

Trump says India offered a trade deal with 'no tariffs' on US goods

BLOOMBERG

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President Donald Trump said India has made an offer to drop tariffs on US goods, as the Asian nation negotiates a deal to avert higher import taxes.

Speaking Thursday at an event with business leaders in Qatar, Trump said the Indian government has "offered us a deal where basically they are willing to literally charge us no tariff."

Trump didn't provide further details of New Delhi's apparent offer and the Indian Ministry of Commerce and Industry didn't immediately respond to a request for comment.

India was one of the first countries to begin trade negotiations with the US following Prime Minister Narendra Modi's visit to the White House in February, with both sides agreeing to finalise the first phase of a bilateral deal by the fall. Commerce and Industry Minister Piyush Goyal is expected to meet Trump administration officials in the US from May 17-20 for further negotiations.

Trump's comments came days after India threatened to impose retaliatory tariffs in response to higher US duties on steel and aluminium, a sign that New Delhi may be adopting a more assertive approach in its trade negotiations with the White House. The trade talks remain on track though, people familiar with the matter have said.

Some analysts in New Delhi suggested that Trump's remarks could indicate either that India is close to finalising a deal, or that the comments



US President Donald Trump's comments came days after India told WTO it could impose retaliatory tariffs on steel and aluminium

are a negotiating tactic by the White House. "An India-US trade deal may be on the cards," said Ajay Srivastava, founder of New Delhi-based think tank Global Trade Research Institute.

"But the deal must ensure strict reciprocity, with both sides eliminating tariffs equally."

Since returning to the White House, Trump has been dialing up the pressure on the Indian government to address the trade imbalance between their two countries, running at about \$47 billion last year. Having long complained that India's tariffs were too high and hurt US businesses, Trump has pledged to impose "reciprocal" tariffs of 26 per cent on India. Those tariffs are currently on hold until early July.

Trade talks progressing well: Commerce secy

PRESS TRUST OF INDIA

New Delhi, 15 May

Negotiations for the proposed bilateral trade agreement between India and the US are progressing "very" well and a team will soon be leaving for Washington to further give an impetus to the talks, a top government official said on Thursday.

Commerce Secretary Sunil Barthwal said an Indian team would be going to Washington for further discussions.

Commerce and Industry Minister Piyush Goyal will lead the team of senior Indian officials to Washington for discussions, starting May 17, with their US counterparts on the agreement.

He will hold meetings with US Trade Representative (USTR) Jamieson Greer and US Commerce Secretary Howard Lutnick during his visit. While Goyal will be in Washington from May 17-20, India's chief negotiator Rajesh Agrawal will hold the deliberations with his US counterpart from May 19-22.

Interacting with reporters on the sidelines of an event, External Affairs Minister S Jaishankar said these are complicated negotiations and nothing

is decided till everything is. "Between India and the US, trade talks have been going on, negotiations have been going on, in fact, I think, a team is just going, at this point. These are very complicated negotiations, they are very intricate, and nothing is decided till everything is," he said.

"But, any trade deal has to be mutually beneficial, any trade deal has to work for both the countries, and I think that would be our expectation from the trade deal, and until that is done, I think any judgment on it would be premature," he said.

India, UK FTA may be signed soon

The free trade agreement concluded between India and the UK on May 6 is expected to be signed soon, a commerce ministry official said on Thursday.

India and the UK clinched a trade deal that will remove taxes on the export of labour-intensive products such as leather, footwear and clothing, while making imports of whisky and cars from Britain cheaper, in a bid to double trade between the two economies to \$120 billion by 2030. The world's fifth and sixth-largest economies concluded the deal after three years of on-off talks.

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