
Trade Investment Promotion Service

TIPS News Bulletin

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WTC Navi Mumbai brings the World of Information on Trade & Investment...

Important Global Trade and Indian Economy Developments

Major developments in International Trade and Indian Economy in recent period are mentioned below :

- USA and China Trade War seems to be continuing and the situation getting worsened from trade point of view . Both countries appear hell-bent on restricting their trade by increasing tariffs but in the process are affecting many other countries . India is also affected seriously and the Commerce Minister specially went to USA to sort out the issues . However the USA had also taken up its grievances against India to the WTO / UN Forum . We hope that this bad patch in global trade will not continue for a long time and the trade will return to growth path sooner . The Article in this issue of TIPS provides details of how this trade war is taking place . Readers will certainly find it informative .
- Progress of GST in India is attracting attention of the world . Within India GST seems to be doing well as evident from the revenue collection figures . Though MSMEs , small businesses and exporters have some grievances , government is trying hard to sort out their problems . More important is the emerging common market which is on strong growth footing and it is the attraction for global companies as well as other international investors .
- A very important development in Indian IT and E- Commerce sphere was the sale of Flipkart – Indian giant to another global giant Walmart at a truly giant price from Indian viewpoint . No doubt it is the best development to happen for Indian E-Commerce sector . A great proportion of India's international trade can happen on such platforms . An opportunity that should not be missed by Indian businesses.

The US-China Trade War

The United States of America and China are the two most powerful economies in the world today with a combined economy worth \$35 trillion as per nominal GDP, which accounts for approximately 45% of the world economy and approximately \$45 trillion according to GDP (PPP). The US-China combined accounts for \$7.5 trillion worth of trade in the global import-export market.

The trade war between the United States and China was started when the Trump Administration imposed \$50 billion in tariffs against 130 different types of Chinese imports, artificially increasing their prices to make them more expensive, and less attractive, to U.S. consumers. Shortly thereafter China imposed its own regimen of \$50 billion in tariffs against a wide variety of U.S. imports.

Since then the Trump administration has threatened an additional \$100 billion in tariffs and has recently imposed sanctions against ZTE, one of China's largest global providers of technology, effectively locking it out of U.S. markets. If we really want to understand the significance of these actions, it is essential for us to understand the history of the United States and trade.

The US has been a global superpower since world war II. After the world war II, the global economy was in a turmoil and there were two major super powers, the USA and Soviet Union, these two nations constantly engaged in all major political and military conflicts with engaging in any full scale was, the period was known as the cold war. After the dissolution of Soviet Union in 1991, the US is the only remaining superpower in the world till date.

The Rise of China

China gained Independence in the year 1949 and was declared as a communist nation. Between 1948-1979, China had been a part of several conflicts like the Korean war, war with India, Vietnam war and several others.

Since initiating market reforms in 1978, China has shifted from a centrally-planned to a market-based economy and has experienced rapid economic and social development. GDP growth has averaged nearly 10 percent a year the fastest sustained expansion by a major economy in history and has lifted more than 800 million people out of poverty. China reached all the Millennium Development Goals (MDGs) by 2015 and made a major contribution to the achievement of the MDGs globally. It is the second largest economy in the world today demonstrating impressive global standards.

China is set to become the largest economy in the world by the year 2025 and establish itself as a global superpower thereafter.

What is a Trade War

According to theory, a trade war is *"a conflict between two or more nations regarding trade tariffs on each other"*. This type of conflict usually arises because the nations involved are trying to improve imports or exports for its own country.

A trade war can be a result of protectionism where a country tries to protect its industry by raising tariffs on another country's imported goods or services and the other country retaliates by imposing tariffs on the goods and services they import.

The main reason the US-China trade war was accepted was because The US claimed that China treats American companies unfairly by restricting access to its markets and stealing proprietary technology. The US buys \$506 billion worth of goods from China but only exports \$130 billion, leaving a trade deficit of \$375 billion between the two countries.

The trade war is still in the development stages but this situation might still escalate into a full scale trade war with several implications.

Implications of the Trade War

A trade war between the United States and China could go beyond taxes and directly disrupt global supply chains as investment is targeted.

Any disruption to supply and distribution chains, which are a key part of world trade, could have a lasting impact. In the worst-case scenario, companies may have to relocate factories or distribution centres. Investment decisions affect employment and taxes raised, and are in some ways more disruptive than tariffs, which can be reversed more easily.

This escalation would be damaging for the US and Chinese economies since global companies, such as Apple, invest in both countries. This would affect not only US businesses but also American consumers. Retailers such as Walmart import goods from China, so prices would go up and living standards would be squeezed. And since US goods are sold worldwide, if they are reliant on parts from China, consumers here in the Europe and in the rest of the world would also be affected. The same applies to Chinese consumers and producers, particularly since about half of Chinese exports are made by enterprises with foreign investors.

The future Prospective

A full scale trade war will have serious consequences for both the countries and disrupt the global economy. There are negotiations and backdoor discussions taking place between both the nations and all attempts are made to ensure that a full scale trade war is avoided at all costs.

In an economic trade war, there is no winner or a loser. Its just two nations trying to display their dominance which results in both the nations incurring major losses and just one loses more than the other.

(Written by : Abhishek Bhattacharya, BBA - D Y Patil Univ. School of Management)

A) WTC Navi Mumbai Event

WTC Navi Mumbai has planned following 2 Trade Promotion Events in the immediate future for the benefit of WTC Members as well as its Associates

Readers are requested to make a note of the same.

1) Tapping Prospective Buyers for Export Business

Theme of this Seminar is important and relevant not only to the Export Start Ups but also to the established Exporters. In fact India's Export Business can rise if the exporting community is able to reach the Global Importers in a right manner.

Date : 28th Jun (Tentative)

Timing : 1500 - 1800

Contact Person : Mr. Jayant Ghatе: 86555 94141 / 09820342535

Email: jayant.ghate@wtcnavimumbai.org

2) Business Opportunity in Basque – SPAIN

Basque is an important Economic Region in Spain & offers excellent opportunities for doing business in terms of industry & agriculture. The regions representative in India based in Mumbai will be the Guest Speaker & make a presentation of this region providing details of the opportunities available

Date : 12th July (Tentative)

Timing : 1500 - 1800

Contact Person : Mr. Jayant Ghatе: 86555 94141 / 09820342535

Email: jayant.ghate@wtcnavimumbai.org

WTC Mumbai is celebrating WTCA Annual Day on 12th June'18. The Invitation is attached for your reference



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Cordially invite you and your spouse
on the occasion of

World Trade Centers Association Day

Chief Guest

Gen. (Dr.) V. K. Singh (Retd.)

Hon'ble Minister of State for External Affairs
Ministry of External Affairs, Government of India

Tuesday, June 12, 2018 at 7:00 pm

Followed by a Reception

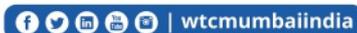
Venue

South Lounge, Centre 1, World Trade Centre
Cuffe Parade, Mumbai

RSVP

MVIRDC World Trade Centre Mumbai

t: 91-22-6638 7272 | f: 91-22-2218 8385 | e: marketing@wtcmumbai.org



B) WTCs Around the World

WTC Leeuwarden, Netherlands

Friesland; an essential destination in Europe this year by Lonely Planet

Lonely Planet's travel experts have explored every part of Europe in search of the continent's hotspots for 2018, and guess what! Friesland was selected as Number 3!

Most people visiting the Netherlands make a beeline for Amsterdam, but this year the province of Friesland is stepping into the limelight. It joins its capital Leeuwarden, a small city with a thriving cafe culture, eclectic shopping and canals lined with historic houses, as European Capital of Culture in 2018. It hosted also the **49th WTCA General Assembly** this year. So hopefully, many of you whom visited the GA can agree on the decision of Lonely Planet ranking Friesland as third.

WTC Winnipeg, Canada

STRENGTH OF A NETWORK: WTC WINNIPEG & WTC TRIESTE

The World Trade Centers Association network has once again shown its strength in reciprocity. The WTC Winnipeg and the WTC Trieste have most recently collaborated to connect a Canadian company to the Italian market.

Skipthe Dishes is Canada's leading – and North America's fastest-growing – food delivery company. Headquartered in Winnipeg and with more than 1500 employees, Skip makes great food more accessible through advanced seamless technology. The company is now serving millions of orders a month in 95 North American cities, with more than 10,000 restaurant partners.

Most recently, Skip set its eyes on Italy to make connections for talent acquisition. That's where the WTC network has come into play

WTC Geneva, Switzerland

ENERGY MANAGEMENT AWARD FOR WTC GENEVA

World Trade Center Geneva won the first prize of the Ambition Négawatt contest which rewards companies for their investments in smart energy management systems

On 24 April 2018, the Geneva utilities company (SIG) awarded the Ambition Négawatt trophy to World Trade Center Geneva and its Privera property management team. Created in 2011, the contest aims to promote energy savings and reduce CO₂ emissions.

In 2017, World Trade Center Geneva lowered its energy consumption by nearly 25% thanks to the installation of a more energy-efficient air conditioning system. The resulting financial savings directly benefit the building's tenants.

WTC Rotterdam, Netherlands

WTC ROTTERDAM LEAPS FROM ENERGY LABEL E TO A

The iconic high-rise made exceptionally more sustainable during renovation. Although the renovation of the World Trade Center Rotterdam is still underway, the building has already made huge strides in sustainability. At the start of this year, the building was expected to move from the E to C energy label, but today, the high-rise part was certified A. This jump was made in a relatively short space of time – this major improvement in sustainability only took three years. One of the reasons for this rapid improvement was the innovative climate control system. The efficient air purification system is driven by a thermal wheel that recycles the heat in the building, thus reducing the need to heat up cold air from outside. While it is not uncommon that buildings are made more sustainable during renovation, a jump of this level and scale is exceptional in Rotterdam's construction sector. WTC Rotterdam is proud that it has already attained a goal that was set for 2030. In the year 2030, new energy regulations will require all buildings to be certified with the A energy label.

WTC Navi Mumbai Repeats Export Workshop

World Trade Centre, Navi Mumbai repeated its successful workshop on “Success in Export Business” on 31st May 2018 at the WTC. Earlier workshop was organised towards end of 2017 and there was a positive response and interest in repeating the workshop.

WTC enlisted cooperation and support from the National Small Industries Corporation (NSIC) in organising this workshop. The event was participated by more than 50 exporters, importers, start-ups and businesses aspiring to get into the export market. The workshop focussed on the relevant topics such as export marketing, operational process, financial credits as well as supply chain and logistics.

The Chief Guest of the workshop/event was Mr. Abhay Daptardar, the Joint Director of MSME Development Institute based in Mumbai. Mr. Daptardar inaugurated the workshop and delivered an enlightening speech on how start-ups can establish themselves in the market and also about the economy and various government schemes. He also emphasized on the importance of export to the economy and encouraged the participants to establish and expand the exports, which is the need of the hour.

An important highlight of the day was the session that was conducted by guest speaker/ faculty Mr. Nakul Bagkar. He is an expert in export-import business sector with more than 20 years of industry experience. Mr. Nakul thoroughly discussed the complete process of exporting beginning from how to identify a suitable country or market for different products and how to identify a suitable product for different countries or markets for sending export consignment and receiving payments. He provided a brief and guidance on the whole process and what are the necessities or requirements for an entrepreneur or business to be successful in the export market.

Other Guest Speakers included Mr. Harshwadan Parikh, MD of HardChem Electronics Group shared his years of industry experience and knowledge in the import-export sector, especially in the area of trade promotion. The workshop was concluded by Mr. Jayesh Khade, Director of the Indo-Global Chamber of Commerce who shared his ideas on digital marketing and its importance in the modern age of business and the import-export sector.

Mr. Jayant Ghate, Advisor to WTC Navi Mumbai, while welcoming the participants provided details of how WTC's can help in getting buyers for export from India. He mentioned about the wide range of services and facilities available at WTC's and how to access these.



WTC NAVI MUMBAI & IGCC ENTREPRENEURS MEET-2018

The World Trade Centre, Navi Mumbai jointly with the Indo-Global Chamber of Commerce organised the “Entrepreneurs Meet- 2018 & Interactive Session” on 10th May 2018 at the WTC. More than 50 Entrepreneurs/Startups participated to share their journey’s and enlighten the session. The prominent feature of the event was, every participant was given a platform to come on the dais and share his/her business ideas and progress. The event was organised and hosted by Mr. Jayesh Khade, director of the Indo-Global Chamber of Commerce and close associate of WTC. He is also a social entrepreneur regularly promotes startups.

The highlight of the event was an inspiring speech delivered by Mr. Ashok Khade, the Managing Director of Das Offshore, who shared his journey from being a village boy in Sangli belonging to a humble background to building a multimillion dollar worth engineering company based in Mumbai. He quoted many of his experiences and provided guidance to the participants. His message to the entrepreneurs was “Honesty and commitment are very crucial for success in business”.

Few other prominent speakers of the day were, Ms. Roshni Hole, a Pune based handicraft manufacturer, Ms. Suvi Swami, a meditator, beautician and spiritual guide who has turned her idea into entrepreneurship, Ms. Aarti Thakkar, a web designer and business work ethic she follows of keeping customers above everyone. Ms. Rupali Srinivasan, a digital marketing expert, shared about how small scale businesses can partner themselves with large E-commerce giants to sell their products.

Other speakers included, Dr. Swapnil Mane, a well known medical professional who shared his ideas about entrepreneurship in the Indian medical industry and Dr. Sudhir Tare, an international Phd guide who shared his ideas in the educational sector. Mr. Jayesh Khade, who was also the organiser, had shared his ideas about entrepreneurship to further enlighten the session. The event was also attended by few students of D Y Patil University School of Management who assisted in organising of the meet.

The event provided the opportunity to the startups to set up stalls and exhibit their products. Two startups have had the opportunity to display their products. Unicane Industries based in Pune, had put up a stall to display their handicraft products and Trusted Enterprises based in Mumbai had put up a stall to display several imitation jewellery products. All the businesses had networking opportunities and to advertise their products and services.

The event was a grand success providing the much needed opportunity for startups in today’s highly competitive business environment.



WTC Navi Mumbai Important Membership Benefit

WTC Navi Mumbai is pleased to announce an additional membership advantage that will provide special facilities offered by Raheja Universal Group as part of its Raheja Care initiative.

Besides providing the International Networking/ Access benefits to the WTC members, complimentary membership of Raheja Care will provide access to wide range of domestic advantages such as Lifestyle, Institutional Alliances as well as Special Alliances.

Raheja Group has taken this important initiative leveraging its strength in core business and to provide this special benefits its associates.

New organisations/companies interested in WTC membership are requested to send the completed membership application form along with payment. The form is attached at the end of this bulletin.

MEMBERSHIP APPLICATION FORM

1. Name of the Company
(In Block Letters) : _____
2. GST No : _____
3. Year Of Establishment : _____
4. Office Address : _____

- Telephone No/Fax No : _____
- Email : _____
- Company Website : _____
5. Representative Name : _____
- Mobile Number : _____
- E Mail : _____
6. Company Profile (Attach Brochure) & Business Interests (Pls Specify): Export ,Import, Countries & Products, Investment, Technology etc

7. Annual Fees : **Rs.2,950/- All Inclusive Payable by Cheque / DD in Favor of "Raheja Universal Pvt Ltd."**

Authorised Signature & Company Seal

Membership Advantages / Benefits:

- **Global Recognition**
 - WTCA and WTC network is a Global Brand known for Best Quality Practices. Your Membership brings you Global Recognition to start with.
 - 330 WTCs operating in 92 countries provide Reciprocal Membership Services such as: Office Space, Business Centre, Exhibition / Meeting Rooms , B2B Opportunities, Seminars / Workshops, WTC Club, Hotel Discounts etc.
 - WTCA / WTC Card to the Member for Access to these Services.
 - There are 750000 Business and other organisations and 15000 Experts associated with WTCs Network. You can count on this for any of your International Business Needs.
- **National & Local Benefits**
 - WTC Navi Mumbai offers significant benefits in terms of Access to the Global WTCs Network
 - Knowledge Services include : Trade Information , Education , Trade Mission
 - International Trade Library & Databases for Reference
 - Participation in Seminars & Training Programs , Mentor Events
 - B2B Meetings with Incoming Trade Delegations
 - Referrals to Overseas Embassies / Consulates in India for Visa purpose
 - Facilities : Temporary Offices & Meeting Rooms
 - Value-added Market / Export Surveys, Industry Studies , Research (@ cost)
- **Special Offer**
 - Complimentary Membership of Raheja Care which provides a world of exclusive privileges & benefits and discounts on Lifestyles, Home Alliances & Institutional Alliances