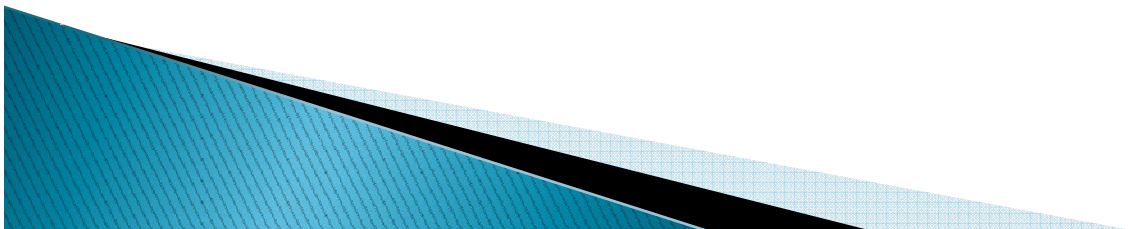




Convergence towards regional integration between the EU and India: Trade implications for India and UK

Organisation

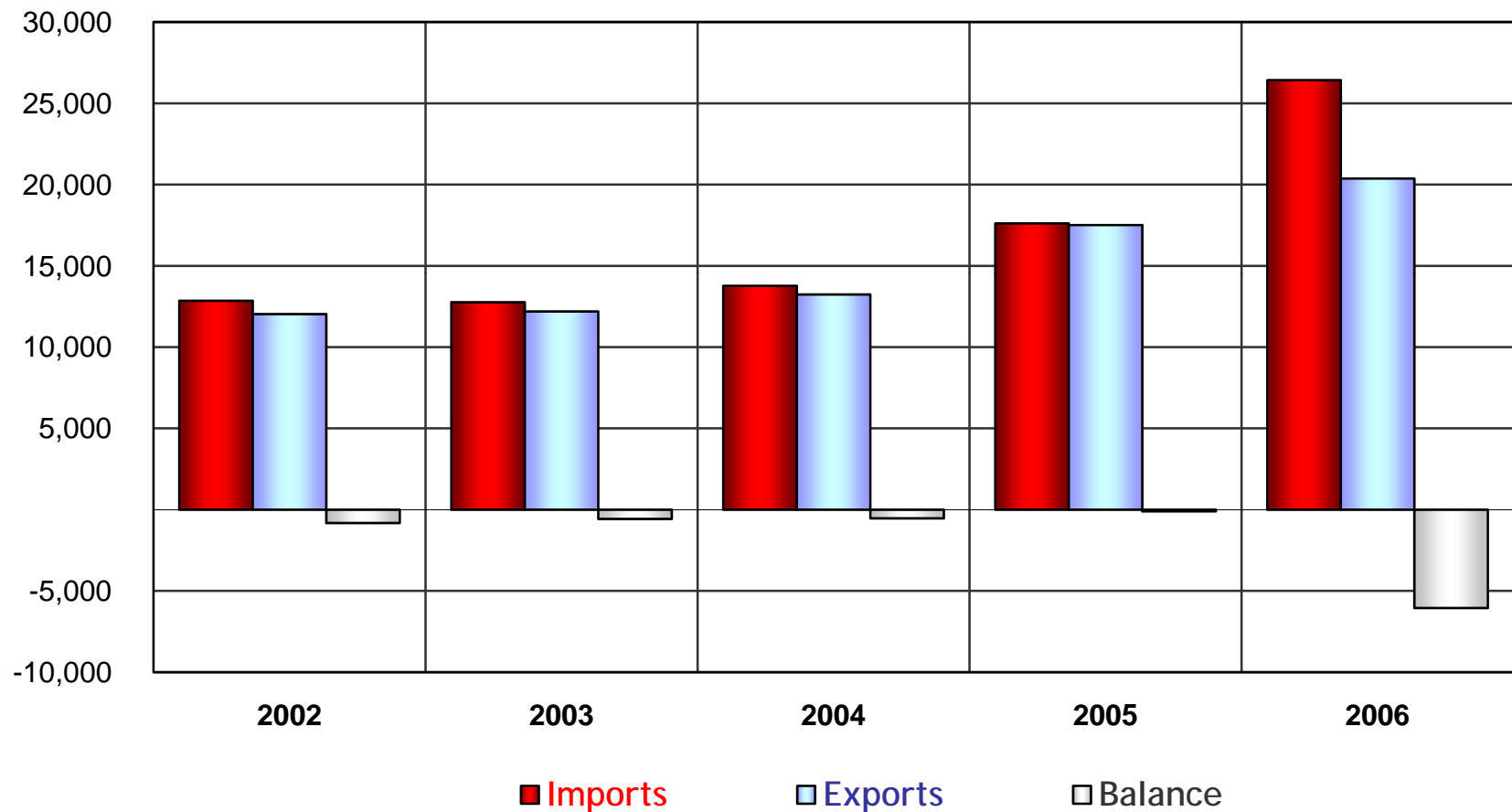
- ▶ Context of research
- ▶ Main research agenda
- ▶ Methodology
- ▶ Main findings
- ▶ Issues for discussion



Background

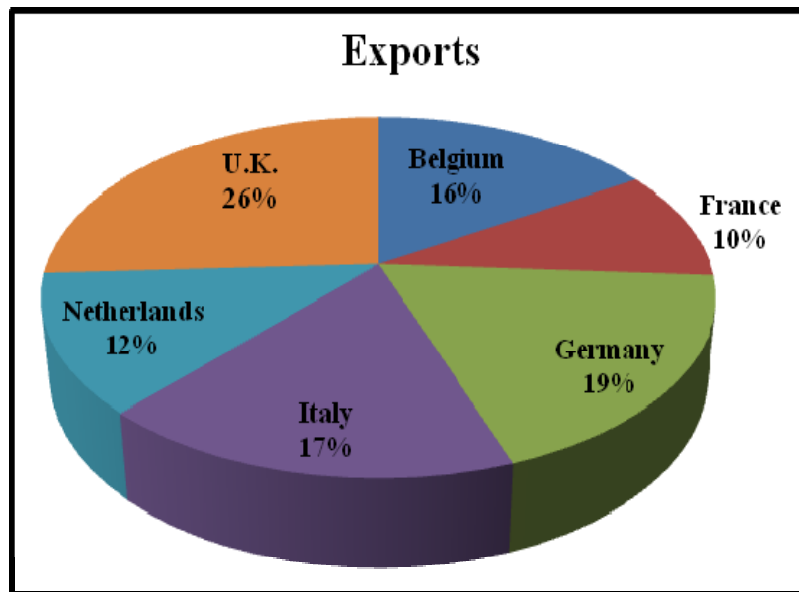
- ▶ Growing importance of trade between EU,UK and India
- ▶ India is UK's 3rd largest trade partner
- ▶ EU-India FTA negotiations are underway
- ▶ Explicit recognition of differences in administrative and regulatory regimes

Evolution of India's trade with EU

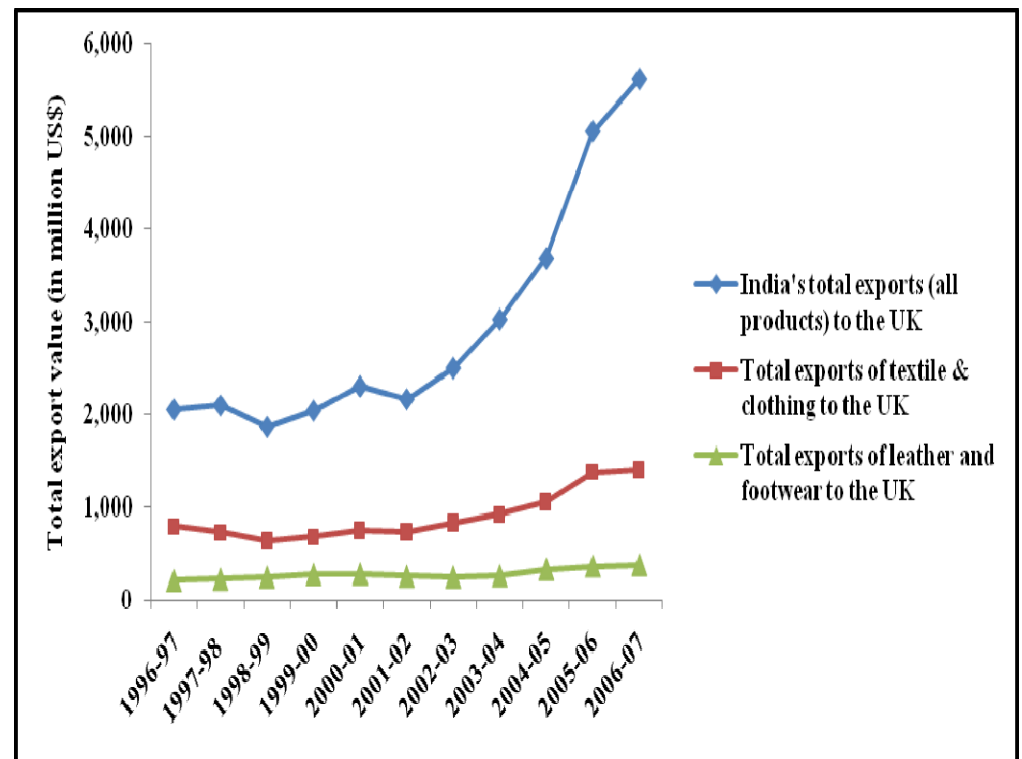


India's exports

India's main export destinations in the EU (2006-07)

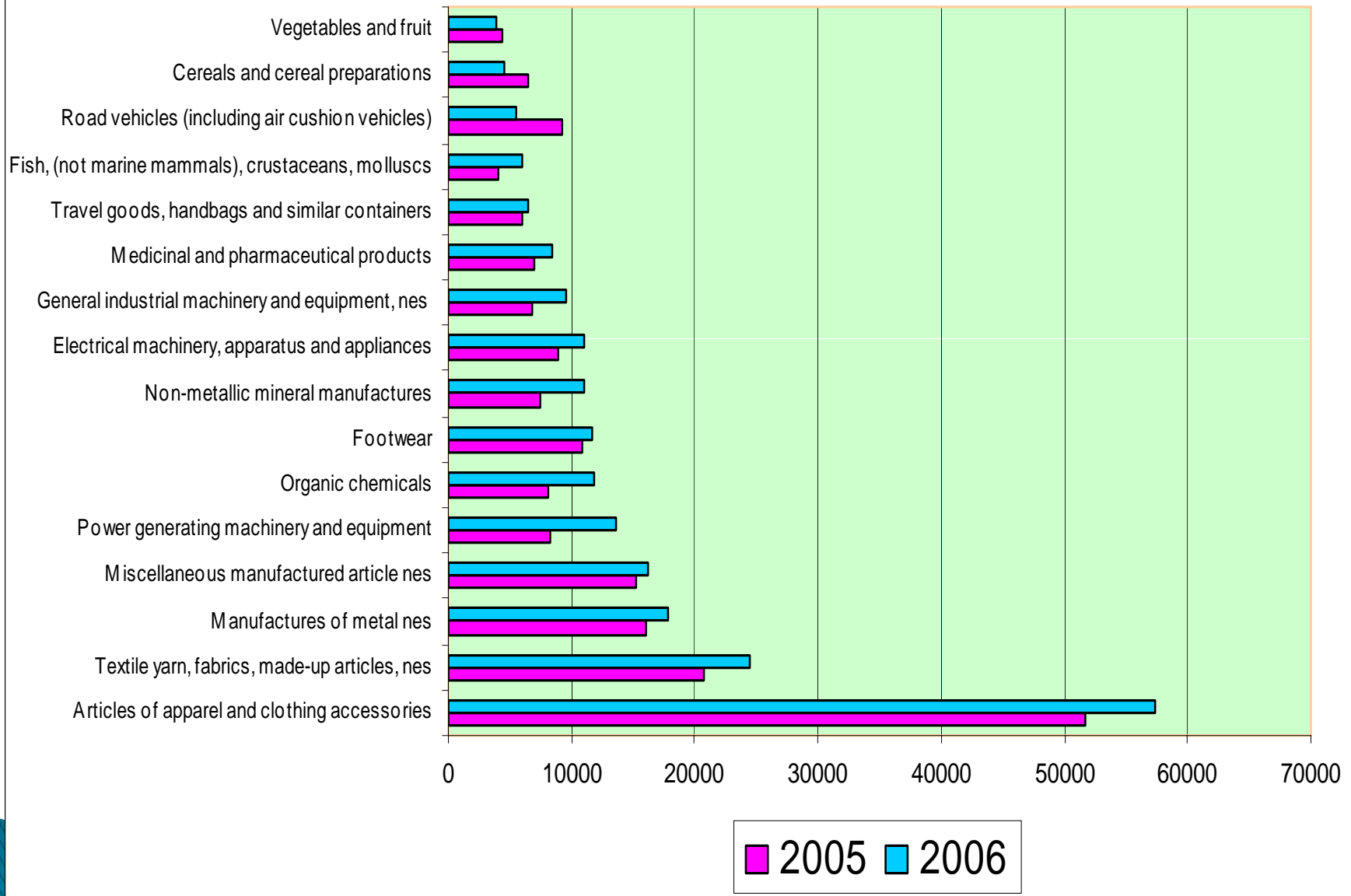


Overview of India's exports - T&C, L&F (1996-97 to 2006-07)



UK imports from India

(in million £)



Source: UK trade statistics

9/1/2008

Main objectives of research

- ▶ Identification of NTBs that impede trade between the UK and India in the goods sector.
- ▶ Evaluation of differences in regulatory regimes and administrative hurdles in the goods sector.
- ▶ Suggest modalities to reduce the impact of NTBs in bilateral trade in the target product groups.

Methodology

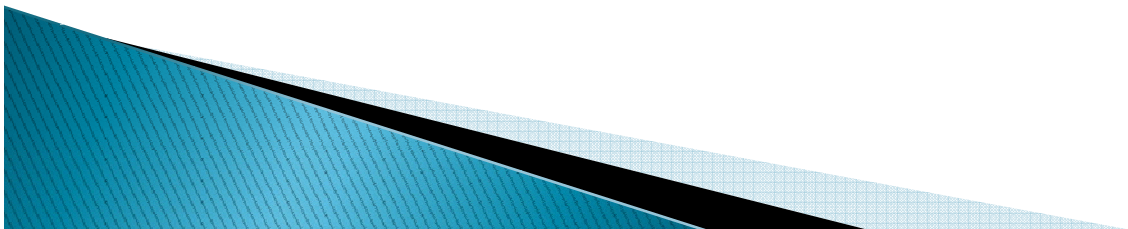
- ▶ Two phased research
 - ▶ India and UK
- ▶ Selection of sample
 - Top 5% firms contacted
 - Personal meetings and interviews
- ▶ Combine qualitative & quantitative methods to assess perceptions of exporters to NTBs

Indian exporters' perspective

- ▶ NTBs are a major concern
- ▶ Customs delays / documentation formalities
- ▶ Regulatory requirements vary among EU Member States
 - Health and safety standards
 - Environmental regulations and compliance
 - Testing and certification requirements
 - Labelling
 - Packaging requirements
- ▶ Domestic barriers:
 - High transport costs
 - Lack of adequate infrastructure
 - Corruption

UK perspective

- ▶ Institutional and domestic environment are an issue
 - Customs delays
 - Internal domestic barriers in India:
 - Inadequate infrastructure / port congestion
 - Pilferage / corruption
 - Limited capacity of Indian T&C industry - inability to deliver on time



We solicit your views on

- ▶ Have we missed anything?
- ▶ Addressing the incidence of NTBs can be through:
 - Capacity building is vital
 - EU standards vs private standards
 - Mutual recognition
 - Rules of origin

