



# Europe India Chamber of Commerce

## Newsletter

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### With renewed focus on US, EU and UK, India eyes major reset of FTAs, exit fruitless deals

India is eyeing a major reset of its free trade agreements, including exiting those that have brought few tangible benefits to the country and have instead hurt domestic industry, government officials said.

“All options are on the table... There is a view that if any trade agreement has not worked out as expected, we should also look at exiting such a deal,” one official said, adding that a final call on the future strategy for such arrangements would be taken at the highest level.

Most trading arrangements have a clause for a review or exit.

There is renewed focus on trade deals with the US, the European Union and the [UK](#), which are key markets for Indian exporters and are keen to diversify their sourcing.

India opted out of the Regional Comprehensive Economic Partnership deal in November and the trading arrangement with the 15-member grouping that includes China remains off the table for now, another official said.

**New World Order**

**India for comprehensive reset of free trade agreements**

Four working groups set up after PM's review  
.....  
New Delhi could look at even exiting disadvantageous ones

**New strategy to be formulated for forging such deals**

BCCL

India could seek a review of some trading agreements including renegotiating tariffs on some items and a tightening of provisions governing country-of-origin certification.

The government has set up four working groups to assess the trade agreements holistically and frame a fresh strategy for them, taking into account the geo-political changes following the Covid-19 outbreak, which will spur investments into the country and boost exports, another official told ET.

The move follows a recent high-level meeting chaired by Prime Minister Narendra Modi.

These inter-ministerial groups that include the finance, commerce & industry and external affairs ministries will chalk out a comprehensive plan.

There has been a growing view among policymakers that FTAs signed by India have not brought the expected tangible benefits and on the contrary, have hurt the country's manufacturing sector due to liberal rules of origin.

A detailed assessment of FTAs in terms of goods, services and investment flows has been carried out both by the commerce department and the economic division of the finance ministry.

(Economic Times, 27/7/2020)

#### **Never been a better time to invest in India: PM Modi at India Ideas Summit**

Calling for more investment in India, Modi further said that it is emerging as a land of opportunities

Prime Minister Narendra Modi on Wednesday said stronger domestic economic capacities can ensure global resilience against external shocks.

"India is contributing towards a prosperous and resilient world through the clarion call of an Atmanirbhar Bharat. For that, we await your partnership," Modi said while addressing the India Ideas Summit.

The summit hosted by the US-India Business Council, marks the 45th anniversary of the formation of the council. The theme for this year's India Ideas Summit is "Building a better future".

During the last six years, we have made many efforts to make our economy more open and reform-oriented. Reforms have ensured increased 'competitiveness', enhanced 'transparency', expanded 'digitisation', greater 'innovation' and more 'policy stability', he added.

Calling for more investment in India, Modi further said, "India is emerging as a land of opportunities. Let me give you one example of the tech sector. Recently, an interesting report came out in India. It said for the first time ever, there are more rural internet users than even urban internet user." This provides opportunities in 5G, big data analytics, blockchain, IoT, he added.

PM Modi also stressed on the need for having an open economy. He said, there is global optimism towards India. It is because India offers a perfect combination of openness, opportunities and technologies.

Modi also invited investors to invest in India's rising defence sector. Highlighting the steps taken to boost production, Modi said, India has raised FDI cap to 74% and has built two defence corridors to encourage production of defence equipment.

PM Modi also invited US companies to invest in India's healthcare, infrastructure, energy, farm and insurance sectors, saying the country offers openness, opportunities and options for investments.

He also pitched for a more human-centric approach to build a better global future. He said, the world is in need for a better future and all of us will have to collectively give shape to the future.

The summit took place in the wake of rising coronavirus cases in both India and US and India's border border faceoff with China in Ladakh. Reports by Business Standard showed how the Chinese have continued deployment of 40,000 troops in Eastern Ladakh sector and are also not honouring their commitment for disengagement at the friction points in Eastern Ladakh.

Mike Pompeo, US Secretary of State, on Wednesday expressed grief over deaths of 20 Indian Army men during the India-China border clash. He further said Chinese Communist Party is a common threat to both countries and it is important for democracies like India and US to work together. While welcoming India's move to ban 59 Chinese apps, Pompeo announced that the US will look to reduce its medicine imports from China.

"We're the oldest and most prosperous democracies in the world, and it is important that democracies like ours work together. India is a rising US defence and security partner in the Indo-Pacific."

He also said, India is a rising defence and security partner of the US in the Indo-Pacific region and have invited PM Modi to the next G7 summit.

Dr S Jaishankar, External Affairs Minister, at the Summit on Wednesday said, pitched for a stronger US-India ties. The minister said, "US has to learn to work in a more multipolar world, with more plurilateral relationship, and go beyond the alliances of the last two generations."

He said there are some issues where our convergence is more, somewhere it could be less. But, in the last 20 years, the quest has been to find common ground between the two countries.

Aiming for a stronger India-US bond, Jaishankar further said, "Between India and the US, while we work through trade issues we need to think bigger". He said, both countries need to go beyond trade and while strengthening bilateral relationship, India and the US can shape the global agenda.

"I understand the centrality of the economic relations....These are bread and butter issues. These are really what make countries deal with each other. But I think, between India and the US, while we work through trade issues, we need to think bigger," he said.

India is wooing American companies with their manufacturing base in China, which has come under international scrutiny for its handling of the coronavirus outbreak.

India and the United States are closing in on a trade deal, Commerce Minister Piyush Goyal said on Tuesday, after two years of negotiations. "In the long term, I believe we have a quick trade deal which has some of the pending matters built up over the last couple of years, which we need to get out of the way quickly.

We are almost there," Goyal said at the summit through videoconferencing.

Finance Minister Nirmala Sitharaman said green shoots were visible in the economy and agriculture was driving growth. "We have kept all options necessary absolutely open. The government is willing to participate, talk to everybody and see what best has to be done. Interventions can happen even in future, depending on how industry responds to us," Sitharaman said.

(Business Standard, 22/7/2020)

### **PM Modi calls for 'broad-based' ties with EU, laments weakening of rule-based global order**

Outlining current global challenges at the India-EU Summit, Modi lamented the fact that the rules-based international order has come under pressure, in a subtle hint that several countries are getting more protectionist.

PM pointed out that India and the EU are natural partners in ensuring peace and stability in the world and this assumes more importance in the current context

Prime Minister Narendra Modi on Wednesday called for further bolstering of ties with the EU, cutting across several areas of mutual interests, including trade, investment and climate change.

Outlining current global challenges at the India-EU Summit, Modi lamented the fact that the rules-based international order has come under pressure, in a subtle hint that several countries are getting more protectionist. The summit comes in the midst of China's now-deescalating border friction with India.

India and the EU are setting up a high-level dialogue on trade and investments, including on all market and trade issues and supply chain dynamics. The two sides have expressed their commitment for a mutually balanced and favourable trade and investment agreement.

The Covid-19 crisis has thrown up multiple and complex economic problems in the world, Modi said, adding that like the EU, he too, is in favour of a deeper and broad-based relationship with the 27-member bloc. He called for India and the EU to work on an action-oriented agenda with a fixed timeframe for implementation towards this objective.

Identifying the imperative of concerted India-EU action to combat climate change which poses a long-term challenge, Modi said he welcomes EU investments and technology in India's push towards renewable energy.

PM pointed out that India and the EU are natural partners in ensuring peace and stability in the world and this assumes more importance in the current context. Shared values of pluralism, multilateralism, freedom and transparency are an asset in this partnership, he asserted.

In his opening remarks, president of the European Council Charles Michel said that India and the EU are partners in trade and investment and this summit is an opportunity to find ways to build on and create a stable and structured partnership.

The Indian delegation at the summit was led by Modi while the European side was led by Michel and the president of the European Commission Ursula von der Leyen.

The summit comes after a gap of almost three years since the 14th India-EU Summit held on October 6, 2017, in New Delhi. There is a new leadership in EU Council and Commission which holds promise of setting a long-term perspective to develop relations in a challenging global environment.

Meanwhile, after 16 rounds of talks between 2007 and 2013, negotiations for an India-EU FTA were stuck due to differences over the bloc's demand for a sharp cut in tariffs on auto parts and wine by New Delhi, among others. Both the sides, however, were trying to revive the trade talks earlier this year when the Covid-19 hit, forcing authorities to shift focus to tackling the pandemic.

The EU is of great strategic importance to India and was New Delhi's largest trading partner (as a bloc) in 2018. India's bilateral trade with the EU in 2018-19 stood at \$115.6 billion with exports valued at \$57.17 billion and imports worth \$58.42 billion. Trade in services was valued at \$40 billion, with India enjoying a slight surplus.

(Financial Express, 16/7/2020)

### **PM Modi woos global cos, cites green shoots in economy**

While addressing the India Global Week 2020, Prime Minister Narendra Modi said that India remains one of the most open economies in the world. Modi also said that there are many possibilities and opportunities in various sunrise sectors in India.

Prime Minister Narendra Modi invited global companies to set up businesses in India, listing various reforms and 'green shoots' of recovery that provide attractive investment avenues and highlighting defence and space among the sectors that offer new economic opportunities.

"We are laying out the red carpet for all global companies to come and establish their presence in India," Modi said at an event, India Global Week 2020. "Very few countries will offer the kind of opportunities that India does today."

The PM said India is already seeing green shoots in the economy and the country is "ready to do whatever it can do to further global good and prosperity." He said even during the pandemic, the government had undertaken structural reforms that will improve the economy in the longer run.

"On the one hand, India is fighting a strong battle against the global pandemic. With an increased focus on people's health, we are equally focused on the health of the economy," Modi told business leaders in a pre-recorded speech at the event organised by a UK-based media company.

He emphasised that foreign direct investment rules in India's defence and space sectors had been relaxed. "One of the world's biggest militaries invites you to come and make products for it," Modi said.

He said there are opportunities to use space technology for the benefit of the people.

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Editor: **Secretary General**

“There is a market of millions of digitally empowered, aspirational people. Imagine the kind of products you can make for them,” Modi said, mentioning the reforms for the micro, small and medium enterprises and the agriculture sector under the Atmanirbhar Bharat package. “A booming MSME sector will also complement big industry,” he said.

Modi said the pandemic has shown that India’s pharmaceutical industry is an asset not just for the country but for the entire world and would play a role in development and production of a Covid-19 vaccine.

“I am certain that India will have an important role in developing and in scaling-up production of the vaccine once it is discovered,” he said. Speaking about the idea of Atmanirbhar Bharat, Modi said he hopes to merge domestic production and consumption with global supply chains. “It’s not about self-containing, but about self-sustaining and self-generating,” he said, reiterating that India is open for foreign business. Modi also talked about the government’s efforts to help the needy to recover from the lockdown, which had axed innumerable livelihoods overnight.

“Our relief packages were targeted to provide the most-poor with the most help,” he said, adding that technology helped to ensure that every penny reached the intended beneficiary directly.

(Economic Times, 9/7/2020)

### **Mining, FDI reforms in the offing, says Piyush Goyal**

Commerce and industry minister Piyush Goyal on Saturday said the government is working on reforms in the mining sector and attracting foreign direct investment (FDI) in sectors where it is constrained at present.

“There are further reforms in mining and FDI in certain sectors where it is constrained. We will simplify processes and make it easier to do business here,” he said at the India Global Week event.

FDI into India rose 13% to a record \$49.97 billion in FY20 from \$44.36 billion a year earlier.

“A new industrial policy and forest policy are being planned. We are looking at banking sector and capital market reforms,” he said, adding that the government is working on 100% electrification of the railways.

“By 2030, we hope the railways will be net zero emission. The railways is bidding out £400 billion of projects in the public-private partnership (PPP) mode in the next 12 years,” he said.

As per the minister, the government is relooking all projects in terms of the post-Covid world and there would be cost cutting.

The costing of projects including the Mumbai-Ahmedabad bullet train have been impacted by the pandemic.

Growth revival

Goyal said there are a number of indicators where economic activity has shown quick ramp-up.

“We will be able to recoup very quickly. We will be able to bring the economy back to last year’s level in 3-4 months with rapid growth,” he said.

Explaining that there has been a 5-6% degrowth in world economy and similarly in India, he said the first quarter was “pretty bad considering the strict lockdown” but India has demonstrated the ability to bounce back and its resilience.

#### Trade pacts

India can do an immediate preferential trade agreement (PTA) with the UK and EU with the long term goal of a free trade agreement (FTA), Goyal said.

“We can come on terms for the first 25-50 items. We will negotiate with no preconceived notions, no red lines. An early harvest with the UK can be done if they are willing to,” Goyal said at the India Global Week event.

Stating that India can give many products to the UK such as textiles and leather, he said: “The UK can supply us with high quality cameras, automobiles and even spirits. I am coming for negotiation with an open mind”.

Similarly, India is in talks with the EU after years of stalemate and an early harvest PTA could be done in the short run with the long term goal of an FTA.

Goyal said India is committed to fair trade on the basis of reciprocity.

On the issue of India banning Chinese apps, he said it is a security concern and companies have been asked to furnish certain details.

(Economic Times, 12/7/2020)

#### **India may see first monthly trade surplus in 18 years**

India may register its first monthly trade surplus in over 18 years in June as the pace of contraction of exports is estimated to have slowed down to around 12%, while imports are seen to have fallen almost 49% during the month.

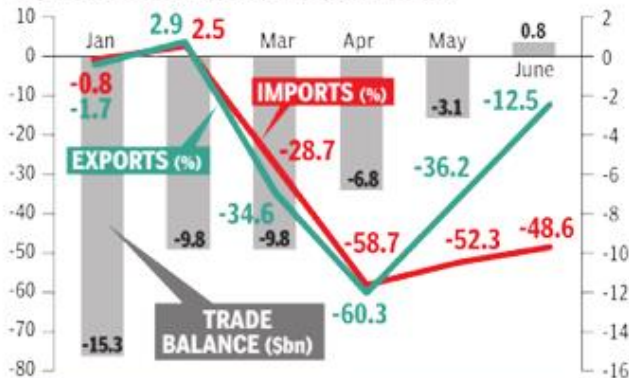
Initial estimates for June, available with the commerce department, show a trade surplus of around \$786 million, with imports pegged at \$21.1 billion and exports at \$21.9 billion. The last time India had a positive balance on the trade account was in January 2002 when it had a surplus of \$10 million with exports of \$4.3 billion.

On Friday, commerce and industry minister Piyush Goyal had said that exports in June 2020 had touched 88% of June 2019 level due to unlocking of the economy and resumption of activity. The latest numbers, which will be officially released on July 15, indicated that the pace of export contraction has moderated as industries opened up (see graphic).

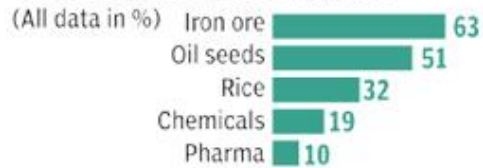


## RECOVERY IN SIGHT?

### Exports show signs of improvement



### What helped improve exports



### Why are imports lagging



### WILL IT BE A V-SHAPED RECOVERY?



Source: Govt, RBI, IHS Markit, GSTN, CMIE

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Policy makers, however, said that the overall pace will pick up as there is greater unlocking. Even now, given the fast growth in the number of Covid-19 cases, businesses are not fully open and discretionary spending has remained weak due to the adverse sentiment. Several sectors, including iron ore, which may have gone to China, food products such as rice, other cereals, fruits and vegetables and oil seeds reported healthy growth, the initial data shared by customs authorities showed.

But imports remain an area of concern, as it is a barometer of overall economic activity. The initial numbers suggest that the sharp decline in imports was led by gold, silver and precious & semi-precious stones, which are also linked to exports. During crises, demand for jewellery drops significantly as people look to conserve cash. Similarly, the value of oil imports was down over 55% due to a fall in global crude prices.

Imports related to the textiles sector — including cotton, fabric and made-ups — are also down sharply along with transport equipment, chemicals, iron & steel, machine tools and electronics, indicating a slump in economic activity. Some of it may also have had to do with customs going slow on clearances at ports towards the end of the month.

(Times of India, 6/7/2020)

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Editor: **Secretary General**



### **Global economy to contract by 5.2 per cent in 2020 as coronavirus continues to spread: Report**

According to Dun and Bradstreet's Country Risk and Global Outlook Report, that covered 132 countries, the wider global context remains sombre and the global economy will not reach pre-pandemic levels of activity again before 2022.

The global economy is likely to contract by 5.2 per cent in 2020 with the coronavirus still spreading and the economic prospects of countries across the world looking muted, says a report.

According to Dun and Bradstreet's Country Risk and Global Outlook Report, that covered 132 countries, the wider global context remains sombre and the global economy will not reach pre-pandemic levels of activity again before 2022.

"D&B is currently forecasting that the global economy will contract by 5.2 per cent in 2020 – the biggest decline since the Second World War and a far stronger contraction than the 1.7 per cent recorded in 2009 during the global financial crisis," the report said.

The Asia Pacific region is unlikely to shake off the economic effects before the end of 2020, it added.

"Widespread quantitative easing means that financial asset prices globally are not reflecting the shock to fundamentals. But with many countries easing their lockdowns, a more varied picture of upgrades and downgrades has emerged," Dun & Bradstreet Chief Economist Arun Singh said.

Singh further noted that "worryingly, a sharp recession is still forecast, and we expect that the world economy will not attain pre-pandemic levels of activity before 2022."

The report said any recovery into 2021 (even without a second bout of the pandemic) is going to be curtailed by several factors. Foremost will be the presence of degrees of social distancing (despite the easing of lockdowns) and higher levels of post-lockdown unemployment and poverty.

Meanwhile, the number of cases around the world linked to COVID-19 has crossed 1.18 crore and the death toll has topped 5.44 lakh. In India, the death toll due to the disease rose to 20,642 and the number of infections increased to 7,42,417 on Wednesday.

Singh further said India's economy is expected to contract this fiscal year after four decades of positive growth.

"In March, we downgraded India's rating to DB5c from DB4d – both the magnitude of the downgrade and the risk level are the highest since 1994," Singh noted.

DB5 means high risk and denotes that "considerable uncertainty is associated with expected returns. Businesses are advised to limit their exposure and/or select high risk transactions only."

Dun & Bradstreet's Country Risk Indicator provides a comparative, cross-border assessment of the risk of doing business in a country. The risk indicator is divided into seven bands, ranging from DB1 to DB7, with DB1 being lowest risk.

Each band is subdivided into quartiles (a-d), with 'a' representing slightly less risk than 'b' (and so on). Only the DB7 indicator is not divided into quartiles.

(Financial Express, 9/7/2020)

### **FTAs with EU, US, UK, Australia, Canada to help double apparel exports in 3 years: AEPC**

In a letter to Prime Minister Narendra Modi, Apparel Export Promotion Council of India (AEPC) Chairman A Sakthivel said that the industry has been very badly impacted in India's principal export markets of the US, UK and Europe due to the COVID-19 pandemic

Implementation of free trade agreements with the US, UK, European Union, Australia and Canada would double apparel exports from the country in three years, AEPC said on Monday. In a letter to Prime Minister Narendra Modi, Apparel Export Promotion Council of India (AEPC) Chairman A Sakthivel said that the industry has been very badly impacted in India's principal export markets of the US, UK and Europe due to the COVID-19 pandemic, and free trade agreements (FTAs) with these regions would give a significant boost to the sector.

Although the government is taking steps to revive exports, "an important area that can supplement your efforts in this direction is improving export competitiveness through a comprehensive review of India's trade agreements through a fast-tracked mechanism with the EU, UK, US, Australia and Canada", he said in the letter.

Sakthivel said currently Indian industry has a duty disadvantage of 9.6 per cent in the EU market as compared with competitors like Bangladesh, Cambodia, Sri Lanka and Pakistan. Recently, Vietnam also concluded an FTA with the EU, and most competitors are leveraging such FTAs in a big way to enhance their cost competitiveness, he said.

"There is an urgent need to have a level playing field in terms of market access and margin of preference in our biggest global market and to rectify the distortion that we are suffering," he said .

Sakthivel added that an agreement with the US will have a significant impact on India's apparel exports to America as the average tariff in the US is 12.5 per cent, and the peak tariff on certain items like man-made fibre based apparel, which India is promoting, is 28 per cent.

The US is India's major destination for apparel exports with over 27 per cent share. The council also pleaded for a comprehensive economic partnership agreement with Canada and Australia.

"Canada was earlier a very large market for India. We lost a substantial share of our exports because our competitors entered into trade agreements with Canada. With an FTA in place, we will be able to easily recapture the lost ground," he said, adding that with these measures India will be able to increase its exports two-fold over the next three years.

India is negotiating FTAs separately with the EU, Australia, and Canada, and a limited trade pact is under talks with the US.

(Financial Express, 14/7/2020)

### **US remains India's top trading partner in 2019-20**

According to the data of the commerce ministry, in 2019-20, the bilateral trade between the US and India stood at USD 88.75 billion as against USD 87.96 billion in 2018-19.

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Editor: **Secretary General**

The US remained India's top trading partner for the second consecutive fiscal in 2019-20, which shows increasing economic ties between the two countries.

According to the data of the commerce ministry, in 2019-20, the bilateral trade between the US and India stood at USD 88.75 billion as against USD 87.96 billion in 2018-19.

The US is one of the few countries with which India has a trade surplus. The trade gap between the countries has increased to USD 17.42 billion in 2019-20 from USD 16.86 billion in 2018-19, the data showed.

In 2018-19, the US first surpassed China to become India's top trading partner.

The bilateral trade between India and China has dipped to USD 81.87 billion in 2019-20 from USD 87.08 billion in 2018-19. Trade deficit between the two neighbours have declined to USD 48.66 billion in 2019-20 from USD 53.57 billion in the previous fiscal.

The data also showed that China was India's top trading partner since 2013-14 till 2017-18. Before China, UAE was the country's largest trading nation.

India is also considering certain steps like framing technical regulations and quality control orders for host of items with a view to cut import dependence on China and boost domestic manufacturing.

Trade experts believe that the trend of widening trade ties between New Delhi and Washington will continue in the coming years also as both the sides are engaged in further deepening the economic ties.

Presence of Indian diaspora in the US is one of the main reasons for increasing bilateral trade, Biswajit Dhar, professor of economics at Jawaharlal Nehru University, said.

"Presence of Indian diaspora is creating demand for Indian goods such as consumer items and we are supplying that. A balanced trade deal will further boost the economic ties," Dhar said.

India and the US are negotiating a limited trade pact with a view to iron out differences at trade front and boost commercial ties.

Professor at Indian Institute of Foreign Trade (IIFT) Rakesh Mohan Joshi said that although the trade pact will be mutually beneficial for both the countries, India should be a bit cautious while negotiating the pact with the US in areas such as agriculture, dairy and issues related intellectual property rights.

Ludhiana-based Hand Tools Association President Subhash Chander Ralhan said there is huge potential to boost bilateral trade between the countries on account of increasing anti-China sentiment in both the nations.

"Because of the anti-China sentiment, several US companies are exploring news suppliers in countries like India to cut dependence on China and if it will happen, then it will greatly help India to boost exports to the US," Ralhan said.

India is seeking relaxation in US visa regime, exemption from high duties imposed by the US on certain steel and aluminium products, and greater market access for its products from sectors such as agriculture, automobile, automobile components and engineering.

On the other hand, the US wants greater market access for its farm and manufacturing products, dairy items, medical devices, and data localisation, apart from cut on import duties on some information and communication technology products.

(Financial Express, 13/7/2020)

### **US FDI to India crosses USD 40 bn: US-India Strategic and Partnership Forum**

The Foreign Direct Investment (FDI) from the US to India has crossed the USD 40 billion mark so far this year, reflecting the growing confidence of American companies in the country, the head of an India-centric business advocacy group has said.

The American companies, during the COVID-19 pandemic, which has battered the world economy, have shown a great confidence in India and its leadership, said Mukesh Aghi, president of the US-India Strategic and Partnership Forum (USISPF), which keeps a track of the major US FDIs in India.

"Year to date investment from the US, including the recent ones, is over USD 40 billion," Aghi said.

In recent weeks alone, the announcement of the FDI into India has been over USD 20 billion, he said, referring to the announcements made by some of the top companies like Google, Facebook and Walmart.

"Investors' confidence in India is high. India still remains a very promising market for the global investors. If you look at the USD 20 billion... not just the US, but (investment) has also come from other geographies such as the Middle East and the Far East.

"So, India still remains a very, very bullish market for the investor community," Aghi said in response to a question.

The USISPF has been working with New Delhi to bring in FDI into India... playing a key role in encouraging American companies planning to move their bases out of China, he said, adding that the move was going on in the last three years of the Trump administration, but gained momentum during the coronavirus pandemic.

"We feel that Prime Minister (Narendra Modi's) intention is very high. The challenges lie on the execution side. Efforts are being made to encourage manufacturing... I've never seen it so better. The policy framework is moving in the right direction," he said.

Early this week, Larry Kudlow, the White House Economic Advisor, told reporters that the US tech giants like Google and Facebook announcing big investments in India shows that people are losing trust in China and India is emerging as a big competitor.

At the same time, he rued that India continues to be a protectionist country.

"The question is how do you define protectionism... the administration here is saying America first and India is saying vocal for local...," Aghi added.

(Economic Times, 18/7/2020)

### **58 Indian-origin executives employ over 3.6 million globally, account for \$1 trillion in revenue**

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Editor: **Secretary General**

Indian-origin business leaders are reaching the pinnacle of corporate success in greater numbers than ever, many use their platforms for social change advocacy, said Indiaspora, a nonprofit organisation of global Indian diaspora leaders from various backgrounds and professions.

A group of 58 Indian-origin executives heading various companies across 11 different countries, including the US, Canada and Singapore, collectively employ more than 3.6 million people and account for a combined USD 1 trillion in revenue, USD 4 trillion in market capitalisation, according to a list released by a US-based top Indian diaspora organisation.

Indian-origin business leaders are reaching the pinnacle of corporate success in greater numbers than ever, many use their platforms for social change advocacy, said Indiaspora, a nonprofit organisation of global Indian diaspora leaders from various backgrounds and professions.

The Indiaspora Business Leaders List of 58 executives head companies headquartered across 11 different countries, including the US, Canada, England, and Singapore and these companies have delivered annualised returns of 23 per cent during the tenure of these executives, outperforming the S&P 500 by 10 per cent.

These companies collectively employ more than 3.6 million worldwide and account for a combined USD 1 trillion in revenue and USD 4 trillion in market capitalisation.

"We wanted to capture this incredible feat that our community is achieving with increasing numbers," said Indiaspora founder MR Rangaswami, a Silicon Valley-based entrepreneur and investor.

"The impact that the Indian diaspora is having in the realm of business is remarkable. It's one of the reasons we launched this project, and we hope our lists will continue to raise the profile of those who have reached the very top of their fields while also serving as agents for positive change," Rangaswami said.

The stereotype of the Indian CEO is someone who represents the tech sector, but this list of 58 CEOs dispels that myth, he said, adding that these leaders represent many different sectors, including banking, electronics, consumer goods, and consulting. Releasing the list during a virtual press conference, Rangaswami said that these executives are as young as 37, all the way to age 74 with the median age of these executives being 54.

During this coronavirus pandemic, these companies have made lots of humanitarian aid contributions, and also, they're taking care of their employees, their customers, their supply chain. "So these companies are doing a lot to respond to COVID-19," Rangaswami said.

Many of the executives on the list have taken an active position on issues like Black Lives Matter in making sure that they also stand along with the black community in terms of getting racial equality and racial justice, he said. The list of Indian-origin CEOs includes immigrants from India as well as professionals born in countries such as Uganda, Ethiopia, England, and the US.

"I'm amazed to see how far we've come in terms of representation in business," said Raj Gupta, former CEO of Fortune 300 company Rohm and Haas, and one of the first executives of the Indian diaspora to join the ranks of corporate leadership along with pioneers such as Indra Nooyi of PepsiCo and Dinesh Paliwal of Harman International.

"There used to be only a handful of us leading corporations. Now that we are reaching prominence, I am eager to see how the next generation leaves its own legacy," said Gupta, an Indiaspora member, who serves as Chairman of two companies on the Business Leaders List, Aptiv and Avantor.

"It's inspiring to see so many leaders of Indian heritage playing a significant role in business and in society," said Ajay Banga, President and CEO of Mastercard.

"Our culture and our values are a common starting point. But it's what we do with the opportunities presented to us that make a difference. When we lean into our diverse experiences to deal with challenges like the pandemic or racial injustice, we can have an even greater impact on the lives of those around us," he said.

Indiaspora said that many of these diaspora executives have led their companies in advancing social change by addressing racial injustice, climate and sustainability justice, and the disproportionate effects of COVID-19 through policy and financial commitments.

Tech industry leader Sundar Pichai, CEO of Alphabet, has announced new goals for racial equity, including improving leadership representation of underrepresented groups at Google, and an economic opportunity package for the Black community.

Many of the leaders' companies have created or contributed funds in response to COVID-19, with monetary and humanitarian aid totalling more than USD 400 million, Indiaspora said.

The Indiaspora Business Leaders List also calls attention to the presence of a glass ceiling that women, including Indian women, still face. Out of 1,000 companies represented on the Fortune 500 list, only 61 have women CEOs; the Indiaspora List has a marginally higher percentage of women, yet includes only five women out of the 58 leaders.

"It's an honour to join so many outstanding leaders on this year's Indiaspora Business Leaders list, each of whom is making a meaningful impact within their industry," said Reshma Kewalramani, MD, CEO and President of Vertex Pharmaceuticals.

"As a physician and CEO dedicated to creating transformative medicines that improve the lives of people with serious diseases, I believe deeply in the critical role a diverse and inclusive culture plays in being able to achieve that mission at Vertex," she said.

(PTI, 9/7/2020)

### **Seven Indian pharma players race to develop Covid-19 vaccine**

At least seven Indian pharma companies are working to develop a vaccine against coronavirus as they join global efforts to find a preventive to check the spread of the deadly virus that has already infected more than 14 million globally.

Bharat Biotech, Serum Institute, Zydus Cadila, Panacea Biotec, Indian Immunologicals, Mynvax and Biological E are among the domestic pharma firms working on the coronavirus vaccines in India.

Vaccines normally require years of testing and additional time to produce at scale, but scientists are hoping to develop a coronavirus vaccine within months because of the pandemic.

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Editor: **Secretary General**



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Bharat Biotech has received approval to conduct phase I and II clinical trial for its vaccine candidate Covaxin, that has been developed and manufactured in the company's facility in Hyderabad. It last week started human clinical trials.

Leading vaccine major Serum Institute of India has said that it is hoping to develop a Covid-19 vaccine by the year-end.

"At present, we are working on the AstraZeneca Oxford vaccine which is undergoing phase III clinical trials. In addition to this, we will also start human trials in India in August 2020. Based on the current situation and most recent updates on the clinical trials, we are hoping that the AstraZeneca Oxford vaccine will be available towards the end of this year," Serum Institute of India CEO Adar Poonawalla told PTI.

The company is also developing a live attenuated vaccine with US-based biotech firm Codagenix, which is undergoing pre-clinical trials, he added.

"Apart from AstraZeneca Oxford vaccine and Codagenix, we have associated with multiple institutions worldwide as manufacturing partners for vaccine candidates that are being developed. These include Austria's Themis along with two others," Poonawalla said.

On the partnership with AstraZeneca, Poonawalla said: "Serum Institute of India has entered a manufacturing partnership with AstraZeneca to produce and supply 1 billion doses of the Covid-19 vaccine being developed by Oxford University."

These vaccines will be for India and middle and low income countries across the world (GAVI countries), he added.

Pharma major Zydus Cadila has said that it is looking to complete clinical trials of its Covid-19 vaccine candidate ZyCoV-D in seven months.

The company had last week started clinical trials of its Covid-19 vaccine candidate with the first human dosing.

Depending on the study outcomes and if the data is encouraging and the vaccine is found to be effective during the trials, it could take a total of seven months for the trials to be completed and for the vaccine to be launched, Zydus Cadila Chairman Pankaj R Patel said in a statement.

Hyderabad-based Bharat Biotech last week started human trials of its vaccine Covaxin at Rohtak's Post-Graduate Institute of Medical Sciences.

The phase I and II clinical trials of the vaccine for SARS-CoV-2 by Bharat Biotech have been approved by the Indian drug regulator after pre-clinical studies demonstrated safety and immune response.

The company has developed the vaccine in collaboration with the Indian Council of Medical Research (ICMR) and the National Institute of Virology (NIV).

Panacea Biotec in June said that it was setting up a joint venture firm in Ireland with US-based Refana Inc to develop a vaccine for Covid-19.

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Editor: **Secretary General**

The company in partnership with Refana aims to manufacture over 500 million doses of Covid-19 candidate vaccine, with over 40 million doses expected to be available for delivery early next year, Panacea Biotec had said.

Indian Immunologicals, a subsidiary of National Dairy Development Board (NDDB), has inked an agreement with Australia's Griffith University to develop a vaccine for coronavirus.

Others like Mynvax and Biological E are also working to develop vaccines for Covid-19.

Vaccines typically provide the immune system with harmless copies of an antigen: a portion of the surface of a bacterium or virus that the immune system recognises as foreign. A vaccine may also provide a non-active version of a toxin – a poison produced by a bacterium – so that the body can devise a defence against it. They must follow higher safety standards than other drugs because they are given to millions of healthy people.

Vaccine testing is a four-stage process - pre-clinical testing on animals, phase I clinical testing on a small group of people to determine its safety and to learn more about the immune response it provokes, phase II trials are expanded safety trials, and phase III testing is done by administering it to thousands of people to confirm its efficacy.

Globally, the World Health Organisation (WHO) is tracking around 140 candidates vaccines, of which around two dozen are in various phases of human clinical trials.

Chinese company Sinovac Biotech is moving into phase III trials in Brazil while University of Oxford/AstraZeneca is in a combine phase II/III trial in the UK and has recently gone into phase III trials in South Africa and Brazil.

US-based Moderna expects to start phase III trials of its vaccine candidate this month.

(Times of India, 19/7/2020)

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