Europe India Chamber of Commerce

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TIPS 2015 to be held on 30 September 2015 in European Parliament, Brussels

The Trade and Investment Partnership Summit (TIPS) 2015 will take place on 30 September 2015. The TIPS, flagship of EICC's annual events, will be held in the **European Parliament** (**Conference Room P1A002 - Paul-Henri Spaak**) in Brussels. The Summit is dedicated to fostering bilateral trade, investment and economic relations between European Union and India around the theme **"Changing Dynamics in EU-India Relations: Business & Strategic Implications in the Next Decade**" and will be different from our previous summits of the past.

The Summit will follow up specific issues deliberated during the TIPS 2014 and will take innovative steps to engage various business and interest groups in Europe and in India. Discussions on reporting, challenges and possibility for cooperation with EU countries and European Commission will provide different perspectives of international practices on issues such as India's quest for green and clean energy; creating favorable regulatory environment (IPR); what will it take India to become the global manufacturing hub in the context of "*Make in India*"; collaboration on infrastructure and urbanization; EU-India Digital Partnership, India's health care challenges, etc. As we expect some development in the free trade negotiation with EU in the next few months, the Summit will also discuss the current state of FTA.

The TIPS assumes special significance as the next summit between the European Union and India is expected to be held by the end of this year, probably in November in Brussels, after a gap of nearly three years. The last India-EU summit was held in February 2012, and it is heard that both sides were looking for a mutually convenient date for the summit.

The TIPS 2015 is being jointly organized with **Eurochambres / EBTC** with which EICC has been working for some time now; and in collaboration with **Indian Chamber of Commerce** and **The Friends of Europe**. We shall invite some selected countries in the EU to show case potentials for investment in their countries', the current state of business collaboration with India, present scenario and perspectives; problems, prospects and potentials, and how it can be further improved. The presentations will be made either by the trade and investment agencies, from government itself, from Chamber of Commerce or from individuals. The goal of the country presentations is to present a panorama of economic and investment possibilities in the selected EU countries for Indian businesses. The "Country Presentations" will also aim to place Indian and European firms in direct contact and will be represented at political and technical level, in such a way as to involve other actors interested in sustaining and promoting EU-India economic interests. The Country Presentations will feature government recognized proposals delivered by stakeholders and will provide attending companies with a fact and figure checked perspective on ongoing and future projects. EICC hopes that the expected outcome of the Country Presentations will offer participants with limitless opportunities and the chance to create solid bonds in a dedicated environment and stimulate in sustainable business ventures through building conclusive partnerships.

The objective of the Trade and Investment Partnership Summit (TIPS) is to create awareness on international business opportunities and feasibility of cross-border expansion for Indian and European business. The other objectives of the TIPS is to build a platform for communication between large, small and medium-sized enterprises in India and the EU for integrating resources and technical know-how. TIPS also promotes entrepreneurship, enhance mutual understanding and economic integration, and provide comprehensive services for international operations to the Indian and European enterprises. The Summit will make comprehensive overview on the strategic fundamentals of India-EU bilateral relationship in content and context and will suggest ways to give it a strategic dimension through a full spectrum of industry leaders, policy makers, senior executives in the corporate sector and representatives of the European Commission and trade bodies. In this sense the TIPS 2015, a unique business and leadership platform, will bring together more than 175 business leaders, thought leaders, policy makers, regulators, representatives of the European Commission and trade and business bodies and government representatives from Europe and India with an eye to create an innovative way to strengthen the existing trade and economic partnership between European Union and India.

The Working Paper for the Summit can be accessed through the link: which details the issues the Conference will deliberate.
http://www.eicc.be/Events/UpComingEvents/TIPS2015/Working%20Paper%20TIPS%202015.pdf

The Chamber is in the process to invite Members of the European Parliament's Delegation for Relations with India, Members of the European Parliament's Committee on Foreign Affairs and Committee on International Trade, Industry, Research and Energy to attend the summit. EICC will host a working lunch for the participants.

The TIPS 2015 takes place in an unpredictable economic and social environment in Europe. Europe is in the throes of a crisis of identity - perhaps the most profound since the creation of the European Union - and one that springs from deep economic distress in many of its member states and political division both within and without. Europe's bond-buying plan won't hurt but will do little to address a series of political and structural barriers that have plagued the euro zone since the 2008 crisis. The TIPS 2015 also takes place in the shadow of the skewed pattern of global growth, its implications for bilateral relationships, and to understand the need for greater emphasis that EU and India are required to put on bilateral relationships. While India is taking measures to reset its economic and social priorities, the European Union is confronted with huge challenges. The Eurozone crisis is affecting the economic and political stability of several some Member States. The development in Greece and likely similar scenario in some EU countries is pushing the EU to reinvent itself. The Euro problems and dysfunctional national institutions have given rise to the real danger that the European Union is becoming increasing irrelevant just as its member states face more and more challenges of a globalized world. In the short term the European Union seems to have rescued its single currency, but it has not yet put an end to the crisis. The current economic, political, constitutional, social, and cultural interpretations of the European crisis is unsettling the law makers and is affecting trade with many countries including India. Although Europe's economic and political substance is still strong, Euro zone debt problem is likely to remain a concern in the near future.

EICC speaks for multilateral rule based trading system and improvement in European and Indian competitiveness and is realizing its mission through high level strategic dialogue and debate in which trade and economic issues are intensively discussed. Also, as part of our lobby activities, we help Indian companies and industries who are subject to strong and stringent EU regulations in making their voice heard through policy level liaising and interventions at the highest levels of government and business.

Participation in the Summit is only by invitation and those who are interested are requested to contact the EICC Secretary General.

Policy analysis of One year of Modi paints his leadership dynamic, progressive and inclusive

A Policy Analysis Debate organized on 16 June 2015 in Brussels took stock of the economic and social policy reforms during last one year of NDA Government under the Prime Minister Narendra Modi. It also took stock the challenges facing the National Democratic Alliance (NDA) government, which has inherited an economy riddled with multiple crises in the form of a long drawn agrarian crisis, impasse in manufacturing, challenges in the field of employment generation and continuous inflation, worsening external balance situation and an impending squeeze on the policy space in crucial programmes such as the National Food Security Act from commitments at the WTO, pending Bills in the Parliament.

The Debate was organised by Friends of Europe in partnership with Europe India Chamber of Commerce and Tata Consultancy Services.

The Debate was moderated by Shada Islam, Director of Policy of Friends of Europe. The Panelists included: **Natarajan Chandrasekaran,** Chief Executive Officer and Managing Director of Tata

Consultancy Services (TCS), **Zoran Stancic,**, Dy Director General for Communications Networks, Content and Technology (DG Connect), European Commission, **Shishir Bajoria /** a leading Indian politician, member of the Bharatiya Janata Party (BJP) and head of the Bajoria Group of Industries and Ms. **Luisa Santos /** International Relations Director at BUSINESSEUROPE.

Issues discussed in gist:

- One year on, what is the assessment of Modi's foreign policy and economic priorities?
- What is needed to inject new momentum into flagging EU-India relations?
- Given the stalemate in negotiations on an EU-India Free Trade Agreement, can India and the EU step up cooperation in other areas, including security and ICT?
- Can Europe help the Indian leader turn his "Make in India" manufacturing campaign into reality?
- What is the potential for Europe and India to work together on the government's Digital India initiative?

Given below is a broad summary of the points made by different speakers and take away from the discussion which followed.

In his Opening remarks, Manjeev Singh Puri, Ambassador of India to the EU, Belgium and Luxembourg said that high level contacts have been established between EU and India and there was likelihood of EU-India summit held by the end of this year, after a gap of more than three years. Ambassador also announced that an Indian Parliamentary Delegation led of Lok Sabha speaker Smt. Sumitra Mahajan will visit Brussels on 24 June to deepen the bilateral parliamentary ties and strengthen dialogue.

The measure of the present government is captured by this one going around: What is the difference between the UPA and the NDA? In the UPA we had a government and no prime minister; in the NDA we have a prime minister and no government. This has an element of cruel exaggeration. But it highlights the central tension of one year of Narendra Modi's government. The PM is still riding relatively high in public popularity. But the government is looking very ordinary. Areas where he devotes inordinate attention like foreign policy have some sense of purpose. Occasional schemes done in mission mode like Jan Dhan Yojana achieve their targets. There is a sense that overall transactional corruption at high levels is, at the moment, down. There is still an air of expectancy around big legislation like the goods and services tax. But government as a whole is floundering, getting tripped on execution and detail.

Admittedly, the expectations of the Modi government were unrealistically high. The inherited regulatory and administrative mess that the UPA had left were never going to be easy to clean up quickly. But Modi was also very lucky. He got the single biggest windfall any leader can want in terms of lower global energy prices, which automatically tempered his challenges on inflation and subsidies

N Chandrasekaran observed: "During the year the government seems to have been mostly in an election mode, making promises and giving new slogans. It has floated programmes and schemes like Jan Dhan Yojana, Make in India, Good Governance, 100 smart cities, bullet trains and Swatch Bharat Abhiyan. The image of a paralysed government during the UPA-II rule has changed with all the activities and announcements. Parliament seems to be losing fewer days to disturbances and adjournments, partly because of the BJP's majority and a decimated and divided Opposition. Narendra Modi has personally taken charge of foreign policy and there is the impression of action with high-visibility visits abroad by the PM and visits by foreign dignitaries to India."

The economy observed three broad level trends. First, there was the global fall in commodity prices that lead to a gain for oil importing countries as their import costs suddenly reduced from approximately $120 a barrel to $60 a barrel. Second, was the government's acceptance of the Fourteenth Finance

Commission's recommendations in the context of devolving more funds to the states. The figure now stands at 42 percent of the total revenue collection, up from the earlier 32 percent. Third, was the revived economic growth forecasts lead by IMF, which in its April 2015 report, revised its forecasts for India to 7.5 percent ahead of any other major developing economy, including China. The ADB similarly pointed to a bettering economy with core inflation down to 5 percent.

The agricultural sphere witnessed erratic weather and the lack of urea availability made the overall condition bad. Added to this was the land acquisition bill that made matters worse for the government as well as the farmers. The land bill will help the farmers with alternative sources of income and provide employment to the youth. The government's focus seems to be on irrigation schemes and helping farmers in distress. But much more could have been done and communicated appropriately.

Shishir Bajoria observed: "The industrial, FDI and power sectors saw varying degrees of success, the most successful being the power sector with an increase in coal production as well as an increase in power capacity and generation. The FDI inflows also saw a spurt in the equity inflows as well as the fact that defence and insurance have been opened up to 49 percent foreign participation bodes well for the economy. The industrial sector was a bit subdued in spite of the Make in India programme. Some more steps need to be taken for Make in India to be successful".

The education sector saw many schemes being launched like the GIS mapping of schools, the Swachh Vidyalaya Abhiyan and the like. However, the historical legacy of the education system fails to let go. Therefore, parents prefer private schooling to government schools. Also, with respect to higher education, mere opening of institutions will not serve the purpose. Quality and quantity should be the twin pursuits.

In the context of infrastructure, the primary purpose seems to be the creation of new infrastructure as well as upgradation of existing infrastructure. Infrastructure development is a must since the speed of business relies on it. The upgradation of railways and creation of new highways all fall under infrastructure's ambit. Also included are ports, airport, waterways and canals. The clearance of projects worth Rs.6 lakh crore makes it amply clear that infrastructure growth is likely to be expected in the coming years.

The social schemes have been very impressive and in the reach of the common man. The Jan Dhan Yojana, Pradhan Mantri Jivan Jyoti Bima Yojana (PMJJBY) Pradhan Mantri Suraksha Bima Yojana (PMSBY) and Atal Pension Yojana schemes together have close to 19 crore takers. The government seems to have a social focus on benefitting the poor.

In the context of urbanization, the 100 Smart Cities project has not seen that much activity, barring the launch of GIFT city and the development of DMIDC cities. Health is an area where the government has not been able to do much, apart from increasing the prices of cigarettes. The state of rural health delivery remains decrepit. Pollution of air, water and land, as also the rise in noise levels, has ensured that people continue to face serious health issues.

With respect to entrepreneurship and employment, this is the first time a ministry has been created with a focus on entrepreneurship. Skilling of youth and entrepreneurship are crucial areas for realizing the demographic dividend. Further, a draft policy on skill development and entrepreneurship has already been drafed and put out for public consultation. The direction and intent seem to be good.

The government's plans, policies and functioning seem to be in line with the country's overall growth and trajectory. With respect to the challenges, the government seems to be prepared with adequate steps. In the coming years, most of the things will depend on the pace of decision-making and speed of implementation.

PM has allowed more foreign investment in railways and defense and helped cut red tape. His government has deregulated fuel prices and permitted private competition in coal mining—market-friendly moves designed to attract investment. For the poor, his administration has helped open millions of bank accounts and created new pension and insurance programs.

Here are the NDA government's major initiatives under Modi:

1. In the very initial months of our Government, we took up the task of providing toilets in all schools. Don't children of the poor study in these public schools?

2. The government implemented the Jan Dhan scheme and opened more than 14 crore bank accounts for financial inclusion. Earlier also, there were banks, as well as people without bank accounts.

3. The so-called pro-poor have been just repeating that there is leakage in subsidy.

4. The Government launched MUDRA Bank for financing 6 crore small vendors and businesses 61% of whom are SCs, STs, OBCs and Minorities.

5. The government launched the Pradhan Mantri Krishi Sinchai Yojana which the Congress did not think of in sixty years.

6. The government has planned to see that by 2022, no family remains without a roof over its head.

7. Swachh Bharat Mission has been started to see that health and hygiene issues of the poor do not affect the working capacity and output of the poor and labourers.

8. The Indian Railways, on which the common man travels, is being changed for the better.

9. They have set up the Skill Development Ministry to enhance employability of the youth to whom we are committed to provide jobs through initiatives like 'Make in India'. In the past, the country had been led into an economy of jobless growth.

10. The government provided for reservation of women in the police forces of Union Territories. This was done even when there were no elections around the corner.

On Foreign Policy: One year of NDA government's foreign policy: What changed and what didn't? Achievements of the country in diplomatic relations with other countries? How Narendra Modi's foreign visits have benefitted our economy? The astute selection of countries for engagements is the first significant achievement. Looking beyond the sub-continent and giving a much-needed push to the relations with countries like Japan, Australia, Vietnam and US was long overdue.

It is also important to realise that foreign policy successes aren't outcomes of foreign visits alone. Foreign policy successes need domestic consensus building as well. On that count, resolving the long-standing land border issue with Bangladesh through the constitutional process constitutes the second diplomatic success. This will allow India to focus on more substantive issues like getting transit access to the Northeast Indian states through Bangladesh.

Has India got an image makeover globally? Is India becoming an influential global force?

Yes, to the extent that Mr. Modi's revitalisation of India's foreign policy has re-established India as a significant player in international affairs. Mr. Modi has raised expectations across the region. India's position is key to the Asian balance of power and this government has conveyed the right signals to other important players in the region.

On the other hand, global influence is itself an outcome of national power. And one of the most important factors for national power is consistent economic growth. The other countries look up to India only because they believe that its growth will be of benefit to them as well. So, economic growth will be the key to national power and in turn to a greater influence in the world.

The NDA Government, that completed one year, started with tall promises during election rallies as well as in its manifesto. It is time to assess whether the government has been able to deliver on its promises in the past one year. Of course, one should not expect all the promises to be fulfilled within one year but the media blitzkrieg by the government is forcing analysts to assess the performance.

However, one can legitimately ask: is the direction of action/activity the correct one? At the social plane, the minorities feel they are under attack. At the economic plane, the government started the innings with the FM arguing that pro-business need not be anti-poor. How-ever, the impression at the end of the year is that the government is pro-business and anti-poor.

Even though the rate of inflation (both in terms of WPI and CPI) has come down, the fiscal and current account deficits are lower and the rate of growth is higher, the public appears to be dissatisfied. Certainly the government’s high approval ratings a year back have come down. The rate of growth of exports is currently negative. The rates of growth of industry and agriculture remain low and corporate profits are stagnant in spite of the pro-business policies of the government.

Digital India is one of those visionary ideas that has the potential and depth to transform India. What excites most about it is that it promises to fix a serious problem that has held India back. For years, India has been the IT hub for the world and our IT workers have solved some of the biggest technology problems worldwide, but India has completely ignored using that expertise to solve India’s own problems. The realisation of Digital India will help the country with 20-30% incremental GDP by 2025. The adoption of technology across key sectors like financial services, healthcare, agriculture, energy, infrastructure and education will provide an additional impact of $550 billion to $1 trillion on the India economy annually by 2025!

The cost of doing nothing has been very high! Finally there is a government that is doing something about changing it and as the industry, we should not be asking whether it can be done or not, but join hands to accelerate the execution and ensure we see the impact at the earliest.

The government has set the stage with a strong vision and an equally strong show of will to make it happen. What we need now is for them to focus on setting the right policy frameworks and processes that make it easy for industry to do business in India and encourage us to participate in India’s journey towards becoming a digital India. The government must encourage open global standards that will enable India to benefit from the best technology worldwide and continue to champion the cause with unwavering political will.

Broadly, there are three key parts to Digital India; building a robust secure infrastructure, growing an ecosystem to develop customised solutions for citizens across hardware and software and developing the right skill sets for technology innovation and usage. Our recommendation to the government would be to set up PPP forums in each of these segments to invite industry to participate in areas where they have the domain expertise and interest.

There is a mood of high expectation created by the early actions and successes of the Narendra Modi government and much is expected to transpire in the forthcoming session of Parliament and the period up to the announcement of the next Union Budget. The “Digital India” excitement and its constituent initiatives – the creation of Smart Cities, the large scale digitisation of all government records and the Digital Shaksharta Abhiyaan or the National Digital Literacy Mission (NDLM) will need to be actioned soon and a robust plan created to realise the benefits.

If the government takes the agenda forward and does not leave any of the constituent parts gasping for funds, the opportunities are huge for the country in general and for willing participants in the IT sector as well. What is important to understand is that like any elephant, Digital India has many parts and each has to be addressed to make the big vision a reality.

The government feels that such a massive IT project will spur large private sector investments in electronics manufacturing, which in turn will create millions of new jobs and support trade. But the most important impact of the Digital India project will be on the National eGovernance Plan, which could now have a fresh lease of life.

The IT sector in the country employs close to 3 million professionals directly and about 9 million indirectly. In government the number of IT employees is very small in comparison, so it is a no-brainer that the success of Digital India project can be ensured only when the private sector gets involved in a major way for project development, execution and management. For the project to be successful, the private and public sector need to collaborate in terms of resources from monetary to technology support, human resources and infrastructure.

On a query from EICC Board Member from Spain Regina Llopis on gender diversity, Mr. Chandrasekaran said that TCS is proud that the company has achieved the milestone of 100,000 women employees. "A company like TCS, which is at the forefront of technology and has a lot of intellectual professionals, gives ample scope for women. We have been increasing our workforce year after year. Diversity is a broad subject and we are looking at it from the point of view of gender and nationality. Also generation diversity is fast becoming important in today's context because of the demographic profile we have in this country. From a gender perspective, we have been averaging at around 33 per cent." he said.

The European Union can thrive by creating a single digital market to compete with the United States, China and India. To get its economy moving again Europe needs more of these new innovative and sometimes disruptive companies, and that is why having an ambitious vision for Europe’s digital future is so important. Where the EU can make a difference is through the creation of a digital single market (DSM). The benefits of companies competing efficiently to bring new valuable digital products and services to a single-scale market of 500 million people will be huge.

Easy access to a market of that size will help small, emerging, innovative companies with great ideas and great people to grow and scale quickly. It will mean that in the world of digital innovation Europe can compete with the other big-scale markets of the United States, China, India and others.

It will mean that our next generation of young people can look forward to a future of creative, interesting and rewarding work. It will also mean that consumers are empowered, protected and confident to transact anywhere across Europe.

So how does Europe deliver on this vision? Earlier this year the UK government set out a clear and practical vision for Europe’s digital future, which has been widely welcomed by technology companies of all sizes across the Continent. It called on the EU to take bold steps towards an open, flexible market with a regulatory framework that reflects the dynamic nature of the digital economy.

For business, it is clear that the DSM needs to achieve three things: first and foremost, it must make it easier for consumers to manage their lives online by increasing clarity, certainty and trust in e-commerce, and the use of personal data; secondly, it needs to make it easier for companies of all sizes to bring innovative ideas to market across the EU quickly, with as little legal uncertainty as possible; and finally, the DSM needs to enable public services across Europe to become digital-by-default so they are less costly to deliver and more valuable for European citizens.

Achieving these three objectives will not be easy. European governments will need to work with the flow of global change and not against it. They will need to recognise the global nature of digital and the fundamental importance of open global standards. They will need to find faster and more flexible mechanisms for driving change.

Policy-makers will need to focus on doing a few things well and leave room where appropriate for industry-led innovation and self-regulation to mitigate problems.

After a two-year lull when both sides went into election mode, there are clear signs that India and the European Union are moving towards the resumption of talks on a Free Trade Agreement.

Stakes are high. The EU is India's biggest trading partner, and two-way commerce is valued at around €93 billion. With a combined market of 1.8 billion people, India and the EU would form one of the world's biggest free trade zones. This month's visit to Germany and France by Indian Prime Minister Narendra Modi is an opportunity to take things forward – even though he's dropped Brussels from the agenda of his European tour.

Zoran Stancic observed: "Digitalisation has changed the environment we live in and the digital single market strategy isn't about protectionism, it is about opportunities. The Commission has unveiled 16 strategies in order to push the 28 EU member states into a common market for digital goods, capital, content and services. The Commission aims to update copyright rules, knock down barriers to cross-border parcel deliveries and ensure European online businesses can compete with their bigger US counterparts. With the goal of implementing the strategy in phases over the coming two years, the digital single market hopes to create the conditions for European companies to better compete against the likes of Google and Facebook".

Given the scope of the Digital India project, it is expected that it will open up avenues for extensive participation from the private sector. However, the past experience of private sector companies for working in eGovernance projects has not been good. A key problem is that even the smallest eGovernance project can need the consent of many ministries for effective implementation. Lot of time can get wasted in getting the necessary permissions and regulatory approvals from various ministries involved. The private sector will find it difficult to get enthused about eGovernance projects if there are endless delays. A system has to be developed to ensure that the projects get implemented in time.

India has benefited tremendously from integration with global markets to become one of the leading economies providing ICT goods and services. Revenue for the ICT sector is now estimated at nearly 1 billion Euros and provides livelihoods for about 10 million people. The ICT sector has not only created an economic boom, but also contributed to social transformation by growing an aspirational middle class in India.

Perversely, India's trade wall forecloses opportunities for future growth and advancement. While preferences for Indian manufacturers may create jobs in the short term, India ultimately loses in the end. Competition brings prices down for consumers, and also stimulates innovation and increases quality. This is especially true in the ICT industry because of the global nature of our market.

Despite several rounds of negotiations that began in 2007, the proposed EU-India Bilateral Trade and Investment Agreement (BTIA), covering trade in merchandise, services, and investment, is still far from being concluded. Given the subdued sentiment around foreign investment and trade currently, restoring growth to its normal level remains at the top of the Modi government's agenda. This would require a fresh approach toward India's commerce and trade. It would be pertinent to analyze what is holding back the conclusion of the EU-India trade pact, which possesses immense untapped trade and investment possibilities.

Improving India's investment climate is a better way to promote investment and jobs. Similarly, exclusive rights to the commercial exploitation of patents incentivizes research and development and brings in FDI. Thus, India needs to strengthen its IPR regime.

Luisa Santos observed: A trade pact is about give and take. Failure to conclude the EU-India BTIA will constitute a large opportunity loss, while trade pacts such as the Trans-Pacific Partnership (TPP) and the Transatlantic Trade and Investment Partnership (TTIP) (which together account for two-thirds of global GDP and one third of global imports) are moving global trade away from MFN routes toward bilateral/regional routes. They are setting new trade rules that would be far more difficult to comply with. This calls for taking a long-term view of India's trade policy options while negotiating its trade pacts.

It is important that the European Union designate her as a data secure country. Recognition as a data secure country is vital for India to ensure meaningful access in cross border supply. India has made adequate changes in its domestic data protection laws to ensure high security of data that flows in. India has a strong track record of performing-low end data processing but desires to move up the value chain into more sophisticated outsourced work in sectors such as healthcare, clinical research and engineering design. Achieving data secure nation status will support this; the process however is a relatively arduous, and potentially political.

The EU’s Data Protection Directive permits personal data to be transferred to third countries (i.e. countries outside of the EEA) if that country provides an adequate level of protection. The current list covers only a handful of countries including Canada, Switzerland and Jersey, and more recently New Zealand. The US is not deemed adequate but personal data sent under the Safe Harbor scheme is considered to be adequately protected. India is not deemed to offer adequate protection. Accordingly it has become standard practice to use the approved EC model clauses wherever EU-based outsourcing involves data transfer and offshore processing in India. These clauses, which provide an alternative lawful means of data transfer, place strict obligations on both parties to ensure privacy of data and are considered by some to be onerous and to act as a disincentive for business.

Thirty percent of India’s $100-billion IT and business process outsourcing industry comes from customers based in the European market. Industry representatives are concerned that India defends and grows her share of the European outsourcing market, although for the time being it is worth pointing out that none of her main competitors, such as China, the Philippines, Singapore and South Africa, have achieved data secure nation status. If European companies start insisting on a data secure status as a critical factor for giving business, it will become a very important criterion for perception of a country. Nonetheless, most of our companies adhere to very high level of data security.”

It will be interesting to see how the EU reacts to India’s demands, especially given the current proposals to reform EU data protection legislation in order to strengthen individual rights and tackle the challenges of globalisation and new technologies. Uruguay, Australia and Japan are all ahead of India being at different stages of advancement in the process. One thing seems clear - India will need to ensure her data protection laws and enforcement regime will stand up to EU scrutiny if she is serious about wanting to join the small but growing club of nations with EU data secure status.

Manufacturing has been a key focus area for the Modi government since it took office a year ago. The government’s Make in India campaign was launched specifically for the purpose of encouraging the sector. During all of his foreign visits, Prime Minister Narendra Modi has extolled the virtues of manufacturing in India.

According to data from the RBI (Reserve Bank of India), India attracted foreign direct investment worth $34.9 billion between April 2014 and March 2015, or fiscal year 2015. This quantum was up 61.7% from the previous fiscal year.

Attracting foreign investment has been key for the Modi government in its first year, particularly given all those visits abroad. This is a step in the right direction, as an influx of foreign capital should boost domestic industries, helping create jobs and possibly giving a shot in the arm to exports as well.

Doing business: The key takeaway from the performance of Modi’s government in its first year in office is that it’s trying to make India easy to do business with. This ties in closely with attracting foreign money and giving a boost to the Make in India campaign. India ranks an excruciating 142 out of 189 countries in the World Bank’s “Doing Business” report.

Going forward

The Modi government needs to keep working on reforms it has either already outlined, or is planning. At the same time, as an investor, you need to monitor the effects of consumer price inflation, the fiscal deficit, industrial production, and ultimately, economic growth on fiscal and monetary policies. The direction of these indicators will affect your India-related investment.

One problem that stood out while the previous Indian government was in office was surging inflation. Rising prices became a particularly important issue during elections, and were in part responsible for the eventual result.

Not only has inflation come down, it has seen changes as well. The base year for CPI calculation was changed from 2010 to 2012, making readings more relevant. The number of items covered under the system has also been increased.

Further, the weight of food and fuel groups has been decreased. This has resulted in the core group, excluding food and fuel prices, now accounting for 47.3% of the index compared to 42.9% earlier. This makes the CPI more representative of the changing consumption pattern in India. It also makes the indicator less susceptible to volatile items such as food and energy prices.

Look at the restoration of macro fundamentals: even under the erstwhile methodology, GDP has accelerated from sub 5% to 5.7%, while under the new system, growth this year is expected to be between 8-8.5%. Current Account Deficit is down to a modest 1.6%, with subdued inflationary pressures and WPI inflation figures in the negative, and greater preparedness to meet exogenous uncertainties.

Multiple measures have been taken to improve the competitiveness of the Indian economy by reducing the onerousness of labour law compliance, encouraging state governments in initiatives to modernise labour regulations, faster environment clearances, and minimizing the impact of the earlier Land Acquisition Act (although this is still work in progress).

Emphasiing the need to better coordination between Centre and states MEP Geffrey Van Orden, Chairman of the European Parliament delegation with India said that success or failure of any government in Delhi depends largely on its ability to manage the federal arithmetic. And as in India's existing federal structure, many core economic activities and service delivery functions are carried out by the states while the Centre provides broad economic and political directions, there is a need to forge a model of "cooperative federalism" to resolve differences. This will help the central and the state governments to resolve their differences and chart a common course to "progress and prosperity". For federalism to work well, states must also fulfill their role in promoting the shared national objectives.

The Medium Term fiscal outlook remains healthy with rationalisation of subsidies over petroleum products, additionality of resources through auctioning coal and spectrum, and improving the efficiency of infrastructure through large public outlays, particularly in highways, roads and power. Barriers to foreign investment have been substantially diluted with opening the sectors of insurance, pension, defence and railways for private investment, both domestic and foreign.

There is a huge unfinished agenda:

- Ensuring faster implementation on the ground, freeing of stranded assets, ensuring optimum outcomes from large borrowings with sovereign guarantees particularly for roads and railways, and coherent coordination among ministries and with States.

- Adherence to the revised path of fiscal consolidation may entail difficult decisions on recalibrating subsidies, particularly if exogenous variables deteriorate or oil prices rise sharply.

- Managing inter-institutional cooperation between regulatory entities like RBI and the Finance Ministry needs candour and imagination. The RBI Governor would be the first to concede that the central bank needs major reforms, and monetary policy must sub-serve the larger objective of growth.

- Closely monitoring the implementation of several budgetary commitments, particularly legislative changes like a Bankruptcy Code, Alternate Dispute Redressal mechanism, several other financial sector legislations or making the tax regime genuinely non-adversarial. Moving towards competitive tax rates and more importantly, a framework which benchmarks practices with other Asian countries and best international practice deserves priority.

- Finally, recognizing the absence of the government's majority in the Rajya Sabha, and forging alliances and partnerships need negotiating acumen to secure key reform legislations.

Fortunately, both the Prime Minister and the Finance Minister need no advice and lessons to achieve this elusive but realisable objective.

There was overwhelming view that the Modi regime has run fast and faster, but may have to do so twice as fast to make a decisive and more visible difference in our life quality. Known to be an outperformer, he is India's best bet to meet the rising expectation curve of our young population. That is why Modi matters. And matters a great deal.

Mega investments expected during Digital India week

The government is expecting investments to the tune of billions of dollars during the Digital India week, which will be inaugurated by Prime Minister Narendra Modi on July 1

The government is expecting investments to the tune of billions of dollars during the Digital India week, which will be inaugurated by Prime Minister Narendra Modi on July 1. “As per estimates are concerned, we expect billions of dollars investment (in Digital India week),” telecom minister Ravi Shankar Prasad told reporters, while announcing details of the event.

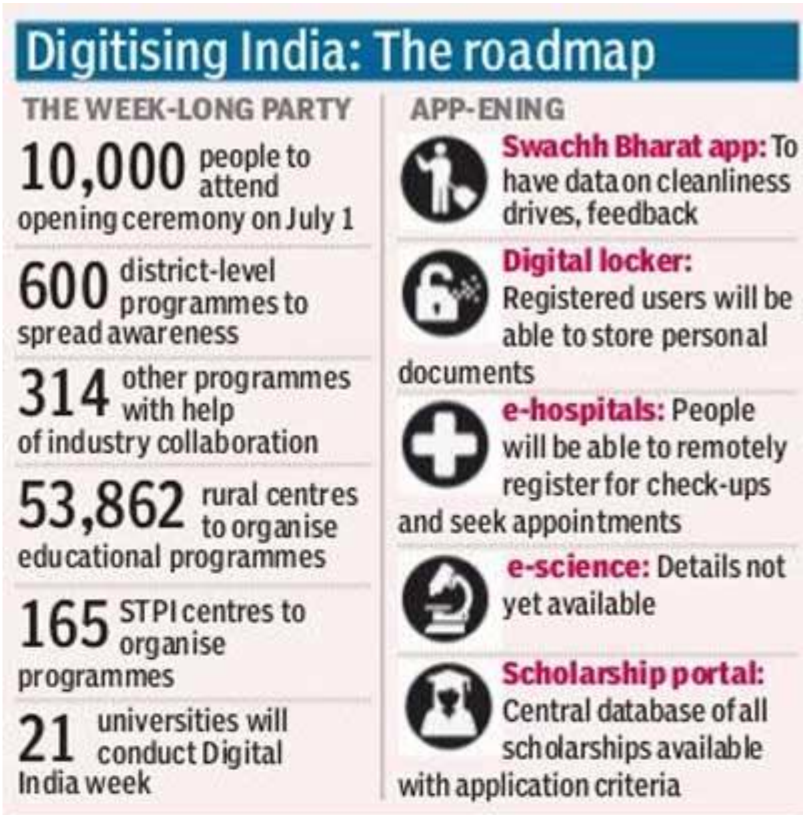
For the first time, a digital summit has been planned at such huge scale and with such splendid grandeur that the launch has been moved out of the boundaries of the Vigyan Bhawan to Indira Gandhi Stadium in the Capital. Prasad said the turnout would be nothing less than 10,000 people, with over 400 top-notch executives from the industry attending. Tata Group’s Cyrus Mistry, Reliance Industries’ Mukesh Ambani, Wipro’s Azim Premji, Hero MotoCorp’s Pawan Munjal, Bharti Group’s Sunil Mittal and Aditya Birla Group’s Kumarmangalam Birla are a few of them.

In the past one year, global heads of technology companies met Modi and assured their support to the campaign, be it Facebook, Google or Microsoft. However, at the last hour, none of the global executives from these behemoths will be attending the opening summit, citing various reasons. NR Narayana Murthy will also not attend due to prior engagements.

Digital India will broadly aim at four things: bridging the digital divide, improving governance, harnessing power in the common man’s hand, and a politically and ideologically neutral campaign. The idea is to build a digital infrastructure and provide it as a utility to every individual, to provide government services on demand and digitally empower the citizens, elaborated Prasad. Among thew various apps to be launched, the e-hospital app has already been installed in three hospitals, said Prasad. This will enable patients to register for check-ups and get appointments. Similarly, for the scholarship portal, students from anywhere in India can log in and check eligibility for scholarships.

Then there is the new business process outsourcing (BPO) policy, elaborated Prasad. The plan is to have 48,000 BPO seats in smaller towns and cities — about 8,000 in Uttar Pradesh and 4,000 in Bihar. “We want to have BPOs in cities like Bhagalpur, Jharia, Jaisalmer and many such smaller towns,” Prasad said. Digital India will also focus on electronic manufacturing, apart from a massive connectivity drive connecting 2.5 lakh gram panchayats. Prasad said 10 states have already confirmed to be a part of the special purpose vehicle that will speedily implement the mass scale connectivity. State-owned telecom operator BSNL has agreed to upgrade 400 exchanges with next-generation-networks.

Prasad, however, agrees that this will not be possible without a mass rural implementation. The postal department of India has been roped in for that — 1,25,000 post offices in rural and semi-urban India will front to offer these services. “It will start with a three state pilot project, before we do a nationwide implementation,” said Prasad.



Prasad said the government will soon come out with its report on the controversial issue of net neutrality and the telecom department is waiting for the report from sectoral regulator Trai. “Report of net neutrality will be out very soon but we are waiting for Trai report on the issue,” he said.

India leading WB’s growth chart of major economies, growth rate set to surpass China in 2015

India with an expected growth rate of 7.5 per cent in 2015 is set to surpass China and for the first time is leading the World Bank's growth chart of major economies.

"With an expected growth of 7.5 per cent this year, India is, for the first time, leading the World Bank's growth chart of major economies," said Kaushik Basu, World Bank Chief Economist and Senior Vice President after the release of the latest Global Economic Prospects (GEP) report.

China is projected to grow at 7.1 per cent in 2015. Developing countries are now projected to grow by 4.4 per cent in 2015, with a likely rise to 5.2 per cent in 2016, and 5.4 per cent in 2017, the report said.

In China, the carefully managed slowdown continues, with growth likely to moderate to a still robust 7.1 per cent in 2015.

In India, which is an oil importer, reforms have buoyed confidence and falling oil prices have reduced vulnerabilities, paving the way for the economy to grow by a robust 7.5 per cent rate in 2015, the report said. Basu said "slowly but surely" the ground beneath the global economy is shifting.

"China has avoided the potholes skillfully for now and is easing to a growth rate of 7.1 per cent; Brazil, with its corruption scandal making news, has been less lucky, dipping into negative growth," he said.

The main shadow over this moving landscape is of the eventual US liftoff, he noted.

Growth in South Asia is expected to continue firming to 7.1 per cent in 2015, led by a cyclical recovery in India and supported by a gradual strengthening of demand in high-income countries.

The decline in global oil prices has been a major benefit for the region, driving improvements in fiscal and current accounts, enabling subsidy reforms in some countries, and the easing of monetary policy, the report said.

In India, new reforms are improving business and investor confidence and attracting new capital inflows, and should help raise growth to 7.5 per cent in 2015, the report said.

In Pakistan, remittances are expected to remain solid, and manufacturing and service sectors should continue to recover. However, growth is expected to remain moderate, reflecting ongoing energy constraints, the report said.

According to the report, developing countries face a series of tough challenges this year, including the looming prospect of higher borrowing costs as they adapt to a new era of low prices for oil and other key commodities, resulting in a fourth consecutive year of disappointing economic growth this year.

"Developing countries were an engine of global growth following the financial crisis, but now they face a more difficult economic environment," said World Bank Group President Jim Yong Kim.

US economic recovery is continuing and interest rates remain low in other major global economies. However, there are considerable risks around this expectation, the report argues.

India joins multilateral treaty on automatic exchange of financial information

India has joined the Multilateral Competent Authority Agreement (MCAA) on automatic exchange of financial account information, with the country along with Australia, Canada, Costa Rica, Indonesia and New Zealand signing an agreement, in Paris recently. Indian ambassador to France, Mohan Kumar, signed the declaration to comply with the provisions of the MCAA, at a ceremony held in Paris.

Earlier, fifty-one countries / jurisdictions had joined the MCAA on 29 October, 2014 in Berlin and Switzerland became the fifty-second country to join the MCAA on 19 November 2014. Ghana and Seychelles joined the MCAA on 14 May 2015. With six more countries joining the MCAA, the total number of countries / jurisdictions agreeing to exchange information automatically in accordance with MCAA has gone to 60.

Ninety-four countries have committed to exchange information on an automatic basis from 2017 onwards as per the new global standards on automatic exchange of information, known as Common Reporting Standards (CRS) on Automatic Exchange of Information (AEOI).

The new global standards are very wide in scope and oblige the treaty partners to exchange wide range of financial information after collecting it from financial institutions in their country / jurisdictions, including information about the ultimate controlling persons and beneficial owners of entities.

For implementation of these standards in India and with a view to provide information to other countries, necessary legislative changes have been made through Finance (No. 2) Act, 2014, by amending section 285BA of the Income-tax Act, 1961. Necessary rules and guidelines are being formulated in consultation with financial institutions.

AEOI based on CRS, when fully implemented, would enable India to receive information from almost every country in the world, including offshore financial centres, and would be the key to prevent international tax evasion and avoidance and would be instrumental in getting information about assets of Indians held abroad, including through entities in which Indians are beneficial owners.

This will help the government to curb tax evasion and deal with the problem of black money.

Indian pharma yet to overcome data integrity issues: EY survey

Manpower shortage, compromise on quality, lack of understanding of GMP are key factors hindering the resolution of these issues.

Shortage of manpower, compromising acceptable quality levels to meet production targets or dispatch time-lines and lack of understanding of good manufacturing practices (GMP) are some of the basic reasons behind data integrity issues faced by Indian pharmaceutical companies, according to global consultancy firm EY.

Also, one-third of the companies in India have not conducted reviews to assess potential gaps in data integrity, viewed by drug regulators such as US Food and Drug Administration (US FDA) as an ultimate standard for the actual quality of a drug made by a company, a survey by the Fraud Investigation and Dispute Services of EY between January and March this year stated.

While import alerts and warning letters issued to some of the companies by the US FDA in recent years had raised questions over the quality standards of generics particularly in the regulated markets, the survey points out that many companies and people within the organisations do not fully understand how to deal with data issues as part of overall improvement in standards.

“Even though 87 per cent respondents signed off their understanding and compliance with GMP norms, 30 per cent of them have received inspection observations from a regulatory body over the last three years. This could raise questions on the effective implementation of GMP norms,” the report, which was launched recently, maintained.

The report is based on the responses received from over 170 respondents, mostly comprising senior executives from functions such as business management, quality, legal and compliance.

Speaking on the occasion, Ajaz S Hussain, former deputy director, office of pharmaceutical sciences of the US FDA , and adviser to EY, said focus should be on constantly improving and achieving perfection in the processes and practices associated with the manufacturing of medicines beyond any compliance requirement as human lives are at stake.

According to him, integrity of data is the foundation upon which the decisions on quality, safety and efficacy are made.

Among the other findings, 18 per cent of the respondents said that they do not have adequate staff to witness and review the manufacturing and testing of all the products independently. While 47 per cent of the respondents had whistle blowing policies and mechanisms implemented internally, for reporting any lapses to the senior management, 28 per cent indicated their organisations did not have such frameworks in place.

“This means that while a lot of the stakeholders may genuinely want to help companies by flagging any unethical acts or wrongdoing, the lack of whistle blowing mechanisms offered by the companies could force them to report the potential fraud externally,” the report said while citing an uptick in whistle blowing complaints in India over the past two years.

According to the Central Vigilance Commission, India received close to 450 complaints in just the first half of 2014, while the annual number stood at 698 in 2013.

India UK’s 3rd largest job creator in 2014

India has emerged as Britain's third biggest job creator in 2014 as the country saw a 65% increase in foreign direct investments (FDI) from here. India helped create 9,350 jobs in UK in 2014 — second only to the US (36,778 jobs) and Germany (9,727 jobs). But Germany recorded far fewer projects than that of the US, India or France.

The data was released by the UK Trade Investment Agency which shows that between 2014 and 2015, India created 7,730 new jobs and safeguarded 1,620 old jobs. In comparison, other European countries like Italy created 2,193 jobs, Spain 3,646, Switzerland 1,489, Sweden 1,382, Denmark 2,015 and Norway 440.

Australia created 4,012 jobs in UK in 2014 while Asian giants Japan and Singapore recorded 3,873 jobs and 338 jobs, respectively.

Reacting to the news, UK PM David Cameron said, "The scale of foreign investment is a huge success story which shows that Britain is the place to do business. This is a proof that our long term economic plan is working. "

The US was the single largest source of FDI projects recording 564 such initiatives — an increase of just 12% from the previous year. France was the second largest source with 124 projects — an almost 13% increase from last year.

But France stood fourth in job creation with 8,198 jobs.

Percentage increase in projects was highest from India — 65% over the previous year resulting from 122 projects making it the third largest source of FDI and the largest source of FDI from an Asian country.

Michael Boyd, managing director of UKTI, said, "Our increased focus on emerging markets in recent years is starting to pay off. India has become the third largest source market for FDI projects and more than 500 opportunities have been generated through a new, private-sector led delivery model in other emerging markets."

Just 928 households own 20% of India's private wealth

The millionaire populations in emerging economies India and China are growing both in wealth and numbers, with just 928 Indian households owning a fifth of the country's private wealth and China adding a million households to take its millionaire population to four million in 2014.

In signs of growing disparity in income distribution, a mere 928 households in India now own a fifth of the country's private wealth, according to a report by the Boston Consulting Group.

The percentage of private financial wealth those 928 households own is 20 per cent while the number of such ultra high net worth households stood at 284 in 2013, the BCG report titled 'Global Wealth 2015: Winning the Growth Game' said.

Ultra high net worth households in the country are projected to account for 24 per cent of the country's financial wealth by 2019.

India is currently behind the US (5,201), China (1,037) and the UK (1,019) in the number of such households.

Lesser millionaire households (with financial wealth of more than Rs6.2 crore) own another 36 per cent of the country's private financial wealth, up from the 33 per cent they held in 2009. This is expected to go up further to 38 per cent by 2019.

The report did not specify the number of such households in 2014 but had listed 175,000 millionaire households in 2013.

India led the growth of private wealth in the Asia-Pacific region (excluding Japan), which saw a steep 29 per cent rise in 2014 to $47 trillion (Rs2,914 lakh crore).

Over the next five years, millionaires will be owning nearly half of global private wealth, according to the BCG report.

The study found that 41 per cent of the world's wealth was in the hands millionaires in 2014 and this is now projected to rise to 46 per cent by 2019.

The total number of millionaire households grew to 17 million in 2014, from 15 million the previous year.

The US had the most number of millionaires in 2014 (seven million), followed by China (four million), which also had the highest number of new millionaires (one million). Japan stood at third with one million millionaire households.

However, Switzerland ranked the highest in terms of millionaire density - 135 out of every 1,000 of its households had private wealth greater than $1 million. Bahrain (123), Qatar (116), Singapore (107), and Kuwait (99) round out the top five.

Total global wealth grew 12 per cent last year, reaching $164 trillion - that's slightly higher than the 12 per cent growth in 2013. North America held the largest share (31 per cent) of global wealth.

Ease of Doing Business India eyeing top 30 slot in World Bank's report

World Bank team to visit India this month to assess the steps taken by the Narendra Modi govt to improve business climate. Enthused by increased foreign investment inflows, the government is planning to get India into the top 30 slot in the World Bank's Ease of Doing Business rankings. A team of World Bank officials will visit India this month to assess the steps taken by the Narendra Modi-led government to improve the business climate in the country through the Make in India campaign.

"Our target is to come at the top 30 rank of countries in the World Bank report in the next three years. We will soon release a report card on the states' preparedness on the ease of business parameters. This will be come out by July-end. We will then get a clearer picture of where India stands after the introduction of programmes like Make in India and also other steps that we have taken in terms of relaxing the regulatory environment for businesses to come in," a top official from the department of industrial policy and promotion (DIPP) told Business Standard.

The official added that West Bengal, Madhya Pradesh, Uttar Pradesh and Rajasthan are vying to achieve the parameters set by the Union. States have been handed over a questionnaire on a 90-point matrix on the steps taken by them to improve the business environment in their respective states. Based on their responses, the DIPP will be creating a final report ranking the states.

DIPP is the nodal agency for foreign direct investments into the country. It is also spearheading Modi's flagship campaign on boosting the manufacturing sector – Make In India.

The government is excited about the fact that foreign direct investment (FDI) inflows into the country grew 27 per cent to $30.93 billion in 2014-15 compared to $24.29 billion in 2013-14, according to the latest official data.

The growth mainly took place after September 24, when the Make in India programme was launched. Total FDI inflows during the October-February period in the manufacturing sector grew 45 per cent to $7 billion from $4.77 billion in the same period a year ago.

Some of the steps taken by the government are expediting FDI proposals by increasing the limit that needs government approval, faster environmental clearances, simplification of procedures through online mechanism and passing of crucial Bills through the ordinance route.

However, despite this euphoria within the government, companies feel otherwise. They believe the states need to gear up to achieve the target successfully within the stipulated time.

"While at the central level, the government has taken big strides in making the business environment more conducive, the key to realise the prime minister's vision lies in up-scaling competitiveness among states to emerge as favourite destinations for doing business in India," said Chandrajit Banerjee, director-general, Confederation of Indian Industry.

According to a CRISIL report, the government has not been able to affect a quick turnaround in the economy but has made progress in putting in place building blocks needed to raise India's potential growth. Initial steps at improving transparency, enhancing the ease of doing business, improving the efficiency of the goods and labour markets, and financial sector reforms will pave the way for higher growth over the medium run.

EU court rules in favour of Commission over India-EU FTA

Ruling comes following an appeal by Corporate Europe Observatory against the judgment of the General Court on the case. A European Union court on 4 June ruled in favour of the European Commission (EC) in a long-pending litigation against it over access to information on the proposed India-EU free trade agreement (FTA).

The litigation was filed in February 2011 by the Corporate Europe Observatory (CEO) over the limited access to the negotiating texts concerning the ongoing talks to conclude the FTA — or the India-EU broadbased Bilateral Trade and Investment Agreement, as it is called officially. CEO is a Brussels-based research and campaign group that advocates and promotes transparency in European businesses. "It's a sad day for citizens when the European Court of Justice effectively sanctions the Commission's secretive collaboration with, and for, a tiny elite of corporate lobby groups. Particularly baffling is that this ruling comes in the context of growing public pressure against the current direction of EU trade policy," CEO trade campaigner Pia Eberhardt said. Eberhardt had been spearheading the campaign for four years, after the EC refused to divulge any information on the ongoing talks.

CEO alleged the commission shared the documents concerned with European industry lobby groups such as BusinessEurope. EC had then informed CEO that the documents were highly "confidential" and "sensitive" and cannot be shared. In June 2013, CEO dragged the EC to the General Court of the EU for favouring lobby groups.

The ruling comes after CEO filed an appeal in the Court of Justice of the European Union against a judgment of the General Court on the case.

CEO said such a practice of making the documents accessible only to a selected few by EC would "not only hampers well-informed and meaningful public participation in EU trade policy-making, but also leads to a trade policy that, while catering for big business needs, is harmful to people and the environment in the EU and beyond."

Talks for concluding the India-EU BTIA started in 2007 and 15 rounds of negotiations have been held. The Narendra Modi-led government has not held any talks with the EU on the FTA, though the issue was discussed informally.

According to officials in the Ministry of Commerce and Industry, the BJP government might initiate negotiations in June. India now seemed ready to relent from its earlier position of taking massive cuts in the duties on automobiles and wines and spirits. But, in the bargain, India has demanded EU grant it "data secure nation" status.

US, Canada Japan and 3 EU countries can go 100% renewable by 2050

Stanford University scientist Mark Jacobson, who developed a 50-state road map for transforming the United States from dependence on fossil fuels to 100-per cent renewable energy by 2050, is reported to have prepared similar renewable energy roadmaps for the UK, Germany, France Italy, Canada and Japan as well.

Researchers at The Solutions Project, led by Mark Z Jacobson, have now chalked out a plan for these most industrialised countries to ease their dependence on fossil fuels and shift to 100-per cent renewable energy use by 2050, according to a report published by Zachary Shahan in cleantechnica.com. The roadmap has been prepared on the basis of a realistic study of the electricity needs of each region of these countries for the entire year and matching those with the most logical renewable energy resources in the region. In fact, the report says, The Solutions Project crew led by Mark Z Jacobson has been doing this for countries across the world.

Earlier, in April Jacobson had, at the annual meeting of the American Association for the Advancement of Science in Chicago, unveiled the plan for America going 100-per cent renewable energy consuming.
"Drastic problems require drastic and immediate solutions," said Jacobson, a professor of civil and environmental engineering. "Our new roadmap is designed to provide each state a first step toward a renewable future."

Replacing fossil fuels with clean technologies would significantly reduce carbon dioxide emissions that contribute to global warming and spare the lives of an estimated 59,000 Americans who die from exposure to air pollution annually, he had said.

In recent years, Jacobson and his colleagues have developed detailed proposals for converting the energy infrastructures of New York, California and Washington states to 100 percent wind, water and solar power by 2050.

The new plan includes an online interactive map tailored to maximise the renewable resource potential of each of the 50 states. These states can meet virtually all of their power demands (transportation, electricity, heating, etc) by 2050 by switching to a clean technology portfolio that is 55 per cent solar, 35 per cent wind (on- and offshore), 5 per cent geothermal and 4 per cent hydroelectric.

Interestingly, nuclear power, ethanol and other biofuels are not included in the proposed energy mix for any of the states.

The Solutions Project for the six countries relies heavily on wind power. Even Japan gets 28 per cent from wind power, which is comparatively cost-competitive.

The Germanplan has the country getting a large share of its energy from geothermal force.

Rooftop solar PV has limited role in almost all cases, the largest being 8 per cent in the case of Japan. However, a larger portion of its energy needs would still come from large PV plants.

Zachary Shahan has also shared seven infographics prepared under The Solutions Project for the US, the UK, Canada, France, Germany, Italy, and Japan.
