

BRICS countries bring stability & balance in an uncertain World; focus on Trade as catalyst of development- Hon'ble Union Commerce and Industry Minister

{MoU signed amongst BRICS Trade and Investment Promotion Agencies}

India places great importance on its engagement with BRICS as it brings stability and balance to an uncertain world said the Hon'ble Union Minister of Commerce and Industry & Railways, Shri Piyush Goyal, at the interventions made by him in the BRICS Trade Ministers meeting held in Brasilia, Brazil yesterday.

The global economy is facing grave challenges due to growing protectionism and trade tensions due to unilateral measures said the Minister in his address at the session on International Economic Outlook. He further stated that in this uncertainty India continues to offer economic opportunities with reduced corporate taxes that are the most competitive in the world, liberalized rules for Foreign Direct Investment and revitalization of sectors like real estate and the micro and small enterprises. The micro, small and medium enterprises (MSMEs) in India support the livelihood of millions of people the Minister added. The 50 million MSMEs create over 100 million jobs and contribute 40 percent to India's exports.

It is the backbone of Indian economy but the increasing trends of protectionism in the form of Non-Tariff Barriers (NTBs) are denying market access to these enterprises particularly from the developing countries. Developed countries advocate open and free trade with emphasis on removal of tariffs in developing countries but they themselves are raising more barriers in the form of NTBs that are leading to economic uncertainties and raising the cost of doing trade in developing and Least Developed Countries (LDCs) said the Hon'ble Union Minister of Commerce and Industry.

He urged the BRICS countries to again focus on trade as a catalyst for development, poverty alleviation and job creation. BRICS countries accounted for 25 percent of the world's GDP, 50

percent of the world's population and around 20 percent of global merchandise trade in 2018. BRICS countries have natural resources, human capital and financial outreach and have the potential to become global growth engines and leaders in innovation and enterprise, he added.

The Hon'ble Union Minister of Commerce and Industry in his address, in the session on Advancing BRICS Trade and Investment Cooperation- the Road Ahead, urged the BRICS countries to develop digital infrastructure, skills and institutions with special focus on the developing countries and LDCs while highlighting the adverse impact of predatory pricing that is practised by some e-commerce players that adversely affects millions of small retailers. He reiterated that e-commerce players must follow the letter and spirit of the law of the country.

In his address he also spoke about the need to ensure that the WTO reform process does not dilute the basic principles like Special and Differential Treatment to developing countries and consensus-based decision making. He urged the BRICS countries to collectively take the lead in shaping the narrative on reforms within the WTO in order to enhance its relevance and effectiveness in the contemporary technological and trade environment.

In his closing remarks at the Trade and Industry Minister's meeting, he said that the Memorandum of Understanding (MoU) amongst BRICS Trade and Investment Promotion Agencies signed at this meeting provides a framework for forging collaboration between countries and facilitating greater trade amongst BRICS member countries. He expressed his confidence that the MoU will further promote trade and market studies and will narrow gaps in trade facilitation measures in BRICS countries.

Further, he urged all BRICS member countries to maintain the momentum in all the areas agreed upon during the Brazilian Presidency especially cooperation initiatives in MSMEs, Intellectual Property Rights, e-commerce, technical regulations, investment facilitation and trade and investment promotion as cooperation through these frameworks will encourage value added outcomes for stakeholders.

He said that the joint communique reflects the resolve towards an open, fair, transparent and inclusive multilateral trading system. He further said that as the Joint Communique feeds into the BRICS Leaders' Declaration it sends a strong message to the world in defence of free and fair trade and revival of the rules-based multilateral trading system. He reiterated the Hon'ble Prime Minister of India's commitment that India's no strings attached model of cooperation is driven by the requirements and priorities of India's partner countries.

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