

# US signals trade deal with India before July 9 tariff deadline

Ready to give New Delhi preferential access in select sectors: Lutnick

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American Secretary of Commerce Howard Lutnick has said a trade deal between India and the United States (US) could be finalised in the “not too distant future” because “we’ve found a place that really works for both countries”. He signalled that the agreement might be concluded before the end of a 90-day pause on American reciprocal tariffs, which expires on July 9.

“Those who come in, July 4th to July 9th, there’s just going to be a pile,” Lutnick said during an event hosted by the US-India Strategic Partnership Forum (USISPF) in Washington DC on Monday. “But those who are earlier — and India is trying hard to be one of the earlier countries, which I appreciate... These kinds of deals used to take two or three years, and we’re trying to get them done in a month — which is just not the ordinary DNA of trading relationships between countries.”

Although both sides have committed to signing a mutually beneficial deal by fall this year, India is pushing for an early tranche to avoid a potential 26 per cent reciprocal tariff that could come into effect from July 9.

A US trade delegation is expected to visit India later this week to continue negotiations.

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Howard Lutnick, US Secretary of Commerce

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### India’s Russia ties, Brics role ‘rub us the wrong way’: US

United States Commerce Secretary Howard Lutnick said that past Indian policies, including defence purchases from Russia and Brics participation, “rubbed the US the wrong way”, but added that the two countries are now moving towards a more strategic relationship.

■ US pushes countries for best offers by today as tariff deadline looms

# US seeking greater access to Indian markets: Lutnick

Lutnick said the US was seeking greater access to Indian markets and, in return, was prepared to offer India preferential access in select key sectors.

“We would like our businesses to have reasonable access to the markets of India. Now, it’s not going to be everything, and it’s not going to be everywhere, but we want to have the trade deficit reduced. In exchange for that, what India is going to want is... certain key markets that they’re going to want to make sure that they have special access to the American marketplace. And so that’s the trade-off,” he said.

On market access in agriculture — a key US demand — Lutnick emphasised the need for political resolve on both sides. “The US understands (political influence of)

farmers and ranchers.

These are the kind of people who have lots of political voices and we understand that,” he said. “So what we try to do is find the path that is acceptable politically at home and for us as well. We’ll find that path together. It’s just a smart way of doing it. We have that same political will here.”

The secretary of commerce said the strong and positive relationship between US President Donald Trump and Prime min-



ister Narendra Modi “gives an easy path” to him to do trade negotiations because both sides start from a “very positive place”.

However, echoing Trump’s views, Lutnick noted that India remained “very protectionist” in its approach to tariffs. “If you ask them why, the answer is, ‘I don’t know why, it just is.’ So the idea is bringing them down to a level that is reasonable and appropriate so we can be great trading partners with each other. I think (this) is absolutely on the table.”

While the US intends to bring advanced manufacturing back home, Lutnick said there were many product categories that could be shifted to India. “We’re going to have a trade deal that says these kinds of industries would be great for India to produce... Some will need to be reshored to America, but they’ll be replaced with incredible opportunities for India,” he said.

“You create the sort of trade deal that puts India in a unique position. In certain industries, it will have a better tariff relationship than most other countries in the world, which means India will be the beneficiary of those kinds of products,” he added.