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CII & USA: February 2009 Events Update

US-JAPAN- INDIA TRILATERAL DIALOGUE: 27 FEBRUARY-1 MARCH: TOKYO

Co-chaired by CSIS President John Hamre and former Deputy Secretary of State Richard Armitage and directed by Michael Green of CSIS on the American side, with Central Japan Railway Chairman Yoshiyuki Kasai leading the Japanese delegation and CII Chief Mentor Tarun Das leading the Indian delegation, the trilateral strategic dialogue met for the fifth time in Tokyo since its inception in June 2006. Recognizing the growing importance of India in East Asia and the enormous potential for expanding cooperation on global challenges based on shared values and interests, business leaders, scholars and policy experts from all three nations focused



Members of the US – Japan – India Trilateral meeting with Mr Taro Aso, Prime Minister of Japan

their discussions on five areas: domestic political developments; the economic crisis; international security challenge; regional architecture; and climate change / energy. The participants concluded that the challenge in these areas and the perspectives shared by the United States, India and Japan underscored the importance of strengthening trilateral strategic dialogue and cooperation. The co-chairs determined to continue their efforts in this regard and urged the three governments to do the same.

INDIA – USA STANDARDS CONFORMANCE COOPERATION PROGRAM: NEW DELHI

The CII in collaboration with US Trade Development Agency (USTDA), American National Standards Institute (ANSI) and Bureau of Indian Statistics (BIS) jointly organized the launch of US India Standards and Conformance Cooperation Program (SCCP) on 20th February. The US launch of the program was held at USTDA Headquarters in Virginia on 3



Panelists at the launch of New Delhi program (L- R): Mr. Bhaskar Bhat, Chairman CII National Committee on Gems & Jewellery; Ms. Holly Vineyard, ITA, US; Mr. Anil Mukim, Joint Secretary, Department of Commerce, Ministry of Commerce & Industry, Government of India; Mr. Sharad Gupta, Director General, Bureau of Indian Standards; Mr Yashwant Bhawe, Secretary, Department of Consumer Affairs, Ministry of Consumer Affairs, Food & Public Distribution; Mr. Joe Bhatia, President & CEO, American National Standards Institute; Mr Mark Dunn, Regional Manager for Asia, USTDA; Mr Girdhar J Gyani, Secretary General, Quality Council of India

March. The initiative is designed to help companies augment Indo-US trade by enhancing cooperation on standards and conformance issues. The program provides information on conformance procedures, technical regulations, and trade capacity building initiatives, emphasizing regulations and measures that help against consumer exploitation, prevent international disputes and help to increase market access. Among the distinguished speakers at the New Delhi launch were **Ms Holly Vineyard**, Deputy Assistant Secretary, International Trade Administration, US Department of Commerce, **Mr Joe Bhatia**, President and CEO, ANSI and **Mr Mark Dunn**, Regional Manager of Asia, USTDA; **Mr Yashwant Bhawe**, Secretary, Ministry of Consumer Affairs and **Mr Sharad Gupta**, Director General, Bureau of Indian Standards.

INDIA- USA PLASTICS INDUSTRY SUMMIT: 5 FEBRUARY: NEW DELHI

India-USA Plastics industry Summit jointly organized by CII and PlastIndia, aimed at strategic cooperation, market sharing and trade complementation between the two countries to further growth prospects and augment trade in plastics sector. The one-day Summit provided insight to industry representatives on issues like investment opportunities, technology upgradation, joint ventures, policy framework, and legal aspects amongst others. The discussions focused on enhancing business cooperation between the corporate of both countries- not only among the multinationals, but among the medium enterprises of India and the United States as well. The Summit was inaugurated by **Mr G K Pillai**, Commerce Secretary, Government of India. **Mr. Carmine D'Aloisio**, Minister Counselor for Commercial Affairs, US Commercial Service, US Embassy; **Mr. Kamal Nanavaty**, President, Polymers, Crackers & Chemical Sector, Reliance Industries Ltd; **Mr. Neil Pratt**, Sr. Director, International Trade and Trade Counsel; The Society of the Plastics Industry, Inc and **Mr. Arvind Mehta**, President, PlastIndia Foundation were among the key speakers who addressed the Summit.



L-R: Mr. Arvind Mehta, President PlastIndia Foundation; Mr. Amar Seth Vice President, PlastIndia Foundation; Mr. Neil Pratt, Sr. Director, International Trade & Trade Counsel; Ms NeelKamal Darbari, Joint Secretary Department of Chemicals & Petrochemicals Govt. Of India; Mr. G K Pillai Commerce Secretary, G.O.I, Mr. Kamal Nanavaty President, Polymers, Crackers & Chemical Sector, Reliance Industries Ltd, Mr. Carmine D'Aloisio Minister Counselor for Commercial Affairs, US Commercial Service, US Embassy and Dr. Sarita Nagpal, Deputy Director General CII.

IPR SUMMIT: 22- 25 FEBRUARY: NEW DELHI

CII and USIBC collaborated with George Washington University (GWU) in organizing the 6th annual Intellectual Property Rights Summit in India. The Summit, comprising of an intellectual property and corporate law delegation, featured an IP Symposium, Round-Table discussions, meetings and a networking events on 23 and 24 February, followed by a program with the Indian Patent Office on Patent Applications, Examinations and Appeals, and a corporate law event with the Indian Institute of Corporate Affairs. The program provided a wide platform to the industry, offering a 360 degree overview of the latest developments in the field of IP related issues like patents, regulatory data protection, privacy, licensing, and IP asset management strategies etc. Perspective of the US judiciary and policy makers was presented at the two- day long summit. Participating delegates included **Judge Randall Rader**, US Court of Appeals for the Federal Circuit, **Frederick Lawrence**, Dean of GWU Law School, **Judge Ronald Whyte**, Executive Director, American Intellectual Property Law Association (AIPLA) and **Dominic Keating**, US IP Attaché for India among others.

AERO INDIA: FEBRUARY: BANGALORE

Aero India 2009, the largest biennial aero-space and defense air show was held from 11- 15 February at Air Force Station Yelahanka, Bangalore. The five day show was organized by Ministry of Defense in association with CII. Nearly 600 armament and aerospace companies from more than 25 countries participated at Aero India. With 55 chalets, 50 official delegations from overseas, static display of 46 aircrafts and varied flying displays, participation from the USA was among the largest. The US contingent included participation of most of the defense industry majors which showcased aircrafts and sophisticated equipment highlighting the US desire for increased defense cooperation with India. Aero India also featured participation of a strong Executive Defense Delegation of US India Business Council (USIBC). CII facilitated meetings of USIBC Defense delegation with Secretary (Defence Production), Joint Secretary (Exports), the Air Chief and Naval Chief. As a precursor to Aero India, the 2nd India Regional Offset Conference was held on 9- 10 February in New Delhi. The conference was organized by CII in partnership with Global Offsets and Countertrade Association (GOCA) of USA, and supported by USIBC.



A cross section of the US Exhibitors showcasing defense equipment and technology at Aero India



Interactive session in progress in Chandigarh. (L-R): Joti Bhattacharjee, MD, State of Illinois- India Office; Mr. Rajinder Bedi, Managing Director, Office of Trade and Investment, Department of Commerce and Economic Opportunity of Illinois,USA; Mr. R M Khanna, Chairman, MSME Council, CII Northern Region and MD, Stanley Engineering; Major CS Bachhar, Director, CII Northern Region

INTERACTIVE SESSIONS “INTRODUCING ILLINOIS AS A MANUFACTURING HUB”: FEBRUARY: CHANDIGARH, MUMBAI AND NEW DELHI

CII in partnership with the State of Illinois-Department of Commerce and Economic Opportunity organized interactive sessions, aimed at connecting the Indian industry with economic opportunities in the State of Illinois, in three different cities across India. The sessions held in Chandigarh on February 19, Mumbai on February 26 and New Delhi on February 27, 2009 were received with enthusiasm by the Indian Industry. The Sessions

across the 3 cities were aimed at strengthening India- Illinois economic relationship and featured discussions around agricultural productivity and machinery, food processing and related equipment, biotechnology, plastics and building collaborations towards energy conservation, renewable energy and climate change. **Mr. Rajinder Bedi**, Managing Director, Office of Trade and Investment, and **Mr. Joti Bhattacharjee**, Managing Director, Illinois- India Office interacted with participants on potential areas of business collaboration. **Mr. R M Khanna**, Chairman, MSME Council, CII Northern Region and Managing Director, Stanley Engineering Pvt Ltd chaired the session in Chandigarh; **Mr. Neelabh Bhattacharya**, Executive Director, Suzlon Energy chaired session in Mumbai; and **Mr. Abhiram Seth**, Managing Director, Aquagri Processing Pvt Ltd and member, CII National Council on Agriculture, chaired the session in New Delhi.



GE- MBA module in session at CII Institute of Quality

GEORGETOWN UNIVERSITY GLOBAL EXECUTIVE MBA MODULE: 5 FEBRUARY: BANGALORE

Georgetown University and ESADE launched the 4th module of the schools’ new Global Executive MBA program in Bangalore from 4-14 February. The program was conducted in collaboration with CII and the Indian Institute of Management-Bangalore. The new degree program is an innovative approach to graduate business education. The course content is matched to locations worldwide in which the topics are best learned. The 2-week Module in Bangalore focused on managing knowledge and human capital and featured all-day sessions at the CII Institute of Quality, half-day case study sessions at Cisco, Philips Innovation Campus, and the Infosys Learning Center in Mysore, and a joint networking session with Advanced Management students at IIM-Bangalore. It was a great way for CII to market India to the 32 GEMBA students, who came from 12 countries on three continents.

AMERICAN RECOVERY AND REINVESTMENT ACT 2009

On February 17, 2009, American Recovery and Reinvestment Act (ARRA) was signed into legislation by President Obama in Denver, Colorado. The \$ 787 billion economic stimulus package comprises of 30% spending through tax cuts and 70% domestic spending through grants to states, funding for highway construction, and other infrastructure projects which are expected to create 3-4 million jobs over the next few years. There is heavy emphasis on alternative energies, health, water, education, and unemployment benefits. ([More](#)).

The “Buy American” clause in ARRA requires that only the iron and steel “produced in America”, should be used in infrastructure projects barring a few exceptions. . The “Buy American” sentiment has raised concerns and elicited criticism all over the world although America has assured that the protectionist provisions will be applied in a manner consistent with US obligations under international agreements. As Iron & Steel are among India’s Top Exports to USA, Indian exports will likely be adversely affected.

ARRA also prevents US companies availing benefits under the Act from hiring employees on H1-B visas. Industry estimates suggest nearly 100,000 Indians were among the 163,000 that had applied for non-immigrant skilled workers on H1-B visa in FY’09. Indian immigrants in the US may now be on the losing end and India may see an exodus of knowledge professionals. ([More](#))

US-INDIA: BILATERAL UPDATE

Some of the key updates on the bilateral front during the month of February are as below:

- **India-US Trade (January-December 2008)** ([More](#))

Trade	Value \$ Billion
Total trade	44.42
US's exports to India	18.66
India's exports to US	25.76
India's Trade Surplus	7.1

- **Richard Holbrooke, US Special Envoy to Pakistan and Afghanistan**, reached New Delhi on February 15, 2009 to consult India on problem of terrorism afflicting the region. During this visit, Mr. Holbrooke met with External Affairs Minister Pranab Mukherjee, National Security Adviser M K Narayanan and Foreign Secretary Shivshankar Menon amongst others. ([More](#))
- **US Consumer Product Safety Commission (CPSC)** has announced a one- year stay (effective until 10 February 2010), providing temporary, limited relief from testing and certification requirements for crafters, children's garment manufacturers, toy makers, manufacturers and importers of certain other products intended for children 12 years old and younger. ([More](#))

US ECONOMIC WATCH

- **Gross Domestic Product:** GDP decreased at an annual rate of 3.8% in the fourth quarter of 2008, from the third quarter. In the third quarter, GDP decreased by 0.5 %. ([More](#))
- **The US international trade deficit:** December exports of \$133.8 billion and imports of \$173.7 billion resulted in a goods and services deficit of \$39.9 billion. The deficit is on the decline, down from \$41.6 billion in November and \$57.2 billion in October (revised). ([More](#))
- **Unemployment status:** The number of jobs slashed by US Companies in January 2009 reached 598,000, while the unemployment rate - 4.4 per cent before the credit crisis - jumped to 7.6 per cent, its highest level since 1992. The economy has lost 3.6 million jobs since the recession began in December 2007, and half of this decline has occurred during the last three months ([More](#)).
- **US's Foreign Trade (January-December 2008)**

Trade	Value (\$ Billion)
Total Trade	3480.1
Exports	1344.5
Imports	2135.6
Trade Deficit	791.2

CII- USA FORTHCOMING EVENTS: March 2009

- Interactive Session with Kentucky Leadership Trade Mission led by Former Kentucky Governor, Ms Martha Layne Collins on 3 March in New Delhi, India
- CII CEOs delegation to US led by Mr Sunil Bharti Mittal from 17- 19 March in New York and Washington DC, USA
- CII Farewell Reception in honor of Ronen Sen, Ambassador of India to the United States, on 18 March in Washington DC, USA
- CII- India Business Forum Meeting on 18 March in Washington DC, USA
- Sessions with US Solar Energy Trade Mission to India on 23 March in New Delhi; 24 March in Jaipur, and 26 March in Ahmedabad, India
- Interactive meet with US EXIM Bank on 24 March in Ahmedabad, India

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