

CUTS CITEE IN ACTION

OCTOBER-DECEMBER 2022



EVENT

The Trade Policy that India Needs

CUTS International organised two Roundtables on 'The Trade Policy that India Needs' on October 14 and November 17, 2022, respectively. Many eminent economists and trade policy experts took part in the deliberations.

First Roundtable

The virtual roundtable saw many distinguished experts laying out the concrete steps required for Indian trade policy reform. "Trade is a launchpad for the development of the domestic economy," said former Commerce & Industry Minister Suresh Prabhu in his keynote address.

Naushad Forbes, Co-Chairman, Forbes Marshall, stated that India's economic history makes a robust case for free trade. He said that India should seek to join more Free Trade Agreements (FTAs), while learning from its experiences with past FTAs.

Montek Singh Ahluwalia, former Deputy Chairman of the Planning Commission of India, highlighted the need for a clear tariff policy, supported by an exchange rate policy, to help realise more significant trade. He suggested that India should be open to deeper behind-the-border integration, which is a part of newer FTAs.



Second Roundtable

The second virtual roundtable saw experts further deliberate on the direction in which India's trade policy should move. "India needs a trade policy which can increase its share of world trade, propel economic growth at home, and promote GVC integration. Our task is to provide concrete policy recommendations which can help achieve these objectives", said Pradeep S Mehta, Secretary General, CUTS, who moderated the session.

Many speakers, such as Ajit Ranade, Vice Chancellor, Gokhale Institute of Politics and Economics, rued the missed opportunities by India not signing on to the Regional Comprehensive Economic Partnership (RCEP) agreement.

The discussion raised various other vital aspects, such as the need for greater conversations between the industry and trade experts to ensure a frank exchange of views and positions on trade policy matters.

<https://cuts-citee.org/roundtable-on-the-trade-policy-india-needs-the-debate/>
<https://cuts-citee.org/2nd-roundtable-on-the-trade-policy-india-needs/>



Panel Discussion on Civil Society Perspectives on Food Security

CUTS International organised a hybrid Panel Discussion entitled 'Civil Society Perspectives on Food Security: Taking Policies from Glass-fronts to Grassroots' at the South Asia International Economic Law Network (SAIELN)'s Third Biennial Conference on Food Security and International Law: Critical and Interdisciplinary Perspectives, in Kochi on December 20, 2022.

The hybrid session organised at the National University of Advanced Legal Studies, Kochi, had panellists who shared their experiences and the pioneering works of their organisations in grassroots agriculture. The panel was moderated by Veena Vidyadharan, Fellow, CUTS International, who noted in her introductory remarks the multi-dimensional nature of food security, and how civil society organisations (CSOs) have a significant role to play in many of these aspects.



Leila Choukroune, Director of the University of Portsmouth Thematic Area in Democratic Citizenship, was the session's co-chair. The other speakers were: Chatura Rodrigo, Founder, Green Space Consultancies, Gampaha, Sri Lanka; D. Dhanuraj, Chairman, Board of Trustees, Centre for Public Policy Research, Kerala; Mansi Shah, Programme Manager for the Future of Work Activities, Self Employed Women's Association (SEWA), Ahmedabad; Nitya S. Ghotge, Executive Secretary, Anthra, Pune; and P.V. Satheesh, Director, Deccan Development Society, Millet Sisters Network, Medak, Telangana.

Satheesh spoke about his experience working with women farmers to renew degraded, marginal lands to grow food familiar to the local population in Telangana – millets. In contrast, Chatura Rodrigo gave an overview of Sri Lanka's food crisis and its complicated relationship with organic farming. Mansi Shah narrated the experience of marginal women farmers and emphasised the need to focus on local produce and decentralised administration for a more robust agricultural economy.

The interactive discussion touched upon points such as the challenges and prospects of organic farming and of schemes such as GOBARdhan, issues relating to technology and access to the public distribution system, and the extent to which FTAs and Bilateral Investment Treaties (BITs) should start dealing with granular details touching upon these aspects.

<https://cuts-citee.org/cuts-panel-discussion-on-civil-society-perspectives-on-food-security/>



DISCUSSION PAPER

Enhancing Multimodal Connectivity in the BBIN Sub-region

Air Connectivity in Perspective

Multimodal connectivity is an important driver of regional integration. Countries in the BBIN (Bangladesh, Bhutan, India, and Nepal) sub-region are working to tap regional growth and development through multimodal connectivity.

This Discussion Paper looks at the role of air connectivity in integrating the region and its contribution to making logistics more efficient, economical and seamless. Then the paper depicts the existing airborne intra-regional trade and identifies two cross-border value chains likely to spur the demand for multimodal connectivity involving air transport. It also sheds some light on disruptions in global value chains caused by the COVID-19 pandemic and highlights the role of air connectivity during such difficulties.

Going forward, the paper argues that the growth of e-commerce in the BBIN sub-region will significantly boost air connectivity and positively impact intra-regional trade.



<https://cuts-citee.org/pdf/dp-mconnect-in-the-bbin-sub-region-air-connectivity-in-perspective.pdf>

BRIEFING PAPERS



Scope of Dovetailing Inland and Coastal Waterways between India and Bangladesh

India and Bangladesh are connected through both rivers and coastal waterways. They have also signed several agreements to enhance waterborne trade, which is more energy efficient, cheaper and environment friendly than other modes of transport. But, still, waterborne trade is minuscule compared to other modes.

Therefore, this Briefing Paper attempts to analyse the scope and benefits of dovetailing riverine and coastal waterway transportation between India and Bangladesh to facilitate diverting traffic from other modes to waterways.

<https://cuts-citee.org/pdf/bp-scope-of-dovetailing-inland-and-coastal-waterways.pdf>



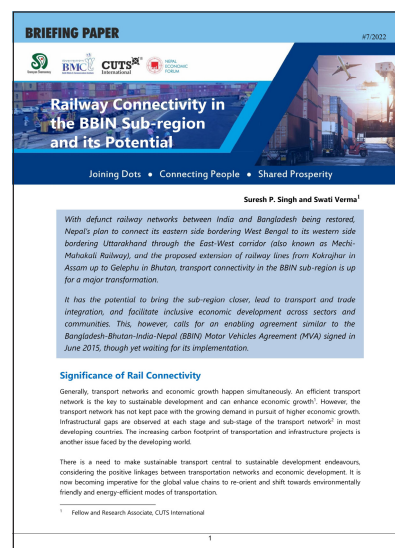
BRIEFING PAPERS

Railway Connectivity in the BBIN Sub-region and its Potential

With defunct railway networks between India and Bangladesh being restored, Nepal's plan to connect its eastern side bordering West Bengal to its western side bordering Uttarakhand through the East-West corridor (also known as Mechi-Mahakali Railway), and the proposed extension of railway lines from Kokrajhar in Assam up to Gelephu in Bhutan, transport connectivity in the BBIN sub-region is up for a major transformation.

The Briefing Paper calls for an enabling agreement similar to the Bangladesh-Bhutan-India-Nepal (BBIN) Motor Vehicles Agreement (MVA) signed in June 2015, though yet waiting for its implementation.

https://cuts-citee.org/pdf/bp-railway_connectivity_in_the_BBIN_sub-region_and_its_potential.pdf



Transform Transport Corridors into Economic Corridors Towards Inclusive Growth & Trade in the BBIN Sub-Region

Even if tariffs are reduced to zero, along with a reduction in the sensitive list of products, non-tariff and para-tariff barriers, trade in the BBIN sub-region may not achieve its optimum level; unless there is regional agreement towards trade facilitation encompassing transport connectivity, efficient transport, transit and trade logistics; minimisation of transaction costs; transparent and predictable decision making; and speedy resolution of disputes.

The Briefing Paper states that transforming transport into economic corridors could be one initial step – it can help address many issues and boost trade and inclusive growth in the sub-region.



https://cuts-citee.org/pdf/bp-transforming_transport_corridors_into_economic_corridors_for_inclusive_growth_in_the_BBIN_countries.pdf



OCCASIONAL NEWS WRAP

The Overhaul of India's Trade Policy Administration

India's new Foreign Trade Policy, scheduled to be released by the end of September 2022, has been deferred till the next financial year. Nevertheless, significant developments have taken place on the domestic trade policy front in the past few months, particularly with respect to an overhaul of India's trade bureaucracy.

The Department of Commerce has been restructured, establishing distinct verticals for different formats of trade negotiations. The two new broad divisions will now be a Trade Negotiations Bilateral (TNB) wing and a Trade Negotiations Multilateral (TNM) wing. The policymaking role of the Directorate General of Foreign Trade (DGFT) has also been modified.

Furthermore, the government has recently proposed setting up a new Trade Promotion Body to spearhead and lend coherence to India's overall export promotion strategy. It is also reportedly considering establishing subject matter divisions in the Department of Commerce, which professionals with specific domain expertise will house. This will significantly enhance the capacity of the Indian negotiating teams during trade talks with partner countries.

A new Development of Enterprise and Services Hub (DESH) Bill is also in the works, which seeks to revamp India's Special Economic Zones (SEZ) landscape. This Bill is currently under revision and is expected to be tabled in the upcoming Winter Session of the Parliament.

Given these developments, this edition of CUTS Occasional News Wrap (ONW) captures news and developments related to the recent overhaul and restructuring of India's trade policy administration.

<https://cuts-citee.org/pdf/onw-1-october-2022.pdf>



CUTS DIGITAL STORIES

Connecting the Unconnected

How Connectivity Infrastructure affects the Marginalised Communities in India?

Improved connectivity reduces logistics costs, creates jobs, and provides better access to services, leading to both ease of doing business and ease of living. An inclusive approach in their planning and timely implementation, by keeping in mind the needs of all stakeholders, particularly those from the marginalised communities, helps generate more and better benefits.

In this context, CUTS International is preparing a series of digital stories titled 'Connecting the Unconnected'. It is a part of "Enabling a Political Economy Discourse for Multi-modal Connectivity in the BBIN (Bangladesh, Bhutan India, Nepal) Sub-region" (M-Connect) project, which is being implemented by CUTS International, along with its country partners - Unnayan Shamannay, Bangladesh, Bodhi Media and Communications Institute, Bhutan and Nepal Economic Forum. This project is supported by the United Kingdom's Foreign, Commonwealth and Development Office under its Asia Regional Trade and Connectivity Programme.

Please watch the first of this series of Digital Stories:

<https://www.youtube.com/watch?v=c0RyOCmzpU>





PARTICIPATION

- Pradeep S Mehta spoke at the Panel Discussion on 'Infrastructure Development for SDGs – Role of Private Finance' in New Delhi on November 05, 2022. He also spoke at the Stakeholder Consultation *A Just Transition Approach for Developing a Green Economy-A Case of Electric Mobility*, at New Delhi on October 18, 2022.
- Veena Vidyadharan spoke as a panellist in the session 'Fostering Regional Co-operation for Seed Security: South Asian Perspective' as part of the regional conference on suitable seeds for food security. The conference was organised by South Asia Watch on Trade, Economics & Environment and Fridtjof Nansen Institute at Kathmandu on November 02-03, 2022.
- Suresh P Singh and Advaiyot Sharma attended an online Regional Exchange on FTAs organised by the Affiliated Network for Social Accountability Cambodia, and supported by Rosa Luxemburg Stiftung on November 04, 2022. The event exchanged civil society views on FTAs, focussing on ensuring greater transparency and accountability during FTA negotiations, as well as strategies to expand FTA benefits and minimise their adverse impacts.
- Arnab Ganguly participated in the 'PM Gati Shakti Multimodal Waterways Summit 2022' at Varanasi, Uttar Pradesh, on November 11-12, 2022.
- Suvayan Neogi attended an event on 'Deepening Linkages between South Asia and Southeast Asia,' organised by World Bank and United Nations Economic and Social Commission for Asia and the Pacific at New Delhi on November 14, 2022.
- Veena Vidyadharan participated in the core group discussion on 'Markets and Globalisation' organised by the International Food Policy Research Institute on the sidelines of the Food Production Systems Dialogue, India 2022, at New Delhi on November 15-16, 2022. The discussion focused on evidence on what types of innovations, incentive structures, and policies are most effective in creating more equitable income-sharing opportunities in growing agri-food value chains.
- Mihir Shekhar Bhonsale participated in the International Interdisciplinary Seminar on 'Enhancing Indo-Bangladesh Ties *vis-a-vis* Meghalaya,' organised by Synod College, Shillong, and Meghalaya on November 21-22, 2022. He made two presentations, one on Leveraging Opportunities for India's North-East through Improved Regional Connectivity: Meghalaya in Focus; and the other on Enhancing Multimodal Connectivity in the BBIN Sub-region Air Connectivity in Perspective.
- Arnab Ganguly and Rageshree Bose attended the PM Gati Shakti Multimodal Maritime Summit, organised by Syama Prasad Mookerjee Port, Kolkata (SMPK) in association with FICCI in Kolkata on November 23-24, 2022. The meeting highlighted the objectives of the PM Gati Shakti National Master Plan and emphasised on road-rail connectivity to ports, opportunities in Inland Waterways, and SMPK's Master Plan- 2047.
- Bipul Chatterjee, Arnab Ganguly, and Rageshree Bose attended the Indo-Dutch Inland Waterways Transport Seminar - Fit for Future Waterways System, organised by The Embassy of the Kingdom of the Netherlands together with the Inland Waterways Authority of India (IWAI), at Kolkata, on November 25, 2022. The conference aimed at exploring the challenges in the Indian inland waterways domain and exploring ways of collaboration with the Dutch Inland Waterways Transport sector.
- Veena Vidyadharan participated in a Panel Discussion, 'Rivers as transport waterways in India: bane or boon?' organised by Manthan Adhyayan Kendra in the India Rivers Week 2022 on November 27, 2022.
- Yatika Agrawal attended a three-day online training event on 'Decode BRSR Framework & Get Compliance Ready' organised by FICCI on December 06, 07 and 12, 2022.
- Aratrika Deb and Deepak Gupta attended the event titled 'India's Trade Imperative,' jointly organised by the Global Trade Observer and the Observer Research Foundation at New Delhi on December 14, 2022.



PARTICIPATION

- Sucharita Bhattacharjee participated in an online session on 'Gender and Just Transitions for MSMEs in India' organised by World Resources Institute (WRI) on December 15, 2022, as a panellist. The discussions focused on the role and importance of women in the MSME sector of India. They explored how to ensure gender equality and justice during the ongoing low-carbon transition across various sectors, including E-mobility.
- Veena Vidyadharan and Advaiyot Sharma attended the Panel Discussion 'Civil Society Perspectives on Food Security: Taking Policies from Glass-fronts to Grassroots' at Kochi on December 20, 2022, as part of the Third Biennial Conference on Food Security and International Law: Critical and Interdisciplinary Perspectives, organised by the South Asia International Economic Law Network.
- Suvayan Neogi spoke as a panellist at the IFPRI-panel discussion on 'The Role of Agricultural Trade in Food System Transformation' at the Indian Economic Association Conference at Ranchi on December 28, 2022.
- Aratrika Deb attended virtually the 38th Introduction Day at the World Trade Organisation (WTO) organised by the Institute for Training and Technical Cooperation in cooperation with experts from WTO divisions. There was a presentation on the latest state of play in trade negotiations, the history of the multilateral trading system, the basic principles of the WTO, the functioning of the organisation, and different ways to access WTO-relevant information.



IN MEDIA

Dhubri river port: A potential cobweb of connectivity and trade in the BBIN sub-region

North East Now, October 12, 2022 • By Bipul Chatterjee and Suresh P Singh

July 12, 2019, was a momentous day for trade and connectivity in the BBIN (Bangladesh, Bhutan, India, Nepal) sub-region. That day, the then-Indian Minister of State for Shipping, Mansukh Mandaviya, digitally flagged off a ship named MV AAI of the Inland Waterways Authority of India, carrying 70 truckloads of stone chips from Bhutan on its voyage from Dhubri riverport in Assam to Narayanganj in Bangladesh. It covered a distance of 600 km in four days. Estimates show that, compared to traditional land routes, this waterway use reduced the transportation cost by 30 percent and travel time by eight days.

<https://cuts-citee.org/dhubri-river-port-a-potential-cobweb-of-connectivity-and-trade-in-the-bbin-sub-region/>

River Diplomacy: A peace-building strategy for India & Bangladesh

North East Now, October 12, 2022 • By Bipul Chatterjee and Veena Vidyadharan

On September 29, 2022, the Union Cabinet of India approved the Memorandum of Understanding (MoU) signed between the Government of India and the Government of Bangladesh on the withdrawal of water from the transboundary Kushiara River. This MoU is one of the significant outcomes of the recent visit of the Prime Minister of Bangladesh to India. It is expected to benefit the farmers of South Assam in India and those in the Sylhet division in Bangladesh. It will allow the withdrawal of up to 153 cusecs (cubic feet per second) of water each by both countries from this common river for their consumptive water requirement.

<https://cuts-citee.org/river-diplomacy-a-peace-building-strategy-for-india-bangladesh/>



National Logistics Policy a step towards foolproof food security

Policy Circle, October 12, 2022 • By Bipul Chatterjee and Suvyan Neogi

The World Food Day will be celebrated on October 16. Logistics management of food movements is one of the biggest challenges faced by the world in its quest for food security. The overarching goal of the National Logistics Policy (NLP) is to promote the seamless movement of goods across the country and to increase the competitiveness of Indian goods in the domestic and global markets. It looks to reduce losses during the shipment of perishable goods by increasing the effectiveness of warehouses and cold chain facilities. The policy will increase production and distribution efficiency and encourage value addition. It needs to be seen if it will enhance the income of farmers and boost food security in India.

<https://cuts-citee.org/national-logistics-policy-a-step-towards-foolproof-food-security/>

Being Free and Fair: Indian Corporates Chasing a Global Dream

Outlook Business, November 01, 2022 • By Pradeep S. Mehta

At a time when Indian corporates want to be known as global entities, their social responsibility record is being scrutinised. With the emergence of the ESG model, expectations are rising further. Can the Indian corporate leader also become a visionary for social change, something the early nationalist businessman claimed as his trump card? Governments negotiate trade deals in various formats for better market access and preferential terms of trade for their country's products and services. Companies then utilise these preferential terms to secure and expand their commercial footprints in these partner countries through cheaper inputs and larger export markets.

<https://cuts-ccier.org/being-free-and-fair-indian-corporates-chasing-a-global-dream/>

Restoring the Changrabandha-Burimari railway link can boost cross-border trade

North East Now, December 09, 2022 • By Suresh P Singh and Swati Verma

Changrabandha, located in the Cooch Behar district of West Bengal, and bordering Bangladesh, distinguishes itself with a land customs station and an upcoming Integrated Check Post (ICP) along with two functional railway stations on both sides of the border, including a now-defunct transit line in between. The importance of restoring the Changrabandha-Burimari rail link has been recognised by both Bangladesh and India. This is reflected in the Joint Statement released during the visit of the Prime Minister of Bangladesh to India in September 2022. The Joint Statement underscored the importance of implementing bilateral and sub-regional rail, road, and other connectivity initiatives.

<https://cuts-citee.org/restoring-the-changrabandha-burimari-railway-link-can-boost-cross-border-trade/>