

India, US create new working group on 'resilient trade', focus on new-age issues

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India and the US have decided to create a working group on 'resilient trade' under the Trade Policy Forum (TPF), where both nations will initially focus on new-age trade issues, such as environment protection, promotion of labour rights, and sustainable lifestyle.

Moreover, there will be a discussion on issues such as digitisation of Customs procedures and strengthening the resilience of global supply chains in critical sectors, which will help both nations withstand current and future global challenges, according to a joint statement on the 13th TPF co-chaired by Commerce and Industry Minister Piyush Goyal and US Trade Representative Katherine Tai on Wednesday in Washington.

The TPF aims to iron out key trade and investment-related issues between India and its largest exporter and trade partner — the US. Bilateral merchandise trade from April to October stood at \$77.25 billion.

During the meeting, India showed its interest in the restoration of its beneficiary status under the US' Generalized System of Preferences (GSP). The US noted that this could be 'considered' as warranted, concerning the eligibility criteria determined by the US Congress, said an official statement. Goyal said even as India requested the US for restoration of GSP, the government did not hear major clamour from the Indian industry to focus on the issue. "It's an issue which is probably something the Congress will have to take a call on. But it's not high on our priority list or something we spent a lot of time on



Piyush Goyal with US Trade Representative Katherine Tai in Washington, DC

PHOTO: PTI

discussing... I do not think GSP withdrawal has been to the detriment of ongoing ties," said Goyal at a media briefing.

In 2019, the US removed India from the GSP — a special trade treatment for developing countries due to trade barriers in India. Shortly after the US move, India raised its retaliatory tariffs against the US, after which Washington filed a dispute at the World Trade Organization (WTO).

Goyal said that both sides have directed officials to engage 'very aggressively' over the next two to three months to see if there can be a bilateral settlement of some of the pending WTO disputes. "These outstanding disputes are areas where both countries have had

some wins and some losses. We have directed our officials to engage very aggressively."

Goyal said a free trade agreement will not be the way forward and both nations have 'bigger ambitions' as far as bilateral trade is concerned. "The US is not looking at free trade deals with any country whatsoever as a matter of their political policy. I think that is not something on the table. So rather than that, we are focusing on greater market access. We are focusing on the ease of doing business between the two countries. We are looking at, bilaterally, a much larger footprint between the two countries for trade, investment, and business," he said, adding that mini-trade deals have lost relevance.



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PIYUSH GOYAL,
Minister of Commerce and Industry

