

# Far and Wide

Every week we share selection of six news from six continents that we believe will impact our world in the near or distant future

October 2024 | Issue #66



## India proposes duties worth \$1.1 bn against EU's steel curbs

Welcome to the latest edition of Far and Wide, where we embark on a journey to explore intriguing stories and global developments.

The steel industry of India is struggling with issues pertaining to the export of steel products to EU. The European Union's (EU) Carbon Border Adjustment Mechanism (CBAM) will be enforced starting from January 2026 which will apply on the import of steel products from India where EU shall charge a carbon levy based on the embedded emissions generated during the production process. In addition to this, India has been facing financial losses from the EU's safeguard measures on steel, which have been in place since 2018 and have severely impacted India's steel export volumes to the EU. These measures include tariff-rate quotas on 26 steel categories and an out-of-quota duty of 25%.

Recently, India has informed the World Trade Organization (WTO) that it incurred a trade loss of \$4.4 billion from 2018 to 2023 due to these safeguards, while the EU collected \$1.1 billion in duties on Indian steel exports.

It was stated by the founder of the Global Trade Research Initiative (GTRI), Ajay Srivastava, that the safeguard measures of EU are intended to shield its domestic steel industry from oversupply due to cheaper imports. These quotas apply to key steel products, including hot-rolled and cold-rolled sheets, and vary based on the product category and exporting country.

In response to the EU extending the safeguard measures until June 2026, under Article 12.5 of the Agreement on Safeguards, India notified the WTO of its intent to impose tariffs on EU imports to offset India's losses. India previously took similar responsive actions against the U.S. in 2019 when the U.S. imposed tariffs on Indian steel and aluminum products, prompting India to increase tariffs on 28 American products.

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## Europe

### India proposes duties worth \$1.1 bn against EU's steel curbs

India is likely to impose higher import duty on specific goods from the European Union (EU) in response to the EU's extension of safeguard duties on 26 steel items, significantly impacting India's steel exports. The safeguard duty imposed by EU will remain in place until June 2026. EU has put forward safeguard measures on steel products from India, impacting the steel exports. The communication from India to WTO stated the cumulative trade loss of India of USD 4.41 billion in response to the failure of both sides to reach an agreement on the issue. The EU's safe. The proposed duties are intended as protective measures, which include a 25% out-of-quota duty on specific steel imports. These measures were first extended until June 2024 and have now been further extended until June 2026.

Source : The Economic Times

[https://economictimes.indiatimes.com/news/economy/foreign-trade/india-proposes-retaliatory-duties-on-eus-safeguard-measures-on-some-steel-products/articleshow/113531895.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](https://economictimes.indiatimes.com/news/economy/foreign-trade/india-proposes-retaliatory-duties-on-eus-safeguard-measures-on-some-steel-products/articleshow/113531895.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

India, a major steel exporter to the EU, has expressed concerns about the financial impact of these measures. India has calculated that the safeguard duties have led to a duty collection of \$1.1 billion. As a result, India is seeking to suspend concessions and increase tariffs on selected EU-originating products in response to the ongoing dispute. The issue remains unresolved at the WTO, with both sides working to find a resolution.

## North America



### IAF and US Air Force Conclude Two-Day Executive Steering Group Meeting to Boost Cooperation

The Indian Air Force (IAF) and the US Air Force (USAF) successfully concluded their two-day Executive Steering Group (ESG) Meeting on September 26, 2024, aimed at strengthening bilateral cooperation. The 25th edition of the meeting was led by the Deputy Commander of Pacific Air Forces and emphasized the close ties between the two air forces. The discussions followed the recent participation of the USAF in Exercise Tarang Shakti, held at Jodhpur Air Force Station, which involved 10 nations and 18 observing countries, focusing on capabilities like counter-air operations, reconnaissance, airlift, air-defense and close air support.

The USAF contributed several units to Tarang Shakti, including the 25th Fighter Squadron's A-10 Thunderbolt II, the 148th Fighter Wing's F-16C Fighting Falcon, and other key air assets, enhancing the multinational exercise. The event aimed to foster cooperation across a range of operational capabilities. This collaboration followed another major engagement, Exercise Red Flag 2024, held in Alaska, where the IAF participated alongside forces from the Republic of Singapore Air Force, the Royal Air Force of the United Kingdom, the Royal Netherlands Air Force, and the German Luftwaffe.

The exercise provided valuable insights into interoperability with international partners and offered important lessons in long-distance ferrying and air-to-air refueling, particularly benefiting younger crew members.



Source: ANI

<https://aninews.in/news/world/us/iaf-and-us-air-force-completes-two-day-executive-steering-group-meeting-for-enhance-cooperation20240927092116/>



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## South America

### India to South America Build Digital Payment Systems based on UPI



Source: Business Standard, Kapronasia

[https://www.business-standard.com/companies/news/npci-eyes-africa-south-america-for-digital-payment-push-via-upi-official-124092400915\\_1.html](https://www.business-standard.com/companies/news/npci-eyes-africa-south-america-for-digital-payment-push-via-upi-official-124092400915_1.html)

<https://www.kapronasia.com/india-payments-research-category/upi-eyes-growth-in-africa-and-south-america.html#:~:text=Earlier%20this%20year%2C%20the%20NIPL,%2C%20said%20in%20late%20September.>

The overseas arm of NPCI, NPCI International Payments Ltd. Is in discussions and negotiations with multiple nations from South America and Africa as well to help them design and build digital payment systems based on India's UPI payment technology. Ritesh Shukla, CEO of NIPL, stated that the company is nearing an agreement with one of these nations. NIPL has already signed deals with the central banks of Peru and Namibia, with Brazil and Namibia expected to launch UPI-like systems by late 2026 or early 2027. Furthermore, Trinidad and Tobago is also working with NIPL to develop their own digital payment infrastructure that would focus on secure and scalable payment platforms drawing on the success of UPI in India. Real-time payment have the potential to transform economies by increasing access to financial services and reducing dependence on cash.

To support these international efforts, NIPL plans to double its workforce, currently at 60 members, by March 2025. The company is focusing on expanding its presence overseas, with staff already positioned in Singapore and the Middle East, to promote the global adoption of UPI technology.

## Asia



### Nirmala Sitharaman Engages in Talks on Renewable Energy and UPI with Uzbekistan Trade Minister in Samarkand

Union Finance Minister Nirmala Sitharaman met with Uzbekistan's Trade Minister, Laziz Kudratov, in Samarkand to discuss areas of mutual interest, including renewable energy, fertilizers, and pharmaceuticals. The meeting, held ahead of the Annual Meeting of the Board of Governors of the Asian Infrastructure Investment Bank (AIIB), focused on enhancing economic ties between India and Uzbekistan. Both leaders acknowledged the progress toward the Bilateral Investment Treaty (BIT) and agreed that its signing will boost investor confidence, especially in key sectors such as higher education, healthcare, hospitality and tourism, textiles, and agriculture.

In addition to trade, the ministers discussed India's digital payments revolution, particularly the widespread adoption of the UPI mechanism and RuPay card. Kudratov expressed appreciation for India's digital growth and highlighted the need to enhance bilateral trade and connectivity between the two nations.

During her visit to Uzbekistan, Finance Minister Nirmala Sitharaman will attend the Ninth Annual Meeting of the Board of Governors of the Asian Infrastructure Investment Bank (AIIB) in Samarkand, serving as the Indian Governor. India is the second-largest shareholder of AIIB, and discussions will cover a wide range of global issues related to sustainable development and infrastructure investment. The AIIB Annual Meeting includes delegations from around 80 countries and focuses on promoting sustainable infrastructure and economic development in Asia.

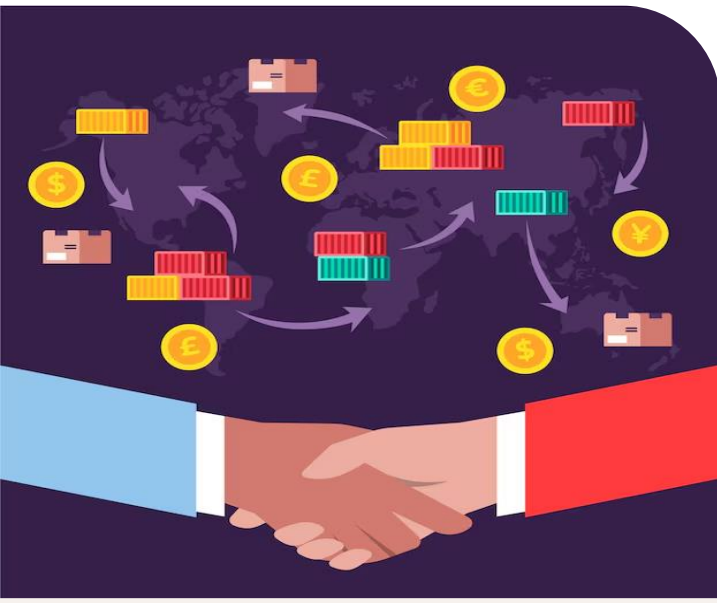


Source: ANI

<https://aninews.in/news/world/asia/nirmala-sitharaman-discusses-renewable-energy-upi-with-uzbekistan-trade-minister-in-samarkand20240925025513/>

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## Australia

### Strengthening India-Australia Economic Ties: Key Outcomes from the 19th Joint Ministerial Commission Meeting

The 19th India-Australia Joint Ministerial Commission Meeting, held on September 25, 2024, in Adelaide, marked a pivotal moment in the trade and economic relationship between India and Australia. Co-chaired by India's Minister of Commerce and Industry, Piyush Goyal, and Australia's Minister for Trade and Tourism, Senator Don Farrell, the discussions focused on enhancing bilateral trade, investment, and cooperation in technology and tourism. This meeting was particularly significant as it was the first official visit of an Indian trade minister to Australia since the Albanese Labour Government took office, highlighting the growing strategic importance of their relationship.

Source: Indian News Network

<https://www.indianewsnetwork.com/en/20240926/india-australia-explore-stronger-trade-ties-at-19th-joint-ministerial-commission-meeting>

A key outcome of the meeting was the announcement of a new Investment, Trade, Technology, and Tourism (ITTT) office in Sydney, aimed at facilitating smoother trade dealings and addressing challenges faced by businesses on both sides. Minister Goyal emphasized the exceptional trust between the two nations, noting their Prime Ministers' frequent meetings since May 2022. He also highlighted India's "4 D strengths"—Decisive leadership, Demand from 1.4 billion citizens, Demographic dividend, and Democracy—as vital factors in fostering collaboration.

The ministers also discussed the ongoing Economic Cooperation and Trade Agreement (ECTA), which has facilitated around \$30 billion in Australian exports to India since its inception in December 2022. They expressed mutual interest in finalizing a Comprehensive Economic Cooperation Agreement (CECA) to further liberalize trade and enhance investment opportunities.

## Africa



### South Africa's G20 Presidency to Prioritize Africa and Global South

According to International Relations Minister of South Africa, Ronald Lamola, the G20 Presidency, helmed by South Africa will prioritize the interests of the Global South, particularly Africa. Preparations are underway as South Africa prepares to assume the G20 Chair from Brazil on December 1, 2024. The presidency theme will put an emphasis on the solidarity, equality, and sustainable development, reflecting the developmental priorities of the Global South and Africa, especially following the African Union's recent inclusion in the G20. The Minister also focused on the goal of South Africa on driving strategic partnerships for a more equitable, representative international order. He highlighted that the G20 Troika, consisting of the past, present, and future presidencies (India-Brazil-South Africa), is aligned with Global South interests. South Africa's presidency will build on the successes of Indonesia, India, and Brazil's presidencies, focusing on addressing the needs of developing economies.

To achieve sustainable development, the priorities would put focus on SDG and Africa's Agenda 2063 tackling debt vulnerabilities and reforming the International Financial Architecture and Multilateral Development Banks. South Africa will also focus on climate change, food security, predatory mining practices, and advancing industrialization, employment, the blue economy, artificial intelligence and to strengthen the multilateral trading system.



Source: South Africa Government News Agency

<https://www.sanews.gov.za/south-africa/sas-g20-presidency-focus-more-global-south-and-african-issues-says-lamola>