

## Key events that will shape India's trade outlook in 2023

The year 2022 was a landmark year for India's trade and industry as the country implemented a comprehensive trade agreement with its third largest trade partner UAE and also concluded trade agreement with Australia. During the year, India has also formally re-launched negotiation for trade agreements with European Union, which is also among the top three trade partner of India. Another landmark event, Government of India has amended Foreign Trade Policy to allow invoicing, payment and settlement of exports and imports in Indian rupees.

The next year is expected to be yet another eventful year for India's international trade as several high profile events are lined up that will shape India's commercial engagement with our prominent trade partners.

India has secured broad and deep commitments from Australia in service sectors where India has competitive advantage, some of which are software and business services, healthcare, education and audio visual. In future, India is planning to seek liberal trade rules for services sector in its ongoing trade negotiations with the UK, Canada, the EU and Israel.

The progress of India-Canada trade agreement will be keenly awaited as both the countries agreed to implement an Early Progress Trade Agreement or interim agreement, under which both the countries will liberalise restrictions on trade in a select list of goods and services based on mutual competitiveness. Under this agreement, both the countries are also negotiating trade facilitation measures for small and medium sized enterprises and promote gender inclusive trading system.

USA is among the top three trade partners of India and hence the upcoming, 13<sup>th</sup> Ministerial Trade Policy Forum (TPF) between both the countries will be closely watched by industry stakeholders. This annual forum, which was re-launched in 2021 after a gap of four years, focuses on mutual cooperation to promoting trade in agriculture, manufacturing and services sectors. The forum also discusses ways to align the investment and intellectual property rights (IPR) policies of both the countries.

Another development that will be closely watched is India's role in shaping cooperation among the 14 participating countries of the Indo-Pacific Economic Framework (IPEF). This global alliance was launched in May 2022 to promote cooperation among member countries in areas such as strengthening supply chain, climate finance, promoting rule-based trade system, capacity building and other economic areas. India has agreed to be part of the three pillars of this alliance, viz. Supply Chains, Clean Economy and Fair Economy.

The outcome of the series of meetings lined up for the ongoing India's presidency of the multilateral forum G20 will also be keenly watched. Specifically, the Business 20 (B20) forum, which is a dialogue mechanism for industry leaders of the G20 countries, will discuss issues related to global trade, investment and global value chains. The Inception meeting of B20 forum will be held in Gujarat during January 22-24, 2023.

The year 2023 will be closely watched for all these events and most importantly for the much-awaited foreign trade policy, as the current policy is extended upto March 2023. Finally, the evolution of the ongoing geopolitical tension in Europe and the economic performance of western countries amidst monetary policy tightening will have bearing on India's trade performance in the coming months.

## Notifications

### Press Information Bureau

Outcome of 48<sup>th</sup> GST Council Meeting

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1884399>

MSME Champions Scheme

<https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=1883732>

Support for plastics industry

<https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=1883733>

Loans under PMEGP

<https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=1882673>

Women entrepreneurs registered under Udyam Sakhi

<https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=1882672>

Foreign Investment in MSME sector

<https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=1882671>

### CBIC

Exchange rate notification

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2022/cs-nt2022/csnt109-2022.pdf>

Revised tariff value

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2022/cs-nt2022/csnt108-2022.pdf>

Notification on Kakrawah Land Customs Station

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2022/cs-nt2022/csnt107-2022.pdf>

## DGFT

Shea nut and shea butter excluded from Appendix 4J of Handbook of Procedures

<https://content.dgft.gov.in/Website/dgftprod/727f910b-5b7a-4a5d-8580-73708fa4c1dd/PN%20no.%2043%20dt%2012.12.2022-Eng.pdf>