

'Make In India' And 'Atmanirbhar Bharat' Initiatives Seek To Increase India's Self-Sufficiency: US Govt Report

by PTI - Apr 1, 2022 01:52 PM



Make in India symbol (MONEY SHARMA/AFP/Getty Images)

Washington, Apr 1 (PTI) Initiatives such as "Make in India" and "Atmanirbhar Bharat" seek to increase India's self-sufficiency by promoting domestic industry and reducing reliance on imported goods, the US Trade Representative has said in a report, observing that American exporters encounter 'significant' tariff and non-tariff barriers in the country.

In its National Trade Estimate Report 2022 on foreign trade barriers, the US government agency responsible for promoting the American trade policy said that the United States has actively sought bilateral and multilateral opportunities to remove obstacles to India's market.

"Nevertheless, US exporters continue to encounter significant tariff and non-tariff barriers that impede imports of US goods and services into India," the USTR said.

"While the Government of India has pursued ongoing economic reform efforts, it also continues to promote programmes such as "Make in India" (2014) and "Self-reliant India" (Atmanirbhar Bharat - May 2020) that seek to increase India's self-sufficiency by promoting domestic industry and reducing reliance on foreign suppliers and imported goods," the report said.

According to the report, India has proposed and promulgated several data localisation requirements that would serve as significant barriers to digital trade between the US and India.

"These requirements, if implemented, would raise costs for service suppliers that store and process personal information outside India by forcing the construction or use of unnecessary, redundant local data centers in India. The requirements could serve as market access barriers, especially for smaller firms," it said.

The USTR said that traders continue to be negatively affected by a lack of transparency with respect to new and proposed laws and regulations and the lack of uniform notice and comment procedures and inconsistent notification of these measures to the World Trade Organisation (WTO).

"This, in turn, inhibits the ability of traders and foreign governments to provide input on new proposals or to adjust to new requirements. US stakeholders continue to report new requirements are issued with inadequate public notice and comment periods and/or inadequate consultation or notification at the WTO," it said.

This lack of transparency imparts a lack of predictability to the Indian market, diminishing the ability of US companies to enter or operate in India.

The United States continues to raise concerns regarding uniform notice and comment procedures with the Government of India, both bilaterally through the Trade Policy Forum and multilaterally in the WTO, the USTR added.

In the financial year 2021, the US exported over USD 1.6 billion of agricultural products to India. The total bilateral trade stood at USD 80.5 billion in 2020-21 as against USD 88.9 billion in 2019-20.

India's exports to the US stood at USD 51.62 billion in 2020-21 as against USD 53 billion in 2019-20. India's imports from the US stood at USD 28.9 billion in 2020-21 as against USD 35.9 billion in 2019-20, according to commerce ministry data.