



## **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, with the establishment of 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 will be housed by professionals with specific domain expertise. 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 the Special Economic Zones (SEZ) landscape in India. 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.

1.	<p>Govt may form dedicated units to build expertise in FTA areas</p> <p><i>Dilasha Seth, Ravi Dutta Mishra</i></p> <p><b>Livemint</b></p> <p>October 06, 2022</p>	<p>Taking a more aggressive approach to free trade deals, the department of commerce is considering setting up '<a href="#">subject matter divisions</a>' to develop expertise in areas like services, agriculture, pharmaceuticals, trade remedies and digital trade. The move is aimed at enabling India to negotiate deals from a position of strength with partner countries and at the WTO.</p>
2.	<p>Proposed trade promotion body to drive Indian exports</p> <p><i>Dilasha Seth, Ravi Dutta Mishra</i></p> <p><b>Livemint</b></p> <p>October 03, 2022</p>	<p>The trade promotion body will cover 13 elements, including 'brand India', government-to-government liaising, industry liaising and exporter training. The body will <a href="#">drive the overall export promotion strategy</a> and export targets and monitor execution.</p>
3.	<p>Commerce department to rope in 140 private sector pros</p> <p><i>Kirtika Suneja</i></p> <p><b>The Economic Times</b></p> <p>October 03, 2022</p>	<p>The commerce department is likely to rope in <a href="#">140 professionals from the private sector</a> under the proposed trade promotion body for key roles in bilateral and multilateral trade negotiations, data intelligence and export promotion.</p>
4.	<p>Commerce Ministry mulling ways to help Indian industry use FTAs better</p> <p><i>Amiti Sen</i></p> <p><b>The Hindu Businessline</b></p> <p>October 03, 2022</p>	<p>One of the plans is to constitute an <a href="#">FTA export advisory panel</a>, consisting of senior personnel from a range of industry groups, to promote the benefits of the FTA. Such an advisory panel can provide details of how particular sectors can go about exploring market opportunities in specific countries with which FTAs have been signed or are in the pipeline.</p>
5.	<p>Government to set up separate export promotion council for medical devices</p> <p><i>Viswanath Pilla</i></p> <p><b>The Economic Times</b></p> <p>September 21, 2022</p>	<p>The government of India has decided to set up a separate <a href="#">Export Promotion Council (EPC) for medical devices</a> to boost their exports. The EPC will help exporters in promoting their products in international markets through various promotional activities including organising and participating in international trade fairs and buyer-seller meets.</p>

6.	<p>Department of Commerce to set up a dedicated trade promotion body</p> <p><i>Asit Ranjan Mishra</i></p> <p><b>Business Standard</b></p> <p>August 24, 2022</p>	<p>To set up a future-ready administration geared towards the target of \$2 trillion exports by 2030, the Department of Commerce has decided to set up <a href="#">a dedicated trade promotion body</a> to drive overall promotion strategy, export targets, and execution as part of a restructuring exercise.</p>
7.	<p>Shri Piyush Goyal releases report on 'Restructuring of Department of Commerce'</p> <p><i>Press Information Bureau</i></p> <p><b>Government of India</b></p> <p>August 23, 2022</p>	<p>Some of the ideas that have emerged out of the <a href="#">restructuring exercise</a> include a dedicated 'Trade Promotion Body' to drive formulation &amp; execution of trade promotion strategy, digitization of trade facilitation processes, rehauling of the data &amp; analytics ecosystem and capacity building of Indian Trade Service to drive specialization &amp; institutional memory.</p>
8.	<p>Commerce department recast to bring more focus on trade policy making</p> <p><i>Asit Ranjan Mishra</i></p> <p><b>Business Standard</b></p> <p>August 07, 2022</p>	<p>The commerce department has <a href="#">restructured the organisation, separating multilateral and bilateral trade-negotiating divisions</a> to allow greater focus on ongoing talks for free-trade deals. It has also taken away from the Directorate General of Foreign Trade its power to make foreign trade policy, leaving it only with the function of regulation and promotion of foreign trade.</p>