

# 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 distinct future

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## Breaking Boundaries: UPI's Global Expansion Takes Flight

Welcome to the fourteenth edition of our newsletter, Far and Wide, where we bring a collection of interesting stories from around the world. This week's lead story revolves around the recent announcement of an exciting development for Unified Payments Interface (UPI). Following its successful launch in Singapore and France, UPI is now set to expand its reach to the North American market and several Middle Eastern countries in the coming months. Ritesh Shukla, the CEO of NPCI International Payments Ltd (NIPL), a wholly owned subsidiary of National Payments Council of India (NPCI), which developed UPI, emphasized that they are targeting countries that are of significance to Indian travellers and those with a sizable Indian diaspora presence. Through strategic partnerships and collaborations, NIPL is playing a pivotal role in establishing UPI as a global payment solution. In some countries, NIPL is focused on infrastructure development, while in others, they are working towards achieving interoperability. This ambitious endeavor aims to create a seamless ecosystem that connects Indian travelers abroad to various payment platforms across the world. The recent milestones, including Prime Minister Narendra Modi's announcement in Paris and the linkage of cross-border connectivity with Singapore's PayNow, have catapulted UPI's global aspirations to new heights. The adoption of UPI on an international scale is projected to streamline cross-border transactions and significantly boost transaction volumes, underscoring the platform's prowess as a versatile and powerful payment solution, facilitating transformative changes in the financial landscape, making it easier for individuals and businesses to conduct international transactions. We hope you find this edition informative and thought-provoking.

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## North America

### UPI to enter North America, other Middle-Eastern countries soon: NIPL CEO



Unified Payments Interface (UPI), developed by the National Payments Council of India (NPCI), is expanding its global reach after successful launches in Singapore and France. Ritesh Shukla, CEO of NPCI International Payments Ltd (NIPL), revealed that UPI is set to enter the North America market and other Middle Eastern countries in the near future. The focus is on countries that are important to Indian travelers or have a significant Indian diaspora presence. NIPL, established in 2020, is working on infrastructure development and interoperability partnerships in various countries to enable UPI-based transactions for Indians abroad. Prime Minister Narendra Modi's announcement in Paris about making rupee payments using UPI from the Eiffel Tower and the linkage of cross-border connectivity with Singapore's PayNow marked significant milestones for UPI's global expansion. The international extension of UPI will accelerate cross-border transactions and further boost transaction volumes, making it a powerful payment platform on a global scale.

Source: Livemint

<https://www.livemint.com/companies/news/upi-to-enter-north-america-other-middle-eastern-countries-soon-nipl-ceo-11689610413491.html>



## South America

### EU Pledges Increased Investment in Latin America and the Caribbean Amid Changing Global Dynamics

At a summit attended by over 50 leaders from Europe, Latin America, and the Caribbean, the European Union (EU) vowed to strengthen its ties with the region through increased investment. European Commission President Ursula von der Leyen emphasized the need for cooperation in the face of challenges posed by the pandemic, the conflict in Ukraine, and China's assertiveness on the global stage. The EU plans to invest 45 billion euros in Latin America and the Caribbean as part of its Global Gateway scheme, seen as a competitor to China's Belt and Road initiative. The summit aimed to revitalize the EU's relationship with the region, which has been perceived as neglected in recent years. However, differences emerged during discussions over the communique, particularly concerning Russia's war in Ukraine and the issue of reparatory justice for historical legacies of native genocide and enslavement. The EU also seeks to forge new energy partnerships and reduce reliance on China for minerals needed for electric vehicles and the transition to a low-carbon economy. The EU is pursuing trade agreements with Chile, Mexico, and the Mercosur bloc, indicating a concerted effort to deepen economic engagement with the region.



Source: Reuters

<https://www.reuters.com/world/eu-seeks-revive-latam-caribbean-ties-it-turns-away-china-russia-2023-07-17/>





## Europe

### India looking at FTA discussions with EU to settle WTO ICT tariff dispute

India is considering offering tariff concessions to the European Union (EU) for certain Information and Communication Technology (ICT) products, such as mobile phones and base stations, as part of the India-EU Free Trade Agreement (FTA) negotiations. This move aims to potentially resolve a World Trade Organization (WTO) dispute initiated by the EU, Japan, and Chinese Taipei against India's import duties on specific ICT products since 2014, which they claim breach India's commitments under the WTO's IT Agreement. However, the Ministry of Electronics and Information Technology (MeitY) is not fully supportive of this proposal, as it prioritizes promoting domestic production of ICT products. The dispute settlement panel of the WTO ruled against India's import duties on April 17, 2023, and asked for corrections. While India has appealed to the WTO's Appellate Body in Japan's case, it has mutually agreed with the EU to hold further discussions to resolve the dispute before escalating it to the Appellate Body level. The EU estimates that its exports of affected technology subject to India's duties amount to up to €600 million annually. As India is currently negotiating an FTA with the EU, offering tariff concessions on the impacted ICT products might be a way to address the dispute without jeopardizing the FTA negotiations. However, MeitY is concerned that such concessions might undermine the purpose of the duties, which is to encourage domestic production. A decision needs to be made by September 19, and while the India-EU FTA discussions are expected to continue, time is of the essence to resolve the dispute.

Source: The Hindu

<https://www.thehindubusinessline.com/economy/india-looking-at-fta-discussions-with-eu-to-settle-wto-ict-tariff-dispute/article67087246.ece>



## Asia

### US nuclear missile submarine visits South Korea as allies talk war planning

U.S. nuclear-armed ballistic missile submarine (SSBN) has visited South Korea, marking a significant event in the allies' efforts to coordinate responses to a potential nuclear war with North Korea. The visit was confirmed by White House Indo-Pacific coordinator Kurt Campbell during the inaugural Nuclear Consultative Group (NCG) discussion with South Korean officials. The NCG, established after a summit between South Korean President Yoon Suk Yeol and U.S. President Joe Biden in April, aims to improve allied nuclear coordination in case of a conflict with North Korea. However, North Korea condemned the NCG's formation and warned against increased military displays by the allies. The USS Kentucky, an Ohio-class SSBN, was identified as the submarine making the port call. The meeting between South Korean and U.S. officials also focused on enhancing information sharing, coordination, and planning to bolster nuclear deterrence and response capabilities on the Korean Peninsula. South Korea expressed its commitment to a strengthened alliance with the U.S. to counter North Korea's nuclear and missile threats.



Source: Reuters

<https://www.reuters.com/world/asia-pacific/us-skorean-officials-huddle-new-nuclear-war-planning-talks-2023-07-18/>



## Africa

### India's Push for Full G20 Membership for African Union Gains Momentum Ahead of Summit



India's proposal to grant full membership of the G20 to the African Union (AU) has been included in the draft communique for the G20 annual summit in New Delhi scheduled for September. Top negotiators from the G20 nations are extensively discussing the communique during the three-day Sherpas' meeting. India's G20 Sherpa Amitabh Kant is chairing the meeting. The AU is a continental body comprising 55 member states from the African continent. Prime Minister Narendra Modi previously wrote to G20 leaders proposing AU's full membership, and there seems to be no indication of disagreement so far. However, since the G20 operates on a consensus basis, any differing voice could affect the proposal's approval. India argues that AU's inclusion in the G20 would lead to a more just, fair, inclusive, and representative global governance. The Sherpas' meeting will further deliberate on India's proposal. As part of India's G20 presidency, Modi is focusing on incorporating African countries' priorities into the G20 agenda. The G20 is an intergovernmental forum representing major developed and developing economies worldwide. AU is considered the primary representative of Africa and aims to promote progress and economic growth in African nations.

Source: ThePrint

<https://theprint.in/india/indias-proposal-for-g20-membership-for-african-union-included-in-draft-communique-for-groupings-summit/1669731/>



## Australia

### Australia upbeat on global tax talks at G20 in India

Australian Treasurer Jim Chalmers is hopeful about progress on a long-awaited global corporate tax overhaul discussed at a recent G20 meeting in India. The overhaul aims to update outdated tax rules for multinational corporations, particularly digital giants like Apple and Amazon, who can book profits in low-tax countries. While over 140 countries were expected to implement the 2021 deal next year, some nations have concerns about a multilateral treaty supporting a key part of the plan, potentially jeopardizing its success. Chalmers sees this as a crucial opportunity to ensure fair taxation for companies based on their profit locations, and Australia stands to benefit from participating in the process. The two-pillar deal involves reallocating taxing rights on approximately \$200 billion in profits from major multinationals to the countries where their sales occur and setting a 15% minimum corporate tax rate from the next year to discourage tax competition among governments.



Source: Reuters

<https://www.reuters.com/world/asia-pacific/australia-upbeat-global-tax-talks-g20-india-2023-07-15/>