first eight months of 2018-19 has been disappointing. According to the monthly trade statistics of the PBS the growth rate registered in dollar terms is only 2 percent in comparison with the level achieved in the corresponding period of last year. In particular, exports in the month of February 2019 have shown a significant decline of almost 8 percent in relation to January 2019.

The three major groups of exports, viz., food, textiles and other manufactures, have all demonstrated a lack of buoyancy. Food exports, with a share in exports of 19 percent, have grown by 1 percent. The dominant group in exports, textiles, with a share approaching 60 percent, has demonstrated growth of only 1 percent. The third group, other manufactures, consists mostly of exports by SMEs like carpets, sports goods, leather manufactures, etc., has also displayed no dynamism and remained stuck at, more or less, last year's level.

The basic question is why despite a depreciation between the two periods in the value of the rupee of 23 percent and a host of incentives and cost cutting measures, especially for exports of textiles, there has been such a limited response? Is this the consequence of some unanticipated behavior by exporters and/or a reflection of somewhat troubled conditions in world trade?

The basic objective of devaluation is to improve the price competitiveness of exports. However, this depends upon the extent it is passed on in the form of lower dollar price while ensuring that at the minimum the rupee price to the exporter remains unchanged.

How much of the benefit of 23 percent depreciation in the value of the rupee was actually passed on to foreign buyers in the form of lower dollar prices?

Within textiles, the dollar price has actually risen by 1 percent in the case of cotton yarn and fallen by as much as 24 percent in the case of readymade garments. In other textile products like cotton cloth, knitwear and bed wear the fall in dollar price has ranged from 7 percent to 13 percent.

Therefore, the full benefit of the devaluation has not been passed on in most products. Generally, there has been a preference for increased profit margins in rupees by exporters. Consequently, the increase in quantity has been less than perhaps anticipated.

However, there are still a few examples of success. The first is in the case of knitwear. The average dollar export price has been brought down by 7 percent and yet the volume exported has increased by as much as 19 percent. This indicates a high price elasticity of demand internationally for Pakistani knitwear exports. Similarly, the volume of exports of readymade garments has gone up by over 26 percent.

Exporters are no doubt likely to argue that local prices of imported inputs have also gone up due to the devaluation. However, this has been largely offset by the generous export incentives provided including larger export rebates, withdrawal of import duties on inputs of raw materials and intermediate goods and, more recently, the issuance of promissory notes against refunds due along with subsidies on gas and electricity consumed.

There is another possible explanation for the lack of aggressive export pricing in the aftermath of currency devaluation. This is the constraint imposed by limited capacity for production in the short-run. Therefore, there may be a need for expansion of capacity before the full benefits of a big devaluation can be reaped. However, this may be constrained now by the hike in interest rates. Imports of textile machinery, for example, have declined by 12 percent since June 2018.

Turning to the export performance in other manufactures there are both negative and positive developments. The negative outcome is visible in the exports by SMEs. In the case of carpets, sports goods and leather garments there have been declines in the value of exports of 12 percent, 7 percent and 13 percent respectively. The exports of surgical instruments have remained unchanged. This highlights the fact that SMEs face more constraints compared to their large-scale counterparts. Issues like access to credit, pricing of utilities and availability of skills will have to be resolved if there is to be a stronger response from the small-scale manufacturing sector.

There are, however, some examples of the makings of success stories. A prime example is the initiative demonstrated by cement manufacturers. Faced with a big downturn in domestic sales they have moved aggressively into the export market. The export price has been brought down in dollar terms by 24 percent, implying a full transfer of the benefit of the rupee depreciation. Consequently, the quantity exported has gone up by as much 62 percent, leading thereby to increased dollar export earnings of 38 percent.

There are other products which have shown big increases in exports. Within the food group, the value of exports has gone up by 15 percent each in the case of basmati rice and fruits. Similarly, in the other manufactures group, an increase of 33 percent is observed in plastic materials. The improved performance of some emerging exports will help eventually in the diversification of the export base of the country.

There is need also to recognize that world trade is passing through a period of some turbulence and there is some slowing down in the growth rate of the global economy. In particular, the bilateral trade dispute between the US and China has enhanced uncertainty in trade flows. However, this ought to provide some opportunity for our exporters which should be fully exploited. There is need also to avail more from the GSP plus status given to Pakistan by the EU and from China on a quid pro quo basis as part of the FTA.

The recent withdrawal of trade concessions to India by the US should also provide some market space to Pakistani exporters. However, the levy of a prohibitive import duty by India on imports from Pakistan will lead to some loss of exports.

There has hitherto been a bias in the granting of concessions and incentives mostly to the large-scale end of exporters, especially to textiles. More products and industries need to be given the same special treatment if there is to be a broad-based upsurge in Pakistan's exports.

The Commerce Minister has indicated that exports would reach $27 billion by the end of 2018-19. This is now beyond the realm of possibilities, given the restricted performance in the first eight months. A growth rate of 42 percent will be required in the last four months which is clearly not feasible.

However, the target for exports in 2019-20 should be set at a minimum level of $28 billion if the process of stabilization of the balance of payments is to proceed at a satisfactory pace and Pakistan is to also benefit from export-led growth.

Source: fp.brecorder.com- Mar 19, 2019

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Pakistan: 'Look Africa Campaign' to increase trade with African region

The Trade Development Authority has initiated 'Look Africa Campaign 'for increasing trade and investment ties with the African region.

"Look Africa Campaign" would play a pivotal role for bridging the trade gap between Pakistan and African region and provide platform for enhancing the contact between the business communities of both sides, senior official of TDAP told APP here on Tuesday.

He said that Pakistan can promote trade with African countries in different sectors including textiles items, surgical and sports goods and agro- products for increasing exports.

Replying to a question, he said that we were working on global value chain for promoting demanded product in the international market to enhance the trade volume of the country.

He added that Pakistan ranks 107 out of 140 economies in Global Competitiveness index, which need to be improved for economic stability and growth.

He said that for expansion of the trade infrastructure in the country, we were setting up expos centers at Islamabad, Quetta, Peshawar and other cities of the country.

He said that TDAP was planning to invite trade delegation and quarantine officers for rice from Mexico, meat regulation from China, Russia, and Mauritius and Indonesia and fisheries inspector from USA for sharing the mutual expertise.

Source: brecorder.com- Mar 19, 2019

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Pakistan: Acute shortage of quality cotton

Selective buying was witnessed on the cotton market on Tuesday with buyers opting for quality cotton on higher rates.

However, trade volume was restricted as textile spinners avoided low grade cotton.

The current cotton season (2018-19) is nearing its end and acute shortage of quality cotton is being felt. The flow of phutti (seed cotton) is also slowing down day by day. Current estimates suggest that cotton production would be less than 10.8 million bales.

Trading activity is also being hampered due to the financial crunch being experienced by most of the commodity markets as payments are being held at each stage of dealing, brokers said.

The world leading cotton markets including New York and China were mixed to steady and Indian cotton closed firm.

The Karachi Cotton Association (KCA) spot rates were pegged at overnight level of Rs8,700 per maund.

The following deals were reported to have changed hands: 1,200 bales, station Ghotki, at Rs8,900; 1,000 bales, Sadiqabad, at Rs8,800; and 200 bales, Rahim Yar Khan, at Rs8,800.

Source: brecorder.com- Mar 19, 2019

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NATIONAL NEWS

India not first tier country for post-Brexit free trade agreement (FTA): UK minister

India is not the first tier country for post-Brexit free trade agreement (FTA) and a lot more work would be required before Britain can start negotiating such a deal with New Delhi, the UK government admitted on Tuesday.

In his submission to the ongoing 'Global Britain and India' inquiry being conducted on post-Brexit India-UK ties by the House of Commons Foreign Affairs Committee (FAC), UK Foreign Office Minister Mark Field flagged some "high-value" trade disputes involving British companies in India as a warning sign on the road ahead.

"It isn't that India isn't important, it's just that India isn't in that first tier," said Field, as he addressed questions from cross-party MPs on the influential parliamentary committee.

"It is fair to say not all British companies have found it entirely easy to operate in India. There have been a number of high-value trade disputes that have required international arbitration. And, that has been a slight sense of a warning sign," he said, when asked to elaborate on the stumbling blocks to an FTA.

Field, who is in charge of Asia in the UK's Foreign and Commonwealth Office (FCO), said that difficulties remain despite the "positive step" of India's 53-rank rise in the Ease of Doing Business rankings.

"There is in no a de-prioritisation of the Indian issue, there are other FTAs which will probably be easier and smoother to manage, not least because they have reached the end of an EU FTA, or other countries like Australia and New Zealand, which are very much on the front foot to doing FTAs quickly," he noted.

In reference to the importance attached by India to the issue of visas and immigration in relation to any post-Brexit trade agreement, the minister claimed that the UK had a "good story" to tell on visas with some of the largest number of skilled professionals coming from India.

"I think there is a better news story than sometimes meets the eye. There is often a bit of a lag between the perception and reality of what is going on. But if it [visas] is being ranked overwhelmingly at No. 1 [as a trade hurdle] by our counterparts, then we do have to take it seriously," he said.

Field was joined at the session on Tuesday by Fergus Auld, Head of South Asia Department and India Coordinator at the FCO, who made a reference to the lengthy FTA negotiations between India and the European Union (EU) as a learning curve for future India-UK trade ties.

He said: "With India, the Department of International Trade (DIT) is looking first at how to address other barriers to bilateral trade that would help build towards a future trade relationship rather than going straight for an FTA.

"One experience that we have drawn is the lengthy negotiations between the EU and India on an FTA have not yet concluded."

The 'Global Britain and India' inquiry was launched by the FAC in July last year as part of a wider Global Britain series in the context of Brexit. It has been collating written and oral submissions from stakeholders on both sides to establish what more needs to be done to strengthen trade ties with India as the UK prepares to leave the EU, which will be compiled into a set of recommendations for the government later this year.

The UK is due to leave the EU on March 29. Nearly three years after Britain voted to leave the EU, its departure is uncertain. The UK government can ask the EU to delay Brexit but all 27 EU leaders would need to give their permission.

Prime Minister Theresa May's plan to bring her Brexit deal back to parliament for a third meaningful vote was thrown into chaos on Monday, when the House of Commons Speaker, John Bercow, said parliamentary convention meant it would be unacceptable for another vote to be held on an unchanged deal.

Source: financialexpress.com- Mar 20, 2019

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Trade liberalisation, but on our terms

Tariff rate quotas can work as deal-makers in global trade talks, by balancing the interests of local producers and consumers

India has a whopping $104-billion trade deficit with the 16-member Regional Comprehensive Economic Partnership (RCEP) grouping, which was 64 per cent of India's total trade deficit of 2017-18.

No wonder, there is a raging debate on opening up a very significant portion of the market, given the sensitivities around agriculture- and labour-intensive domestic industries. Several other trade agreements are also in various stages of negotiations.

Long-term, back-ending of tariffs or spreading tariff eliminations over a longer period of time has been our palladium of trade negotiations in the past. However, it need not continue to be so for all lines in which concessions are eliminated. The introduction of Tariff-rate quotas (TRQs) can be a more germane transitional tool; providing a degree of safeguard to the future demand growth in a rapidly expanding market. This is particularly useful while negotiating with countries which have saturated markets.

A TRQ is a mechanism that allows a set quantity of specific products to be imported at a low or zero rate of duty. TRQs are established under trade agreements between countries. They do not function as an absolute limit on the quantity of product that may be imported. The "TRQ commitment" does not apply any limits on the quantity per se of import of a product, but applies a higher rate of duty for that specific product once imports up to the "TRQ commitment" have been reached.

For example, the US cotton tariff quota protects US cotton growers while allowing textiles manufactures to import some cheaper cotton also. The quota component works together with a specified tariff level to provide the desired degree of import protection. Essentially, a TRQ is a two-tiered tariff instrument. Imports entering within the quota portion of a TRQ are subject to a lower tariff rate called the tariff quota rate or TRQ rate. The later imports that are unable to make it to the quota's quantitative threshold face a much higher tariff rate, which is normally the MFN tariff.

(MFN tariffs are what countries promise to impose uniformly on imports from other members of the WTO.) In other words, TRQ is a limit on the quantity eligible for lower or zero duty.

The use of this instrument is globally quite prevalent. It is estimated that as many as 1,200 TRQs are operated each year by WTO members including EU, Japan, Canada and the US. This ensures that limited volumes of these sensitive products can enter their market at a low tariff, whereas the tariff outside the TRQ quantity is kept high to offer a degree of protection to the domestic producers.

Why TRQs

TRQs protect domestic producers from having to face competition from large quantities of imports. They also allow consumers and producers in the importing country to get enjoy a benefit, albeit a limited one, of lower priced products.

Tariff quotas are used on a wide range of products. Most are in the agriculture sector: cereals, meat, fruit and vegetables, and dairy products are the most common. Sugar is protected in most producing countries with tariff quotas.

TRQs have now become a way of reaching a consensus with trading partners. The EU-Japan bilateral deal was finally unblocked with a TRQ for cheeses including mozzarella, Brie, Camembert and feta. As for the proposed EU-Mercosur deal, EU TRQs for beef and ethanol are the main event as far as Brazil and Argentina are concerned, though they represent a fraction of total EU consumption.

TRQs face their share of criticism. Trade liberalisation proponents argue that while TRQs allow imports, they do so in an inefficient manner. Yet,TRQs now appear to be a permanent fixture of global trade.

The reason is not far to see. On the one hand, TRQs are used as sweeteners to help reach a consensus in trade negotiations, while on the other, TRQs help overcome traditional domestic opposition to trade deals — they are a trade-off between the broader interests of consumers and the degree of protection afforded to the competing domestic producers.

The challenge lies in addressing the concerns of domestic industry. If duties are zero, who will make in India? Does a reasonable duty wall bring in investments? For example, global car majors invested in India on account of an import duty wall. A possible clue in addressing this concern lies in surveying the happenings in global trade, especially in regard to China.

The Chinese example

China has built its global leadership in trade on the strength of its investments. As per the recent Nomura report on Sino-US trade war, 43 per cent of China's exports are by foreign owned companies, bringing up the pertinacious need for inducing investments in manufacturing – more so today than ever before, as industries in China are relocating or diversifying their production base.

The TRQ administration system must not 'impair or nullify the market access commitments negotiated'. It should be transparent, minimising transactional costs for traders.

Historically, the quotas are allocated through a slew of processes. These are: Auction, where importers bid for shares or licences; first-come, first-served, where physical imports are charged in-quota tariffs until the quota is filled; licence on demand where allocation is made in relation to quantities demanded (first-come-first served with a sort of pro rata element); and finally, import by state trading entities.

Tariff arbitrage is an effective tool for inducing local manufacture or at least domestic value addition in the country. It has been a basic tool in the country's Phased Manufacturing Programme policy. If we are to induce investments in manufacturing, then we need not be committed entirely to a zero tariff regime, however back ended.

A quantity linked tariff elimination could also be considered in the long run, keeping aside our future demand growth as an inducement for investments and expansion of domestic manufacturing.

Source: thehindubusinessline.com- Mar 19, 2019

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Punjab cuts paddy crop aim 4% for 2019-20, ups for cotton

Punjab has set a target of producing 18.29 mln tn paddy in the 2019-20 (Jul-Jun) kharif season, down 4% on year, as the state is focusing on less water-intensive crops such as maize and cotton, said a senior official from the state farm department.

"Paddy acreage is seen declining due to shift in acreage to maize and cotton as the underground water table level is reducing in the state," the official said. The state is aiming cotton production of 1.54 mln bales in the coming season, up 23% from the current year. In 2018-19, the state had estimated cotton yield at 788 kg per ha.

The area under cotton is seen rising to 350,000 ha, compared with 275,000 ha in 2018-19. Sowing of cotton normally starts late April in irrigated areas of north India, while in rain-fed regions of the country, it starts in June.

The farm department has set a target to increase kharif maize production to 608,000 tn, higher from 381,000 tn this year. Barring rice, the state may see higher production of major kharif crops such as cotton, maize, and sugarcane. Production under sugarcane is targeted at 9.24 mln tn, compared with 8.2 mln tn last year.

Following are the targets for some major kharif crops sown in Punjab in 2019-20 (Jul-Jun), production in tn, compared with the second advance estimate of the current year:

Crop	2019-20 Targets		2018-19 2nd estimate	
	Area	Production	Area	Production
Paddy	2,950,000	18,290,000	3,103,000	19,127,000
Maize	160,000	608,000	107,000	381,000
Cotton*	**350,000**	**1,544,000**	**275,000**	**1,259,000**
Sugarcane	110,000	9,240,000	98,000	8,206,000

* Cotton output measured in bales (1 bale = 170 kg)

Source: cogencis.com- Mar 19, 2019

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Letter to BS: America needs India's support for its own economic growth

The setback for India is at worst marginal, if not temporary

This is with reference to "Winners and losers" (March 19). The termination of duty free benefits by the US on the import of goods from India does not call for a major panic.

First, the US cannot afford to provoke India that is its major trading partner. Indian exports to the US is a small percentage of our overall export trade.

The US, on the other hand, needs India to support their economic growth.

Second, the prevailing US laws exclude imposition of import duties for essential commodities like textiles, bags and apparels and as pointed out, only a few nominal ones actually get affected.

Accordingly, preventing imports exceeding 50 per cent from any one country cannot be strictly applied to India.

The US can at best roll over or delay the excess percentage of imports from India to the next financial year. It is only a technical necessity.

Third, Indian exports do not cover the entire gamut of economic requirements of the US for its import trade. Fourth, the Indian economy of the 21st century is far more advanced and modernised with its products to be globally competitive.

Last but not the least, the US government has to buy the confidence of its Senate that has been highly critical of its government policies. The setback for India is at worst marginal, if not

Source: business-standard.com- Mar 20, 2019

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India keen to host WTO mini ministerial

India had organised the informal gathering last year in the wake of talks collapsing at the Buenos Aires ministerial conference in December 2017.

India has proposed to host an informal gathering of ministers of the members of World Trade Organization (WTO) in May to discuss the interests of least developed countries and developing countries in global trade rules amid the US accusing emerging economies of benefitting from exemptions meant for poor nations.

India, which hosted a similar meeting last year, has already teamed up with China, South Africa and Venezuela to counter the US allegations and highlighted the glaring asymmetries through which the US has benefited.

"At last year's mini ministerial, we had portrayed our right to market access globally. We have proposed to organise another ministerial in Delhi in May to ensure to take this idea forward," said commerce and industry minister Suresh Prabhu at the CII- EXIM Bank Conclave on India Africa Project Partnership.

India had organised the informal gathering last year in the wake of talks collapsing at the Buenos Aires ministerial conference in December 2017. This year's mini-ministerial meeting comes as developing countries fight to safeguard their eligibility to get Special and Differential Treatment (S&DT) at the WTO.

WTO allows special provisions for developing countries called S&DT, such as longer time periods to implement agreements and commitments, measures to increase trading opportunities, provisions to safeguard their trade interests and support to build capacity to handle disputes and implement technical standards.

Emphasising that certain countries have "immensely benefited" from Africa and India opening up their markets to global commerce, Prabhu said: "We allowed them to use our populations as markets. Now when we can benefit from it, some countries are raising issues on the importance of global trade."

The mini ministerial meet is being planned even as New Delhi is in the process of finalising a proposal to reform the multilateral trade watchdog that is rendered unproductive with the US blocking the appointment of judges for more than two years.

New Delhi has sought amendment of laws on unilateral action by members on trade issues and resolution of the WTO's dispute settlement system. The proposal also seeks to revive talks to strengthen global norms to protect traditional knowledge from reckless patenting by corporates through commercial exploitation of natural products by obtaining patents without fairly compensating the communities from which these originate -- an activity that has harmed India and Africa equally.

Source: economictimes.com- Mar 19, 2019

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Agro-processing, manufacturing & ICT offer opportunities for Indian investments in SADC region: Report

The study highlights that though SADC's trade has grown considerably since the establishment of an FTA in 2008, there exist immense potential for increasing SADC's regional and overall trade.

The SADC region accounts for 94 percent of Indian investments in Africa during April 1996 to March 2018, with investments mostly concentrated towards Mauritius, Mozambique and South Africa.

Trade across the Southern African Development Community (SADC) has grown considerably since the establishment of an FTA in 2008, but there exists immense opportunities for Indian investment in the region.

An Exim Bank study analyses the current trade and investment scenario in the SADC region and the opportunities that the region presents for Indian businesses.

The study highlights trends in SADC's intra-regional as well as global trade and foreign investments, and draws strategies for enhancing its trade and investment.

According to the report, SADC countries are integral part of the African region accounting for around one-third of Africa's total geographical area, GDP and population in 2017.

Among the major regional trading blocs in Africa, SADC is the largest contributor to Africa's GDP (in nominal terms) in 2017. According to the World Trade Organization (WTO), SADC ranks first among African RTAs in value terms, representing 37.3 percent of total African exports in 2017.

With the increasing diversification of India's global trade towards other developing countries, Exim Bank says SADC has emerged as an important partner for India.

During the last ten years, India's total trade with SADC countries nearly doubled from$ 13.7 billion in 2008 to $ 25.5 billion in 2017, with SADC's share in India's total trade with Africa having increased from 32.8 percent in 2008 to 42.4 percent in 2017.

The increasing importance of India as SADC's trading partner can also be assessed from the fact that India's share in SADC's global trade has more than doubled from 2.9 percent recorded in 2008 to 6.4 percent in 2017.

The study highlights that though SADC's trade has grown considerably since the establishment of an FTA in 2008, there exist immense potential for increasing SADC's regional and overall trade. Key strategies include enhancing intra-regional trade, product and market diversification, reduction of non-tariff barriers (NTBs) and other barriers to trade, and development of regional and global value chains.

The SADC region accounts for 94 percent of Indian investments in Africa during April 1996 to March 2018, with investments mostly concentrated towards Mauritius, Mozambique and South Africa. The study highlights select potential sectors in broadening India's investment base in the region, which include agro-processing, mineral processing, and manufacturing (pharmaceuticals, consumer goods including textile and apparel, leather and footwear and automotive components) sectors, and developing information and communication technology (ICT) infrastructure in the region.

Source: economictimes.com- Mar 19, 2019

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Conclave on India-Africa project partnerships concludes

The 14th CII-EXIM Bank Conclave on India-Africa Project Partnerships concluded in New Delhi on Tuesday.

The three-day conclave was organised by the Ministry of Commerce inassociation with Confederation of Indian Industry and EXIM Bank of India.

The conclave held annually, since its inception in 2005, brings senior Ministers, policy makers, officials, business leaders, bankers, technologists, start-up entrepreneurs and other professionals from India and Africa on a common platform.

Addressing the valedictory session, Commerce Secretary, AnupWadhawan said that trade ties with African countries have strengthened over the years and the relationship has been mutually beneficial.

He said this conclave marks the pre-eminence of India-Africa partnership in the realm of South - South Cooperation at a time when the global economy is faced with intractable challenges that stem from rising protectionism and trade conflicts.

The India-Africa bilateral partnershipisfurther augmented by India's ascendency as the growing major economy, as well as Africa's new economic dynamism illustrated by some of the sub-Saharan economies featuring among the top 10 fastest growing economies in the world.

The Commerce Secretary said that the conclave coheres into the Indian government's larger vision of long–term engagement with Africa and Government of India's unwavering commitment to expanding the canvas of India – Africa economic partnership.

He said several Indian engineering companies have been engaged in bridging the gaps in physical infrastructure in Africa by way of development of roads, highways, ports, power generation and distribution and watershed projects that connected different African countries.

India's development cooperation ranges from power projects and dams in Sudan and Rwanda to water treatment plants in Tanzania, sugar factories in Ethiopia and IT Parks in Mozambique and Swaziland, building of the Presidential Place in Ghana and National Assembly building in the Gambia, besides other numerous projects.

AnupWadhawan informed that as part of India's outreach in Africa, Ministry of External Affairs, on 10th September 2018 signed an agreement with the Telecommunications Consultants India Limited (TCIL) to establish a pan-Africa e-Arogya Bharti Network Project.

The event also marks the deepening of India-Africa economic and business ties and paves the way for a whole range of cross-border project partnerships.

Over 500 delegates from Africa participated in the conclave. Vice President of Republic of Ghana, Dr.Mahamudu Bawumia, Prime Minister of Republic of Guinea, Dr.Ibrahima Kassory Fofana and Deputy Prime Minister of Kingdom of Lesotho Monyane Moleleki, also participated in the conclave.

Source: smetimes.in- Mar 19, 2019

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