

# Rodtep, PC imports on table at India-US forum

Trade policy meet may also take up issues like GSP, non-tariff barriers

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India on Friday will take up with Washington some trade issues, such as restoring the United States' (US's) trade preference programme — Generalised System of Preferences (GSP) — a totalisation pact to protect the interests of cross-border workers, and sorting out non-tariff barriers.

This will be during the annual Trade Policy Forum (TPF) ministerial.

India will push for greater interaction between officials of both sides and this will help India dispel Washington's qualms on the compatibility of the export-boosting scheme Remission of Duties or Taxes on Export Products (Rodtep) with global trade norms, a person aware of the matter told *Business Standard*.

The US has imposed countervailing or anti-subsidy duties on Indian products as retaliation against RodTEP even as India has made it clear that the scheme refunds only the embedded non-creditable central, state, and local levies paid on inputs to exporters and doesn't offer subsidies.

"Perhaps a dialogue may help the US to look at the perspective that both countries may miss out if we don't speak," the official said.

On the other hand, among the US's priorities will be to have fresh discussion with India on the import-monitoring system for laptops, personal computers, and information-technology (IT) hardware implemented November onwards. The US has once again sought clarification on the rationale behind the decision, another person said.

The TPF will be co-chaired by



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Commerce and Industry Minister Piyush Goyal and US Trade Representative Katherine Tai, who will be in New Delhi for the ministerial.

The ministerial is particularly crucial, considering that the US is India's largest trade and export partner. Bilateral merchandise trade during April-October stood at \$69.36 billion.

The meeting is set to take place at a time when India-US relations have reached new heights, with New Delhi and Washington agreeing on a truce over seven disputes at the World Trade Organization (WTO) and are on the same page with respect to key policy areas. In fact, discussions on settling the WTO cases started during last year's TPF in Washington.

That apart, over the past one year, India and the US, along with 12 other nations, have interacted regularly on finalising the pacts under the Indo-Pacific Economic Framework for Prosperity (IPEF), an initiative to counter China's influence among South and Southeast Asian nations and draw more

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- India to raise the issue of GSP restoration, totalisation agreement
- To push for greater interaction between officials from both sides so that India is able to dispel doubts over Rodtep's compatibility with WTO norms
- Both sides to discuss ways to reduce non-tariff barriers, especially in agriculture
- India to once again explain the rationale behind implementation of import monitoring system for laptops, PCs

investment among the 14 countries through cooperation.

India may take up the issue of non-tariff barriers concerning agricultural products, which are one of the focus areas for both nations. Time and again exporters on both sides have faced challenges on market access for such products.

India may flag its concern related to the export of fruit such as grapes and pomegranate.

Ajay Sahai, director-general and chief executive officer, Federation of Indian Export Organisations, said the age-old issue of totalisation/social-security agreement should be discussed since the Indian IT industry had been spending a lot of money there, without getting much benefit out of it.

"The time has come to have an exploratory process for an India-US FTA. Although the current regime (in the US) may not want to sign an FTA, since the US is our largest trading partner, we should start the process and see if we can have a study instituted for starting the FTA and can take it forward when the situation arises," Sahai said.