



उद्योग संवर्धन और आंतरिक व्यापार विभाग
DEPARTMENT FOR
PROMOTION OF INDUSTRY AND
INTERNAL TRADE



Confederation of Indian Industry



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PARTNERSHIP SUMMIT 2021

**PARTNERING FOR BUILDING A NEW WORLD: GROWTH,
COMPETITIVENESS, SUSTAINABILITY, TECHNOLOGY**

**13-15 DECEMBER 2021
CII HIVE VIRTUAL PLATFORM**

RETROSPECT

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SUMMIT 2021**

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**PARTNERSHIP
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FOREWORD



Chandrajit Banerjee

Director General
Confederation of Indian Industry

At the end of 2021, different trajectories of growth for economies, recurrence of Covid-19 in a new strain, and resurgent world trade characterized global economic interactions along with accelerated trends in the areas of sustainability and technology. Building on a successful virtual edition in 2020, CII in partnership with the Department of Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry, India, curated the CII Partnership Summit 2021 as an extraordinary gathering of top global government, expert and business minds to deliberate on the implications and imperatives for the world ahead.

The 27th edition of this global platform centred around the theme of Partnering for Building a New World: Growth, Competitiveness, Sustainability, Technology. With the fundamental mantra of sustaining and enhancing global partnerships to take up common issues, the Summit this year focused on ideas for collaboration among nations in 9 focused tracks: growth, trade, investment, competitiveness, sustainability, technology, G20, the social dimension and geopolitics.

The deliberations converging almost 200 speakers from over 40 countries brought out key facets of the current status of global development for an audience of interested participants numbering close to 7,000 delegates. India's rapid economic growth and fast-paced reforms agenda as well as strategies to strengthen manufacturing and infrastructure drew acclaim. Its stress on vaccination and healthcare, including in assisting the world, were widely lauded. India will continue to play a significant role in global growth revival, according to speakers.

The revival of global trade and investments as demand surged post-pandemic was an important area of discussion. Diversifying global supply chains and building resilient trade along with emerging products such as agriculture and green goods were emphasized. Investments will play a key part in world economic growth with capital seeking fresh destinations. Many countries including Germany, Japan, Indonesia, Israel, Maldives, Russia, Sri Lanka, and Vietnam along with Middle East countries Bahrain, Oman, Saudi Arabia and the UAE organized special sessions at the Partnership Summit to highlight bilateral investment opportunities.

Immense interest was evinced in the sustainability agenda with climate change targets, renewable energy, and finance finding place in the deliberations. This is one mission that the world must undertake jointly for success and businesses will play a strong role in meeting the climate change targets.

Over the years, the CII Partnership Summit has evolved as a preferred platform for governments and businesses to address new economic opportunities. For CII, which has a long and intensive engagement across the world for forging strong economic and business linkages, the Summit each year reinforces ties with friends and brings new partners for India.

I am pleased to bring out the Partnership Summit Retrospect which captures the key ideas and suggestions emanating from the deliberations. We believe it will add value to policymaking for trade and investment as well as open up new business opportunities between India and the world.

The background of the entire image is a dark blue field filled with a complex, interconnected network of thin, light blue lines. These lines connect numerous small, light blue circular nodes, creating a web-like pattern that suggests global connectivity and digital infrastructure. The density of the network is higher in some areas, particularly towards the top and bottom edges, while the center is slightly less dense, providing a clear space for the text.

THE CII PARTNERSHIP SUMMIT 2021

A GLOBAL PLATFORM



Ms Smriti Zubin Irani

Minister of Women and Child Development
Government of India



Mr Piyush Goyal

Minister of Commerce & Industry,
Textiles, Consumer Affairs, Food and Public Distribution
Government of India
and Chairman, The Partnership Summit 2021



Mr Sarbananda Sonowal

Minister of Ports, Shipping and
Waterways and AYUSH
Government of India



Mr Jyotiraditya M. Scindia

Minister of Civil Aviation
Government of India



Mr Ashwini Vaishnaw

Minister of Railways, Communications and
Electronics & Information Technology
Government of India



Mr Bhupender Yadav

Minister of Labour and Employment
and Environment, Forests & Climate Change
Government of India



Dr Jitendra Singh

Minister of State (I/C) Science & Technology and Earth Sciences;
Minister of State Prime Minister's Office, PGP, DAE and Dept of Space
Government of India



Dr. Ngozi Okonjo-Iweala

Director General
World Trade Organisation



Mr Mathias Cormann

Secretary General
OECD, France



H E Lyonpo Loknath Sharma

Minister of Economic Affairs
Bhutan



H E Mr Joao Rossi

Vice Minister for External Trade
and International Economic Affairs
Brazil



The Honourable Mary Ng, MP

Minister of International Trade
Export Promotion, Small Business
and Economic Development, Canada



H E Gebermeskel Challa Molato

Minister of Trade and
Regional Integration
Ethiopia



H E Faiyaz Siddiq Koya

Minister for Commerce
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Fiji



H.E. Mr Mohamed Iaad Hameed

Minister of State for Economic Development
Maldives



H E Soodesh Satkam Callichurn

Minister of Commerce and
Consumer Protection, Minister of Labour,
Human Resource Development and Training
Mauritius



H E Dr Pwint San

Minister for Commerce
Myanmar



**H.E. Sheikh Mohammed
Bin Hamad Bin Qassim
Al-Abdullah Al-Thani**

Minister of Commerce and Industry
Qatar



H E Ong Ye Kung

Minister for Health
Singapore



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H E S Iswaran

Minister for Transport and
Minister-in-charge of Trade Relations
Singapore



H E Dr Bandula Gunawardhana

Minister of Trade
Sri Lanka



Rt Hon Alok Sharma

President COP 26
UK



H E Thani bin Ahmed Al Zeyoudi

Minister of State for Foreign Trade
UAE



H E Julio Pertuzé Salas

Vice-Minister of Economy and
Small Business, Ministry of Economy
Development and Tourism, Chile



H E Naoshi HIROSE

Vice-Minister -
International Affairs, METI
Japan



H E Lawrence Karanja

Chief Administrative Secretary
Kenya



**H E Dr (Ms) Luz Maria de la
Mora Sanchez**

Vice Minister of Foreign Trade
Mexico



H E Diego Llosa

Vice Minister of Foreign Trade
Ministry of Foreign Trade
and Tourism
Peru



H E Chhuon Dara

Secretary of State
Ministry of Commerce
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Mr Vinai K. Thummalapally

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Prof Dr Andreas Pinkwart

Minister of Economic Affairs,
Innovation Digitalization and
Energy State of North
Rhine-Westphalia, Germany



The Hon'ble Kevin Rudd

President & CEO, Asia Society and
President, Asia Society Policy Institute
and Former Prime Minister of Australia



Dr Vinod K Paul

Member, NITI Aayog
India



Mr Amitabh Kant

CEO, NITI Aayog
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Mr BVR Subrahmanyam

Secretary, Department of Commerce
Ministry of Commerce & Industry
Government of India



Mr Rameshwar Prasad Gupta

Secretary, Ministry of
Environment, Forest &
Climate Change
Government of India



Mr Anurag Jain

Secretary, DPIIT
Ministry of Commerce and Industry
Government of India



Mr Dammu Ravi

Secretary (ER)
Ministry of External Affairs
Government of India



PARTNERSHIP SUMMIT 2021



Mr T V Narendran

President, CII and
CEO & Managing Director
Tata Steel Limited



Mr Sanjiv Bajaj

President-Designate, CII and
Chairman & Managing Director
Bajaj Finserv Limited



Mr Chandrajit Banerjee

Director General
CII



Mr Uday Kotak

Immediate Past President,
CII and Managing Director & CEO
Kotak Mahindra Bank Limited



Mr Sunil Kant Munjal

Past President, CII
& Chairman, Hero Enterprises
India



Mr Hari S Bhartia

Past President, CII and
Co-Chairman & Managing Director
Jubilant Pharmova Limited, India



Dr Naushad Forbes

Past President, CII &
Co-Chairman
Forbes Marshall



Ms Shobana Kamineni

Past President, CII and
Executive Vice Chairperson,
Apollo Hospitals Enterprise Limited, India



Mr Rakesh Bharti Mittal

Past President, CII and
Vice Chairman
Bharti Enterprises



EXECUTIVE SUMMARY

As the world bounces back from the effects of the pandemic, there is a need for concerted, combined and coordinated efforts towards ensuring sustainable single-speed recovery, while addressing rising challenges of inequality, climate change, and technology advance and adaptation.

CII, in collaboration with the Department for Promotion of Industry and Internal Trade (DPIIT), organized the 27th edition of The Partnership Summit from 13-15 December 2021. Under the theme “Partnering for Building a New World: Growth, Competitiveness, Sustainability, Technology”, it carried forward the agenda of strengthening partnerships between India and the world.

There were 9 tracks up for discussion, namely Growth, Sustainability, Technology, Trade, Investments, G20, Social Dimension, Geopolitics and Competitiveness, each of which covered a wide array of diverse topics. The summit covered 50 sessions including 7 country sessions. There were nearly 200 speakers from more than 40 nations, which included 25 global CEOs, 20 overseas ministers, 7 Indian ministers and more than 100 heads of institutions, leaders and experts from around the world.

Growth

The year 2021 saw India's economy bounce back significantly, which captured global attention. It is set to be the world's fastest growing economy over the next few years. The tools available to the world to keep up the momentum in the post-pandemic era were discussed across sessions with global experts speaking about the reforms that economies need to undertake following the stimulus measures during the Covid-19 period. Vaccination was seen as a key requirement for equitable growth as also safe travel and unlocking private investments through finance, including green finance.

Healthcare and vaccinations assumed centre-stage through multiple discussions. The need to additional

science investments, higher vaccination availability, better surveillance and other solutions were brought forward.

Speakers mentioned that India's reform agenda has been intensive over the past few years, with GST, elimination of retrospective tax, reduction in corporate tax rates etc. The Aatmanirbhar Bharat program of self-reliance will further add to the momentum.

G20 Leadership

As India is set to take over the G20 Presidency from 1 December 2022, the G20 members also participated in consultations and discussions in various engagement groups with policy suggestions on relevant issues. There were dedicated sessions on G20 Leadership on themes of Business 20, Civil 20, Youth 20, Labour 20, Science 20, Think 20 and Women 20.

Competitiveness

With discussions on how to ensure competitive investment environments and businesses, the Partnership Summit looked at new opportunities and collaborations to drive global growth by addressing global challenges. Nations discussed ways to build up their competitive strengths as per their natural advantages and resources, while also ensuring the competitiveness of businesses. Issues such as supporting small enterprises, workers and entrepreneurs and escalating digital infrastructure were seen as key aspects of competitiveness to be addressed. Speakers also mentioned about forging global partnerships to support low-income groups.

Trade Policy

The track focused on the role of the various policies in shaping the trade environment as well as future business opportunities. One very important topic of discussion was that of global growth. Global leaders discussed reforms and measures that need to be put in



place to ensure a seamless functioning of global supply chains, thereby building resilient trade. Ease of doing business, trade facilitation and sectors of IT, agriculture, pharmaceuticals were discussed as focus areas. Tourism, climate change and infrastructure connectivity can also be stepped up for trade.

India is focusing on 6 areas to achieve its target of US\$ 400 billion in exports, namely, new FTAs, promotion of FDI, measures to make India a node in the supply chains, ease of doing business, innovation, and meeting sustainability targets. It has also undertaken a fresh approach to FTAs which are now increasingly deeper and wider.

Investments

With significant investments in infrastructure and the various PLI schemes, the Indian GDP is back to pre-COVID levels. India is on the path to sharp recovery. Drivers of investment in today's interconnected world and India's offerings for attracting global investments were explored during the discussions. Railways, civil aviation, and the policies for infrastructure, monetisation of assets and Gati Shakti for coordination will help India become a better investment destination.

Sustainability

Thought leaders and global CEOs gathered to discuss efforts made by nations to mitigate the effects of climate change. Discussions and key recommendations included the various measures and reforms countries must take to protect communities and natural habitats; restore ecosystems; and build defences, resilient agriculture practices and infrastructure in light of the climate emergency. The role of businesses is critical for a net zero world and all enterprises need to take action across the supply chains. Key sectors such as power, road transport and agriculture should be taken up for

lowering carbon emissions. India's efforts towards green energy and net zero commitments were appreciated.

Technology

Digitisation has played an extremely pervasive role in nearly every sector. Sessions focused on the way technology is driving new business opportunities and how emerging contours of new technologies can benefit nations around the world. Thought leaders explored the efforts to be made towards developing inclusive business models and making societies more resilient through better adoption of technology.

Social Dimension

With social entrepreneurship and responsible corporate citizenship gaining traction, businesses came together to consider how to best work with communities and societies in line with the goals of SDG. Top leaders highlighted the importance of corporate social responsibility and stressed on steps to be taken to ensure that recovery efforts are equitable, inclusive and lead to sustainable development.

Geopolitics

With new challenges and emerging alliances, the geopolitical equations and relationships between countries and between regions are in a state of flux. Nations came together to closely examine evolving joint solutions and deliberate on the nuances of inter-country relationships and implications for economies and businesses. It was suggested that India can play an important role in the emerging scenario.

The Partnership Summit once again reiterated the need for discussions at the global level to strengthen growth and jointly address common challenges.



GROWTH



INAUGURAL SESSION

Introduction

The spirit of meaningful partnerships and collaborations between nations can collectively address people's problems, forge fair trade deals, remove trade barriers and form a positive global environment based on trust. India has worked towards vaccinating its population and also exported vaccines and medical equipment to 150 countries, thus ensuring availability at affordable prices. India has also ensured food supplies. The Government is negotiating comprehensive agreements and is also in extensive consultations with the WTO to bring together like minded nations to forge a robust trade ecosystem and remove trade barriers.

Brazil is negotiating FTAs with Canada, South Korea, Vietnam, and Singapore, amongst other countries and may enter into talks regarding trade agreements with India. UAE and India are in the process of finalising an economic partnership. India and Canada could drive partnerships on start-ups and innovation, agri, food, and health-tech, amongst other areas. Partnerships across nations must address issues such as distribution and supply of vaccines, and monetary and fiscal support by Governments.

The Partnership Summit 2021 was based on the pillars of growth, competitiveness, sustainability and technology. The Summit comprises of 9 overall tracks, viz. growth, G20, competitiveness, trade, investments, technology, sustainability, social dimension and geo-politics, to develop a new roadmap for global collaborations.

Session Speakers

- Mr Piyush Goyal, Minister of Commerce and Industry, Textiles, Consumer Affairs, Food and Public Distribution, Government of India.
- H E Mr Joao Rossi, Vice Minister for External Trade and International Economic Affairs, Brazil

- H.E. Dr Thani bin Ahmed Al Zeyoudi, Minister of State for Foreign Trade, UAE
- The Honourable Mary Ng, Minister of International Trade, Export Promotion, Small Business and Economic Development, Canada
- Mr T V Narendran, President, Confederation of Indian Industry and CEO and Managing Director, Tata Steel Ltd.
- Mr Chandrajit Banerjee, Director General, Confederation of Indian Industry

Key Messages

- Production and distribution of vaccine will continue to be a primary determinant for a continued and sustained economic revival.
- Continued government support across sectors is required along with monetary and fiscal support that needs to be well thought through and calibrated.
- Climate change mitigation has seen an impetus at the recent COP26 Glasgow and the movement towards green energy, hydrogen energy and net zero amongst others will impact growth the most while creating new opportunities.
- Efforts for building partnerships and strengthening existing ones is the way forward for an inclusive sustainable robust recovery.
- Vasudhaiva Kutumbakam, which translates into the world is one family forms the very essence of sustainable development agenda to make the world a better and safer place to live in with equitable progress and prosperity.
- Brazil amongst other countries is looking forward to forging more partnerships and to get into talks regarding trade agreements with India.
- Canada and India are natural partners for innovation. There is much potential between entrepreneurs and businesses.



- Government of India, since the emergence of the pandemic, has worked towards vaccinating its own population and has also exported vaccines and medical equipment to 150 countries, thus ensuring availability at affordable prices.

Detailed Takeaways

- With the accelerated pace of technological advancement, adoption of digital infrastructure would be a key endeavour for nations. Efforts for building partnerships and strengthening existing ones is the way forward for an inclusive sustainable and robust recovery.
- With the current mutation and spread of the virus, it is absolutely essential that the low-income countries are helped to vaccinate their populations.
- Digital access should be provided to all to improve employment conditions in areas such as skill development, digital access, etc.
- Widespread vaccination is instrumental in creating consumer confidence in India. This is supported by the number of reforms taken by the government, ease of taxation, ease of doing business, infrastructure creation, manufacturing and many others which have paved for the way for our country's economic revival.
- For further economic recovery, more such initiatives and measures need to be taken.

Action for Government

- Government of India needs to work on more comprehensive economic partnerships to bolster free and fair trade.
- Inclusive and accessible vaccination needs to be provided to even low-income countries. Developed or developing nations must assist in doing so.
- India aims to produce around 5 billion vaccine doses for both domestic use and for international distribution.
- Continuation of reform measures is pivotal in creating a roadmap for growth.
- The Government of India must aggressively pursue ambitious climate change goals including adoption of renewable energy, creating net zero India by 2070, creating a thriving digital environment, and encouraging good manufacturing practices.
- Countries should formulate more policies for a start-up friendly ecosystem.



IN CONVERSATION WITH MR ONG YE KUNG



Session Speakers

- Dr Naushad Forbes, Past President, CII and Co-Chair, Forbes Marshall
- Mr Ong Ye Kung, Minister for Health, Singapore

Key Messages

- One should not be surprised with the news of the Omicron virus. We should expect that variants will keep coming on a frequent basis. Omicron seems milder but is highly transmissible. The whole world is in this pandemic together. Nothing suggests of borders closing down; however, when it comes to public health, we have to strike a balance. In case of Singapore, the trade off and dilemma is more stuck than any other country. Singapore depends on connections with the world to survive.

Detailed takeaways

- The news of the new Covid variant is very disheartening and it might lead to travel restrictions when borders were just opening up. India has been moving on rapidly with its vaccination plan having administered more than 1.2. billion doses this year. But given India's huge population, it means that only 55% of India's total population is fully vaccinated. Singapore has been able to manage the Covid surge much better than India and other countries.
- Since Singapore is a small country, international travel is very important. We must try our best to overcome this variant. All nations are much better prepared than the Delta wave this time around. 96% of the total eligible Singaporean population is

vaccinated, which is being extended to children by end of this year.

- Vaccination is free for all Singaporeans and long-term residents in Singapore. Booster shots will be required to maintain vaccination status, while preparing for an expected wave of the Omicron variant.
- Being fully vaccinated in the city-state is now a requirement to enter most settings, including shopping malls and offices. Singapore, one of the most vaccinated countries in the world, has also started its inoculation drive for younger children, and is pushing ahead with a booster program.
- The agenda of free trade should continue in the ASEAN region, a significant region with over 650 million people with rising incomes. Singapore is working for trade liberalisation for goods and digital trade.
- ASEAN cannot afford to have U.S. and China at loggerheads with one another. There are so many areas where they can collaborate and work together like anti-terrorism and Covid-19.
- Vaccinating the global population is no different from climate change. These are the two major issues that the global economy faces in the coming time. These global commons require global cooperation to achieve. Everyone will have to put efforts to make this world a safer place. The world needs to get together and vaccinate everyone.
- East Asia has done so much better than the rest of world because of its preparedness due to its SARS related standard operating procedures. The public health system is better equipped to deal with pandemics.



IN CONVERSATION WITH MR ADAR POONAWALA



Introduction

Ever since the onset of the coronavirus pandemic, the world has witnessed major disruptions across all spheres. With a fast-changing environment, where new variants and mutations are coming about, the world is now faced with many new challenges including future waves of the pandemic.

Vaccine manufacturing is a strong healthcare preventive measure. The session also deliberated on some critical issues including preparedness of health systems, increasing vaccine coverage around the world, and role of countries, global institutions and multistakeholder groups in combating new waves of the pandemic and tackling issues such as vaccine hesitancy.

Global harmonization of regulatory procedures and standards is an imperative for new vaccines and vaccines certificates. All countries need to come together in deciding a single set of rules for clinical trials and manufacturing of vaccines, along with acceptability of vaccine certificates to prevent vaccine inequality, as well as inequity and delays in getting everyone vaccinated. Global bodies including the G20, the UN, WTO need to discuss these issues and come to a common ground.

Session Speakers

- Mr Adar Poonawala, CEO, Serum Institute of India (SII)
- Mr Rajan Navani, Chairman, CII's India@75 Council and Vice Chairman and Managing Director, Jetline Industries

Key Messages

- In a fast-changing environment with new variants and rapid mutations, forward looking predictions are difficult to make, and no predictions must be made without enough data.

- The Indian economy is far better prepared, in terms of hospitals, oxygen supply, vaccines etc. as compared to last year, for the third or fourth waves.
- Booster doses is a proven strategy to increase antibodies and in giving protection and reducing hospitalization. This is a major preventive step and policymakers must decide the risk and rewards of doing that.
- Masking up and social distancing measures must be maintained to reduce the spread.
- During the pandemic, there has been a tremendous boost and acceleration in the investment and development of various different supply chains. Dependence on China is changing, and alternative supply chains are now developing which opens up a lot of opportunities for India.
- Academia, industry and governments have been able to come and work together during this pandemic. While global research is important, partnerships and collaborations are critical, especially in the development of vaccines.

Detailed takeaways

- Policymakers, world leaders and global institutions must work towards identification of new variants of concern and check the efficacy of current drugs and vaccines in a time bound manner.
- It is very important to cover large parts of the population with high vaccine coverage for stopping the transmissibility of the virus. Thus, raising awareness on vaccines and its pros and cons is also crucial. Regions and countries around the world need to invest in long-standing partnerships for vaccine reserve capacity, to ensure better preparedness and robust healthcare systems.
- It is important to watch out for future waves of the



pandemic and minimise disruptions in the economy in terms of businesses and livelihoods being interrupted. The management of the economy needs to be fine-tuned by both central and state governments.

- Government and Industry worked together in the last 15 months to get the vaccines licensed and reviewed which traditionally took 5 years. It is critical for this momentum to continue in the coming months.
- Policies such as price controls must be looked at and reviewed for having better value creation, developing newer molecules and greater innovation. Globally the supply of vaccines has outmatched the demand. It is important to increase vaccine coverage in most countries beyond the 70% mark for preventing further waves.

Actions for Government

- Vaccine awareness must be stepped up.
- The momentum for vaccine licensing and vaccine review should continue.
- A conducive environment with ease of processes and an ecosystem for innovation and R&D is required to be strengthened.
- The government should devise a framework and policy to protect consumers.





FROM EPIDEMIC TO ENDEMIC: THE NEW PARADIGM

Introduction

With a significant decrease in the number of daily Covid cases in the world, it seemed that we have reached a stage where the pandemic has been reduced to endemic virus presence, owing to the acquired herd-immunity and vaccination strategy. The transition from “pandemic to endemic” shows that though there is better control over the virus though it shall not be eradicated completely for some more time. The learnings from global cooperation to develop vaccines and drugs to tackle the pandemic set many new paradigms for a range of other diseases. It is essential to invest in science and research to avert future pandemics. The session explored how the world can build on the new paradigms for future pandemics and health challenges.

Session Speakers

- Dr Vinod K Paul, Member, NITI Aayog, India
- Dr Seth Berkley, Chief Executive Officer, GAVI, The Vaccine Alliance, Switzerland (Video message)
- Dr Angelique Coetzee, National Chairperson, South African Medical Association, South Africa
- Dr Ramanan Laxminarayan, Director, Center for Disease Dynamics, Economics and Policy (CDDEP), USA
- Dr Javier Guzman, Director, Global Health Policy Programme and Senior Policy Fellow, Centre for Global Development, USA
- Mr Ashok Bajpai, Group Head of Operational Strategy, IHH Healthcare, Singapore
- Ms Suneeta Reddy, Co-Chairperson, CII Healthcare Council and Managing Director, Apollo Hospitals, India

Key Messages

- The ability to collaborate is key to dealing with pandemics, whether between the public and private sectors or across countries.
- Increasing the levels of commitment towards funding to science and research and drug development is another key factor.
- Amid all the challenges to dealing with the virus and the pandemic is the underlying resilience of societies, countries, and businesses.

Detailed Takeaways

- Rising infections across the world, global shortage of ICU beds and emergence of Omicron show that the pandemic is far from over. As long as there are large populations of unvaccinated people, the virus will continue to spread and mutate, causing waves of disease and increasing the likelihood of new and potentially dangerous variants emerging.
- In Africa, the challenges pertain to difficulties in distribution of vaccines, and logistics is a huge challenge. A tablet or intranasal spray would be easier to access than refrigerated ones.
- Science should be brought together with clinical experience. This has been neglected till now especially at primary healthcare level. We are focused too much on hospitalisations and not on educating patients about what symptoms to expect and doctors and nurses on what to do in such cases which are not in hospitals or ICUs.
- Data on Omicron in South Africa shows that it escapes vaccines and the immune system. It is primarily mild and has infected 88% of the unvaccinated, and it is also the unvaccinated



landing up in hospitals, which shows that vaccines still protect against severe disease.

Only a few were re-infected and none needed oxygen. Symptoms were mild. Covid ICUs were not overwhelmed though there was no data on the breakup between Delta and Omicron.

- There is a need to work on global mechanisms to ensure vaccines reach everyone. Global efforts should be focused on delivering the first dose to billions still unvaccinated. The only way to get ahead of the virus is by ensuring equitable access to vaccines, which is still a long way off. Today, less than 45% of the global population is fully vaccinated, the vast majority of whom are in developed countries. Less than 7% in low-income countries have received the first dose.
- GAVI's effort is to deliver 800 million to a billion doses worldwide by end of 2021 and billions in 2022, and India has an important role to play in the global effort.
- The speed with which the vaccination process has happened is remarkable. Till now, the world has 21 approved vaccines with a scale of manufacturing at a level that produces 1.5 billion doses a month. All this has been achieved through cooperation with industry, tech transfers, licensing, etc.
- What is needed are regulatory frameworks, data systems, logistics, infrastructure, manufacturing systems, personnel, legal safety nets, etc to bring about a new paradigm of global cooperation that focuses on equity, governance and manufacturing. There is also a need to continue to improve global health networks.
- It is critical that India continues to supply vaccines even during difficult times if it is to retain its place as the "Pharmacy of the World". It is important that such efforts also get the investment they need.

- The global health architecture needs to be restructured to respond to future pandemics for which money needs to be made available to countries. The world needs a new fund – a Global Health Threat Fund – with at least US\$ 10 billion a year.
- Public-Private collaboration is critical such as the one between ICMR and Bharat Biotech.
- Developing manufacturing capacity in different places and diversifying supply chains to reduce dependence on specific areas is important.
- The world needs to get out of the reactive mode and stop penalising countries for reporting variants and instead, look at developing proactive plans for the next pandemic, which may be around the corner. There are fungal pathogens that have a mortality rate of over 60% for which there are still no drugs and there are no plans to deal with them as the planet warms.
- Holding back on the vaccine deprived while pushing vaccines on the vaccine hesitant will cost the world in the long run. There are enough vaccines being produced every month (1.5 billion) to cover the entire planet in 6 months.
- There have been successful global vaccination programmes in the past without the kind of inequity one sees today. Leadership is required at this time to create a sustained global programme funded by high income countries to ensure complete global vaccination, much like the US funded a global small pox vaccination programme in the 1970s, recognising that such an effort would save its own people from the disease.
- There is a need for surety about vaccine platforms that are quickly adaptable to respond to new variants. Investments are required in such platforms.
- The Covid pandemic has cost the world US\$ 5 trillion. The world needs to invest at least 10% of this amount, i.e US\$ 500 billion every year on science and research to avert the next pandemic.



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- Businesses, in order to plan ahead, need to recognise that employee and customer health are business risks and must advocate for better public health investments and also for more investment in science and technology.
- Strong governance, public health and societal trust are all key to how economies deal with and perform during such pandemics.

Actions for Government

- Significantly ramp up investments in science, research and drug development and developing resilient public health networks.
- Promote public-private collaboration.
- Ensure equitable access to vaccines for all, including adequate supply to other deprived parts of the world even in times of difficulty.





SHAPING JOBS FOR THE FUTURE

Introduction

The labour laws and social security signifies the interest of the workers across the world towards which both the employers' and employees' organizations need to work together in a collaborative approach. The rapid advancements in technology have a direct bearing on the job market. As the demand for 'Flexi Jobs' or 'Gig workforce' rises, it is important for the regulations to keep pace with the transformation. This session was aimed at creating a necessary regulatory environment which is pertinent for the workforce to take the leap and embark towards the future of work, skills and entrepreneurship.

Session Speakers

- Dr Carsten Stender, Director General, European and International Employment and Social Policies in the German Federal Ministry of Labour and Social Affairs, Germany
- Dr Junaid Ahmad, Country Director, World Bank, India
- Mr Rajeev Dubey, Member of the Governing Body, International Labour Organization (ILO), India
- Ms Rain Newton-Smith, Chief Economist, Confederation of British Industry (CBI), UK
- Mr Sunil Kant Munjal, Past President, Confederation of Indian Industry (CII) and Chairman, Hero Enterprises, India

Key Messages

- The workplace organizations are now able to orchestrate a range of options as they reimagine workplaces from the more traditional co-located workplaces to those that are completely distributed and dependent only on virtual interaction as teams become more distributed and as the tenure of the teams become shorter.

- We need to address two central problems. The first is employment itself. Giving employment to our large workforce, employment that is meaningful, sustainable, decent and productive is important. Second, it is also imperative to create a nation - and its organizations - that is not only competitive but also fair and inclusive.
- We must focus on creating the necessary skills, competencies and mindsets which result in employability and employment that is productive and sustainable. Social protection benefits for all, including the informal workforce, and bringing the benefits of the formal sector to the informal sector especially access to information, governance and finance is imperative.
- Proactively addressing the structural impact of climate change on the economy and the world of work and harness the power of technology in finding solutions to these problems is the need of the hour.
- There is growing evidence that the workplace could be used to augment the efforts of the workplace and the workers rather than replace them. There will be conflicting forces and interests in each of these areas and the only way to resolve the conflict is through social dialogue between workers, employers, government and civil society. An ongoing dialogue where conflicting views need to be put on the table and through a process of give and take keep moving in an iterative manner, learning as we move ahead towards the ideal outcome.
- Proactive decision making is required at multiple points in the value chain of an organization. This is possible only if there is deep understanding of stakeholder needs and a distributed leadership that is empowered to take proactive decisions.
- Until we get a global roll out of the vaccine around the world, we will not be able to leave some of the issues around the pandemic behind.



Some of the longer-term structural trends start to emerge from the pandemic.

- Over 70% of companies adopted a digital technology or an innovation that they hadn't done before. A change in management practices and the digital adoption really accelerated during the pandemic and it does mean that looking forward, those digital skills become important to almost all roles in our society and ensuring that they are present in the workforce becomes even more important.

Detailed Takeaways

- During Covid it was found, especially in countries like India, that a large section of the unskilled migrant labour moved back to their home states and regions.
- US has recorded the largest number of jobs being given up by people in the last six months in recorded history.
- Cognitive technologies are only one aspect of the massive shift that is underway. The other major forces affecting the world of work through changes in both supply and demand are changing workforce demographics in terms of age, gender, nationality, etc. including migration across countries and within countries, globalization which is creating a highly interconnected world and finally, environmental shifts, leading to climate change.
- In this confluence of forces, we define the future of work in terms of three deeply connected dimensions of an organization - work itself, the workforce, and the workplace.
- Manufacturing and warehouses and digital reality technologies are helping workers transcend the limitations of distance and the jobs of the future are expected obviously to be more machine powered and data driven but they also will require human skills in areas such as problem solving, communication, listening, compassion, interpretation, and design.
- The scarring effects on particularly young people about coming into the labour market at a time

when unemployment potentially could have been really high has really managed to flatten that curve of unemployment.

- Disrupted education for young people could potentially have a lasting impact particularly when for households which have fewer facilities at home and which are less able to support their children during periods of lockdown. We need to ensure that people have digital skills.
- Collaboration between businesses and universities is important, including vocational training institutes.
- The service sector is important to economies and is a really fast-growing sector. This is a difficult time for trade in services but over the next 10 to 20 years, that will be the sort of growth in the world economy, all based on human capital, innovation and, being open to skills and talent from around the world.
- Trade unions and companies in Germany agreed to increase the short-term work allowance generously. The financial losses of millions of workers in short time work were thus mitigated. The trade unions in Germany demonstrated responsibility towards the companies. They agreed to wage reductions or other restructuring measures in companies that had been hit hard by the pandemic which helped companies to retain their highly skilled employees and safeguard social peace.
- The G20 from the German perspective is strongly advocating for Labour 20 being closely involved in the discussions in the employment working group and the labour and employment ministries meetings. They should have the opportunity to express their views on any priority issue in the employment track and receive enough speaking time to present their opinion.
- Meanwhile, the Government of India invested heavily during the Covid 19 crisis. For example, the 'one nation, one ration card' triggered portability, the e-workers portal proved to be an important tool to register and recognize informal workers, the Pradhan Mantri Kalyan Yojana package allowed for 800 million people and



nearly 320 million bank account holders received close to USD 4 billion in cash transfers. This is a fundamental shift in the way India dealt with its social protection story.

- India has had another revolution in which financial inclusion is allowing informal sector to get access to credit and social protection that is giving informal workers social insurance and protection.
- India is at a different stage of its transition but the commitments, particularly around renewable energy, over the next decade are important and

will be a huge transformation. India is also beginning to innovate in matching the skilling framework which has traditionally been a very public sector driven approach to one that is more linked to the private sector.

Actions for Government

- There are some important areas that India needs to invest in and scale up the portable urban social protection system for the future, combining income support, insurance and trading and employment linkages.





SESSION ON FINANCING RECOVERY

Introduction

Global recovery necessitates sufficient access to funds for businesses, including small enterprises, long-term capital for infrastructure investments, and building up household balance sheets. The cross-border movement of capital needs to be steered in the right direction to ensure robust recovery avenues for all economies as they attempt to hasten recovery from the pandemic-induced slowdown. India has undertaken many policies to strengthen its financial sector and provide access to credit to all. This session outlined important financial sector reforms that the world needs to prioritize for growth and how these would play into global economic recovery.

Session Speakers

- Mr Julio Pertuzé Salas, Vice-Minister of Economy and Small Business, Ministry of Economy, Development and Tourism, Chile
- Mr Christian Kettel Thomsen, Vice-President and Member of the Management Committee, European Investment Bank, Luxembourg
- Mr Sanjay Nayar, Chairman, KKR India
- Mr Jahangir Aziz, Head of Emerging Market Economics and Commodities Research, JP Morgan, USA
- Mr Pablo Sanguinetti, Vice President of Knowledge, Development Bank of Latin America (CAF), Venezuela
- Mr Juan Antonio Ketterer, Division Chief-Connectivity, Markets and Finance Division, Inter-American Development Bank, USA

Key Messages

- As we are emerging from the impact of the COVID-19 pandemic, much more needs to be done to achieve complete recovery given that different economies are experiencing differing challenges and varied responses by policymakers. This indicates the need for greater consistency and geopolitical cooperation.

- With the global marketing conditions expected to tighten in the coming year, the private sector's role will gain prominence, especially in emerging economies. The domestic saving in various economies must be harnessed.
- The path to sustainable economic recovery must incorporate the element of climate change and efforts must be made to ensure adequate green financing options.
- The role of Public-Private Partnership must be explored to a greater extent in the infrastructure sector.
- The forward-looking markets are currently focusing on private sector led recovery, adopting the adequate policies for inflation, and promoting environment friendly economic growth.
- The European Investment Bank (EIB) has been providing funding to countries outside the European Union including India by way of providing project finance, guarantee for MSMEs, equity finance and technical advice. Support was also provided for promoting solar energy and providing affordable vaccines in Africa.
- Most of the Latin American economies like Chile, Peru and Argentina are emerging stronger than expected in the post pandemic era owing to the robust financial policies. Further, the speedy growth has been enabled owing to the external factor of competing economies recovering fast which has initiated a domino effect and the domestic factor of infections declining as well as increased mobility.

Detailed Takeaways

- Even though the global economy is recovering much more strongly than forecasted, the governments across the world and Central Banks need to develop a mechanism for ensuring more uniform and sustainable economic recovery while factoring in the impact of the latest COVID-19 variants.
- The recent times have revealed the pre-pandemic



structural weaknesses which necessitate emerging back in a more durable manner while battling varied vaccination rates and inflationary pressures.

- The international trends reveal that the global FDI was huge in the first half of 2021, there is growing investor confidence, especially in the infrastructure space and the recovery stimulus packages are effective.
- There must be renewed focus on supporting MSMEs, developing infrastructure, building a green economy and inclusivity.
- The European Union (EU) is working towards eradicating poverty and promoting sustainable development, as part of which large investments are being made around the world to encourage good governance and prosperity.
- The EU has also launched the Global Gateway initiative, to mobilize Euro 300 billion by 2027 in public and private infrastructure investment around the world. It aims to develop sustainable and high quality digital, climate and energy and transport infrastructures. Further, it plans to strengthen health, education, and research systems across the world.
- The EU-India Connectivity Partnership has helped in promoting digital innovation and providing technical assistance for climate action by establishing a greener, fairer, and more transparent framework of infrastructural investment.
- The EIB has also been making climate related financing in India. It has contributed toward developing the public transportation system which has helped in reducing congestion, providing flexible transport services, and reinforcing the sustainability focus.
- As the new variants of COVID-19 have emerged, the Latin American governments are making structural changes to address them. Some of the key measures include reducing policy rates and reserve bank requirements, working on short term liquidity, and introducing guarantee loan programmes, among others. Further, efforts are being made to enhance coordination between fiscal and monetary policies.

- Chile has been experiencing a swift recovery as a plethora of measures are being undertaken for MSMEs, lockdowns are being removed, COVID-19 protocols are being followed and more than 90% of the population is vaccinated.
- To support speedy economic recovery, the government of Chile provided funding to the majority of the households by way of electronic banking as citizens were not allowed to move out in public spaces during the lockdown. Transactions pertaining to the government were made using smart phones which brought about new ways of interacting with the government.
- The Chile policymakers also undertook a lot of policy reforms in the domain of fintech, artificial intelligence, privacy laws, cyber security, and electronic signatures. Further, new institutions and new enterprises are being created for easing financing. Agriculture was identified as an essential service to maintain continuity even during lockdowns.
- The further course of action in Chile involves creating more employment opportunities in critically hit sectors like tourism, restaurants and hospitality as restrictions are being eased and booster vaccination shots are administered.
- At the domestic level, the Government of India had a very prudent fiscal response, which focused on disruption of supply chains, digitization, public health, and education.

Actions for Government

- The Government of India must make concerted efforts to achieve its target of generating half of the required energy by renewable means by 2030 in India and more climate related alliances can be signed for the same.
- The government must undertake necessary measures, especially in the fiscal domain to ensure that India is on the trajectory of private sector led growth, while leveraging on excess savings.
- Policy focus must be on strengthening the financing for MSMEs as they generate mass employment.



FINTECH: LEVERAGING TECHNOLOGY FOR EMPOWERING SOCIETIES

Introduction

Fintech has transformed the way the world handles its finances and has helped immensely in financial inclusion. The increasing penetration of smartphones and growing middle class as well as rise in disposable incomes has ensured a rapid offtake of Fintech across the globe. Financial integration across different segments will depend on convergence of household savings and business credit access through enhanced technologies. India has emerged as one of the fastest growing Fintech markets in the world, with smartphones driving adoption rate. This session aimed to look at global best practices in Fintech, explore the latest developments and expand on enabling factors to further its growth.

Session Speakers

- Dr Saurabh Garg, Chief Executive Officer, Unique Identification Authority of India (UIDAI), India
- Ms Michelle Li, Head of Research, AMTD Group
- Mr Nir Netzer, Founding Partner, Equitech Group and Chairman, Israeli FinTech Association (FinTech-Aviv), Israel
- Mr Ronit Ghose, Global Head, Banking, Fintech and Digital Assets, Citi Global Insights, UAE
- Mr Sarbvir Singh, CEO, Policybazaar.com, India
- Dr Janmejaya Sinha, Chairman, CII National Committee on Financial Inclusion and Fintech and Chairman-India, The Boston Consulting Group India Private Limited

Key Messages

- The increasing penetration of smartphones and growing middle class as well as rise in disposable incomes has ensured a rapid offtake of Fintech across the globe.

- India is a world leader now with the take-off of Unified Payments Interface (UPI) and the other innovations in the ecosystem, where we can be faceless, paperless, and cashless.
- It has been recognised that having a legal identity for everyone is a goal for the Sustainable Development Goals of 2030. This is what Aadhaar has done, i.e. to provide everyone a legal identity in India.
- By the end of 2022, cash will drop 15% globally and instead of cash, the usability of digital wallets and banks will increase by 15 %.
- With the penetration of Central Bank Data Currency (CBDC), we can have immutable data address of individuals as well as SMEs, that would make credit decisions easier for all the lenders in general.

Detailed Takeaways

- Financial services, including banking services, are at the cusp of a revolutionary change driven by technological and digital innovations.
- If we look back over the last 20 years, despite all the investment cycles, there have been very deep fundamental factors that have driven investments in Fintech and the trend is expected to continue.
- COVID-19 has catalyzed and accelerated transformation in the financial sector.
- The financial sector was most ripe for disruption because there is no physical delivery at the end of a financial transaction, but it moved a bit slower due to the extent of regulations.
- Fintech or digital innovations have emerged as a potentially transformative force in the financial markets. Some of the potential benefits of



Fintech include efficiency improvements, risk reduction and greater financial inclusion.

- Some of the key challenges associated with FinTech are difficulty of regulating an evolving technology with different use cases, monitoring activity outside the regulated sector, identifying and monitoring new risks arising from the technology.
- We see different types of innovative payment solutions coming out of different countries and locations as they serve different kinds of populations.
- With the cash in - cash out, it is possible now, even in the remotest villages to use fingerprint authentication to deposit or withdraw cash from small shops through micro ATMs.
- Combination of the internet, mobile and biometric identity creates an explosion and these technologies can be adopted, even in traditional and incumbent banks, to revolutionise financial inclusion of all.
- Fintech funding this year in Africa and the Middle East will witness a massive increase of 5-6 times over last year.

Actions for Government

- For proper facilitation, governments must take variety of regulatory and supervisory initiatives such as regulatory sandboxes, innovation hubs, innovation incubators or accelerators, etc.
- The regulatory uncertainty surrounding Fintech could potentially hamper development. As a result, international standard setting bodies (BCBS, FSB, CPMI, WBG, etc.) including regulatory authorities of different jurisdictions are taking steps to actively monitor Fintech developments both domestically and in cooperation with international organizations.
- Various financial sector regulators should identify sector specific Fintech products and regulatory approaches.
- Innovation labs can be established, including within insurance companies, to combine brand and product managers with technological and analytical resources.
- The government should provide an environment for developing Fintech innovations and testing of applications/APIs developed by banks and Fintech companies.
- There is a need for a stand-alone data protection and privacy law in the country.



G20



COORDINATING GLOBAL BUSINESS LEADERSHIP FOR GROWTH: ROLE OF B20

Introduction

Established in 2010, the Business 20 (B20) is amongst the most prominent G20 Engagement Groups that primarily focuses on economic growth, development, and trade governance. As the world emerges from the COVID 19 pandemic, there are tectonic shifts in the way businesses operate around the world. It is imperative that we focus on ensuring preparedness for future shocks, building resilience in our systems and supply chains, adopting technology, enforcing sustainability, and creating inclusiveness. This session deliberated on a new era focusing on future-ready partnerships to drive the business dimension of G20.

Session Speakers

- Ms Emma Marcegaglia, Chair, B20 Italy 2021 and Chief Executive Officer, Marcegaglia Holding S.p.A, Italy
- Ms Shinta Kamdani, Chair, B20 Indonesia 2022 and Chief Executive Officer, Sintesa Group, Indonesia
- Ms Hanni Rosenbaum, Executive Director, Business at OECD, France
- Mrs Marta Blanco Quesada, President, CEOE International and Spanish Representative at the B20, Spain
- Ms Shobana Kamineni, Past President, Confederation of Indian Industry (CII) and Executive Vice Chairperson, Apollo Hospitals Enterprise Limited

Key Messages

- Adoption of advanced modern technology tools and ensuring equitable access to all businesses would be imperative for sustainable and inclusive

growth and the B20 must facilitate and ensure the commitments made by the G20 leaders at the summit are fulfilled.

- CII has been integrally involved with B20 since its inception and represents Indian industry at this forum. CII also engages with the B20 process through global business coalition, a group of apex industry associations from the G20 countries that provide inputs to the country holding the G20 presidency other than regular policy inputs to the G20-B20 process.
- A rules-based international system is supported as the only way to deal with the global and enormous challenges. This is the only way to overcome the great challenges that are arising in a variety of fields such as trade, investment, climate change, sustainable finance, and health.
- The traditional concepts and principles that have been commonly accepted and implemented until now by the international community are being questioned. Thus, B20 is required to play a more important role in order to convey a unified private sector message to the G20 governments, and respond adequately to the current crisis and prevent market fragmentation.
- Market fragmentation is not an answer to many of the challenges. G20 countries account for more than 80 % of the global GDP and 60% of the world population, and this it reaffirms that this framework is one of the most appropriate ones in order to reach an agreement and on shared and fundamental principles and standards.
- Key Performance Indicators (KPI) are a pragmatic way to reinforce the role of B20 and coordination efforts at national level between private and public sector are also very important.



Detailed Takeaways

- The business community should be seen as a solutions partner and for this a favourable business environment which is based on fair competition is required.
- The revamped mutualism was one of the leading priorities of B20 Italy. The need of the hour is a very strong public private partnership with the role of business to build better and to face the situation.
- B20 Italy organized around 10 dialogues with the most important global confederations of industry to convey the recommendations to the other governments too.
- It is important to have horizontal task forces, for instance, in trade policy which should not be treated as an independent issue as it is being increasingly influenced by a wide range of policies from climate to social and industry related ones. Thus, it is crucial to break down the silos.
- A high level B20 interaction with the G20 government representatives is critical. It is fundamental to ensure in the context of B20 a direct interaction between private sector and governments. In this regard, we value very positively the creation of advocacy calculus or similar bodies that enable this high-level private public dialogue aiming at turning business recommendations into concrete actions.
- A unified message with a common agenda for the same issues that are important for business community would be important in the future.

- B20 Indonesia 2022 will focus on three main agenda items, namely, embracing a collaborative recovery and growth, boosting an innovative global economy, and forging an inclusive and sustainable future.
- The openness, fairness and efficiency of the global economy is an utmost priority across the 20 countries. Rolling back pandemic and non-pandemic trade restrictive measures and trade distortive subsidies are one of B20 Indonesia's key priorities to ensure that trade and investment can be a driving force for economic recovery.
- To support future global development and mitigation future crises, we need to promote strategic use and collaboration in technology data and science. Promoting global governance to facilitate trade via digital means, promoting homogeneity of standards and improving cooperation in cross-border electronics exchange of data to improve efficiency of global value chain as well as reducing red tapes to cross-border trade and investment in digital infrastructure economic digitalization and technology 4.0 is of utmost importance.

Actions for Government

- As India will take over the G20 Presidency (2023) by the end of 2022, it has joined the troika with Italy (preceding presidency) and Indonesia (current presidency). Government of India should consider this as a unique opportunity to shape the global economic governance agenda with our own priorities and ideas.



LEVERAGING THE POWER OF YOUTH: ROLE OF Y20

Introduction

The Y20 is aimed at enabling the youth to express their visions and ideas to the Heads of State and Government of the G20. It is an inclusive discussion platform, from which agreed recommendations related to the G20 agenda are compiled into a joint communiqué to address systemic challenges through bold policies and actions and make the world more sustainable for current and future generations. The session acted as a platform for the youth to interact with counterparts from around the world to understand, learn and collaborate with the objective of economic renewal, job creation, innovation, and social change.

Session Speakers

- Mr Soichiro Chiba, Chair, Y20 Japan 2019 and Former Advisor to the Prime Minister's Cabinet for World Assembly for Woman, Japan
- Ms Alberta Pelino, Chair, Y20 Italy 2021 and Founder and President, Young Ambassadors Society, Italy
- Dr Gracia Paramitha, Co-Chair, Y20 Indonesia 2022 and Co-Founder, Indonesian Youth Diplomacy (IYD), Indonesia
- Mr Agustín Alejandro Batto Carol, Chair, Y20 Argentina 2018 and CEO and Founder, Eidos, Argentina
- Mr Alexey Mostovshchikov, Member, General Council and Chairman-Digital Economy Subcommittee, Delovaya Rossiya (Business Russia), Russia
- Mr Bharat Joshi, Co-Chairman, CII National Committee on Logistics and Managing Director, Associated Container Terminals Limited, India
- Ms Smita Agarwal, National Chair, CII-Young Indians and Director and CFO, PTC Industries, India

Key Messages

- Focusing on youth employment and specifically how the social and safety nets can be guaranteed for those young workers who have jobs in the informal sectors is imperative.
- Digital transformation is not just about the digital technology and infrastructure development but also about how young people can take the lead role within the digital infrastructure or digital institutions and promote digital finance awareness. Around 49% of the young people population do not have access into the digital finance and this issue is exactly related to the finance track.
- Contribution of youth on issues related to sustainability is all about safeguarding nature. For example, how the eco-tourism, the energy transition, and the climate change or climate crisis can be solved through young people's ideas and collecting best practices from youth initiative about SDG's goal number 12.
- India is diverse in terms of ethnicity, language etc and it is important to engage with the other G20 members on preserving this diversity and ensuring inclusion.

Detailed Takeaways

- To build an inclusive roadmap of global development and growth, it is critical to engage and integrate the voice of this significant segment of the global population. This is even more important in current times wherein the Covid pandemic has highlighted several global, economic, and social challenges.



- India has a huge demographic dividend in the form of youth and the range of opportunities that India provides today are dynamic, not just for India but for the entire world.
- The start-up culture in India has seen a tremendous boost and the latest data indicates that it has got 79 unicorns most of which have sprung up in the last three years carrying a valuation of almost USD 260 billion. India is also now the third largest ecosystem for start-ups, and it ranks second in innovation quality.
- The number of entrepreneurs has a clear correlation with economic growth like in Israel, China, America and in other countries. The driver of entrepreneurs is the young people.
- The young population in our country is also significantly aware and tolerant of diversity and it works towards inclusivity and understands that having an inclusive workforce will bring great advantages both to an enterprise and also to our entire country.
- Young people have high potential, creativity, and curiosity because they are not just determining the future.
- Young people can also be acting in the policy making process because they cannot just give the recommendations, but they can act themselves and be included or involved into the Sherpa meeting or the preparation of the Sherpa track or Sherpa negotiations as a part of the G20.
- Working on helping the youth survive with their creative economy or creative industries is crucial as young people looking for promising jobs tend to be working at the office or start-ups or a modern type of employment.
- Indonesia is trying to create Y20 awards that will be the first awarding or appreciation activities from Y20 Indonesia that encourages any kind of young people either individually or in a group, open for any global youth network including indigenous groups

or youth with disability as all the G20 countries have agreed on including any kind of minority groups and other vulnerable groups in the G20 process.

- The voice of youth has a compound impact to the society because of digital capabilities like Twitter and Facebook. The government is realizing that excluding the youth from the decision-making process would destabilize society and create instability in society.
- It is fundamental to ensure access to quality education to any level for all and online despite gender, race, and economic constraints. It is essential to foster a stronger connection between prospective students and employers to invest in education and production systems to help young people after they leave education to the job market. Also, it is important for young people to learn necessary skills for the job market in line with their passion and interest.
- Almost 50% of the youth population, if not more, do not have their own personal computer and do not have a high-speed internet.
- Gender equality is a must to achieve the moral standards for a young population. Corporate culture reform, education, and youth unemployment are all important issues to create an environment where young people can thrive.

Actions for Government

- While empowering the youth and bringing about a massive change in the country, there is also a need to build a mindset of inclusivity and empathy and this can be done through a lot of projects of social significance.
- There is a very strong need to work for societal remedies and this can only happen when you work with grassroot communities especially in a country like India. Protecting lives and livelihoods especially in the post-pandemic world, equitable



distribution of healthcare and relief and rehabilitation of efforts is extremely important.

- Healthcare access and access to medical resources must be promoted equitably across the country.
- The most important aspect is sustainability and because the youth are the biggest stakeholders in the future of the planet. Y20 should be the ideal platform to align the strengths and networks and

work on the ground in smaller cities and champion sustainability among all the stakeholders.

- Collaboration and building efforts together using both the power of innovation and, technology and focusing on inclusivity and sustainability would build the path towards a stronger future both for our nation and for all the countries across the globe.





LEVERAGING THE POWER OF RESEARCH COMMUNITY AND POLICY MAKERS: ROLE OF T20

Introduction

The Think 20 (T20) brings together leading think tanks and research centres from around the world. It serves as the 'ideas bank' of the G20 with the aim of contributing, through research and policy proposals, to the G20 Leaders' reflections on the big issues related to global governance. The session discussed and deliberated on the initiatives that need to be undertaken to better engage the research community, policymakers and the public at large. Particular emphasis was on addressing the issues related to COVID-19 pandemic, carbon neutral and circular economy, human mobility, digital financial system and food, water and energy security, besides others.

Session Speakers

- Prof John Kirton, Director and Founder-G20 Research Group, University of Toronto, Canada
- Prof Kazuo Matsushita, Professor Emeritus, Kyoto University and President, International Academic Society for Asian Community (ISAC) and Senior Fellow, Institute for Global Environmental Strategies and Chairman, Japan Society for GNH Studies, Japan
- Ms Anita Prakash, Senior Policy Advisor (IEC), Economic Research Institute for ASEAN and East Asia (ERIA), Jakarta, Indonesia
- Prof Sachin Chaturvedi, Director General, Research and Information System For Developing Countries, India
- Mr Rakesh Bharti Mittal, Past President, Confederation of Indian Industry (CII) and Vice Chairman, Bharti Enterprises, India

Key Messages

- Recently T20, under the Italian presidency of G20 presented as many as 120 recommendations which were discussed across 11 task forces which covered various areas including global health, trade, investment, digital transformation, welfare systems, and many more.
- The unique advantage of the Think20 compared to all the other formal engagement groups is that it is the only analytically focused evidence-based group and it is focused on what is good for G20 members and for the global community as a whole rather than advocating for a single self-interested constituency.
- T20 should make fewer recommendations to focus G20 actions. Thus, the need is to assess the effectiveness of its recommendations annually and apply the lessons learned and acquire a permanent supporting secretariat.
- There needs to be efforts to strengthen the synergy among recommendations to credibly identify the broad co-benefits for several subjects that a single recommendation brings, and we need to forge stronger alliances from the start with the Organization for Economic Cooperation and Development (OECD) and other actors including the other engagement groups.

Detailed takeaways

- T20 can formulate path-breaking strategies for global emissions reduction, strengthening the circular economy and engaging every citizen.
- In the emerging technology space, we require extensive research and development innovation and innovative ideas, out of box thinking, huge



investments, and a robust policy framework for both implementation and adoption. The role of T20 is pivotal in collaborating across research communities' experts, academia and the governments who can then come out with solutions for global issues. The private sector will have a role to play in all this and there could be joint research programs between the industry and academia and the government.

- The financial systems for sustainable development and digital financial system is the backbone for any technological transformation.
- Water, food, and energy are at the heart of sustainable, economic and environmental development and protection. There is an urgent need for suitably integrated approach for ensuring water and food security, sustainable agriculture, and energy production worldwide.
- Since 2016 at the Hangzhou summit when the T20 recommendations were started to be systematically assessed that matched G20 leaders' commitments, it was shown that they have not grown. Only 24% of the T20 recommendations matched G20 commitments on the summit's three priorities of themes.
- The T20 tends to, once its summit is over, turn its attention to the next one. The T20 needs a strong permanent secretariat to provide continuous multi-year support for this analysis task and for other things.
- Thematic focus comes in not in terms of the domestic economic growth priorities but the larger global responsibility. This role needs to be played, be it in the realm of managing the world trading system through strengthening multilateral institutions, Basel norms for stable financial development, the reforms of the multilateral financial institutions, IMF and the World Bank, the role that AIIB and the New Development Bank should play, and also in terms of how we govern digital currencies.
- The pandemic, the international debt crisis for least developed countries, etc. particularly countries in

Africa requires the G20 countries to do introspection and bring in new norms for global governance. This requires geopolitical issues and strategies to be strengthened and reconsidered not just in Indo-Pacific context but in the larger context of global governance.

- T20 should play a pivotal role in terms of collecting perspectives from the South for a better convergence of the finance track and the Sherpa track.
- The COVID-19 pandemic is distracting governments around the world which may compromise the achievement of the two landmark agreements, namely, the Paris agreement and sustainable development goals. Fighting these global threats necessitate effective multilateralism through international coordination and cooperation and laying the foundation for a strong economic recovery, one that offers a sustainable balanced and comprehensive growth after the pandemic.
- G20 members include the world's largest fossil fuel producers and consumers. 82 % of G20 energy supply still comes from fossil fuels. Achieving the Paris Agreement target requires the inclusion of all energy options such as expanding the use of renewable energy.
- Climate science, research and evidence-based policy making is a critical component of climate change, mitigation, and adaptation strategy. Therefore, we will have to continue our endeavour of conducting innovative policy development and strategic research for environmental measures in order to reflect the results of research into political decisions for realizing sustainable development.

Actions for Government

- The policy makers and the governments must engage and share T20 recommendations extensively in order to understand what T20 stands for and what we need to do and the larger role which India must play.



PREPAREDNESS OF SCIENTIFIC COMMUNITY IN NEW NORMAL: ROLE OF S20

Introduction

Established in 2017, the Science 20 (S20) is one of the youngest engagement groups of the G20. The S20 supports the G20 by fostering an official dialogue with the scientific community. Its core purpose is to present policymakers with consensus-based recommendations for the chosen topics of interest. These science-driven recommendations are formulated through task forces comprising international experts. The session deliberated on the preparedness of the scientific community and possible policy options that the Governments could adopt to support them. Special focus was on AI for social welfare, genetic engineering, sustainability, and potential of nanotechnology.

Session Speakers

- Dr Jitendra Singh, Hon'ble Minister of State (I/C) for Science and Technology and Earth Sciences, Minister of State in the Prime Minister's Office; Minister of State for Personnel, Public Grievances and Pensions, Minister of State in the Department of Atomic Energy; and Minister of State in the Department of Space, Government of India
- Dr Takaaki Kajita, President, Science Council of Japan
- Prof Satryo Soemantri Brodjonegoro, Chair, S20 Indonesia 2022 and President, Indonesian Academy of Science
- Mr Vipin Sondhi, Chairman, CII National Committee on Technology, R&D and Innovation and Managing Director and CEO, Ashok Leyland Limited, India

Key Messages

- AI can be a boon to analyze and discover behavioural and environmental impacts on health. Cloud-based data sharing can help increase the likelihood of socially beneficial outcomes. AI technology can be leveraged to move from descriptive data analytics to predictive machine learning, to prescriptive decisions on optimization in the space of transportation.
- Genetic engineering could help eliminate hundreds of diseases and increase longevity. Human happiness and productivity will go up a great deal in the process by giving the potential to eradicate many diseases and minimize human suffering.
- These emerging technologies offer excitement but require certain levels of caution until we understand their impact, and this is where the role of the S-20 becomes even more challenging. Eventually, we need to ensure that these technologies work for humanity. But in the process, we do not compromise on empathy.
- The S20 Group of the G20 Nations ensures a vital partnership as the world struggled to produce vaccines and scale up manufacturing during the Covid period. India assumes the presidency of G20 in the year 2023 and it will be the endeavour of the Indian government to strengthen and develop this partnership among leading nations for the scientific communities.
- India employed various data gathering mechanisms such as the Arogya Setu app during the pandemic. It is acknowledged worldwide for its reach. India got an opportunity through covid



to bring forth is hidden potential to really innovate accordingly at different levels.

- In the vaccination phase, India has been able to collect and analyze data pertaining to geographic reach of the vaccine and unit time. It has help us to assess the investment required in setting up of required health care infrastructure and district level state level etc. We can now map this data with other data sets and leverage artificial intelligence to improve logistics capability and vaccine storage infrastructure as well.

Detailed Takeaways

- Scientists across several nations have largely collaborated on the principle of open science where knowledge methods, data and evidence are made freely available and accessible to everyone. Since the outbreak of the pandemic, collaboration by scientific community was key to fast development of vaccines, saving millions of lives. Pandemic has demonstrated that we must ensure our response plans are flexible and scalable to cope with the vigour of the virus and its many forms and variants.
- Learnings and preparedness are the key and technology are now at the heart of our everyday lives. Mobile applications, artificial intelligence, machine learning, augmented reality, amongst others, are critical to diagnostic data and insights that drive and inspire the innovations of tomorrow.
- AI, nanotech, and genetic engineering is at the cusp of the most critical technology transformations of the century. While we have experienced a fraction of their benefits, their complete proficiencies are yet to be discovered. These technologies require extensive R&D, innovation, investment, and a robust framework to build consensus amongst the scientific community.
- The S20 community has an extremely crucial role to play in orchestrating consensus-based recommendations from the respective international experts. Health, urban commuting, and sustainability are areas where AI could transform the world for the better. AI can play a

decisive role on several fronts of crisis response, education, inclusion, poverty eradication, justice, etc., thereby touching every aspect of human life and social welfare one by one.

- S20 has been playing a crucial role in science-based decision making. Political science-based findings are crucial however, distrust and antipathy towards science and technology is among people of the world is still not fully comprehended. It is a duty of scientific community to prepare for the future pandemic.
- The S20 recommendations indicate the crucial importance of collaborating with organizations to realize superior readiness for future health emergencies. S20 proposed recommendations on what and how to prepare for the ongoing pandemic and its next phase, based on our collective experience of Covid 19.
- One recommendation regarding the new normal is on the understanding of robots and AI, developing human resources for the creation of a better near future. The second recommendation is on transitioning ICT infrastructure, promoting distance transformation for infection control and social change. We must strengthen the ICT infrastructure to promote diverse working styles.
- It will be necessary for academicians around the world to work together and strengthen their scientific advisory function. It is also necessary to collaborate in a wide-ranging perspective with all academic disciplines from humanities, social sciences to the natural sciences.
- The Government of India is according highest priority to science, technology, innovation and it has become visible in the last 7 to 8 years. Budget allocations have increased, several new initiatives have been undertaken, particularly in covid times. India succeeded in making a virtue out of adversity and found yourself leading the world in determining the new norms in the post COVID times.
- This whole purpose of any technological advancement or development is upliftment and betterment of lives and to bring ease of living in



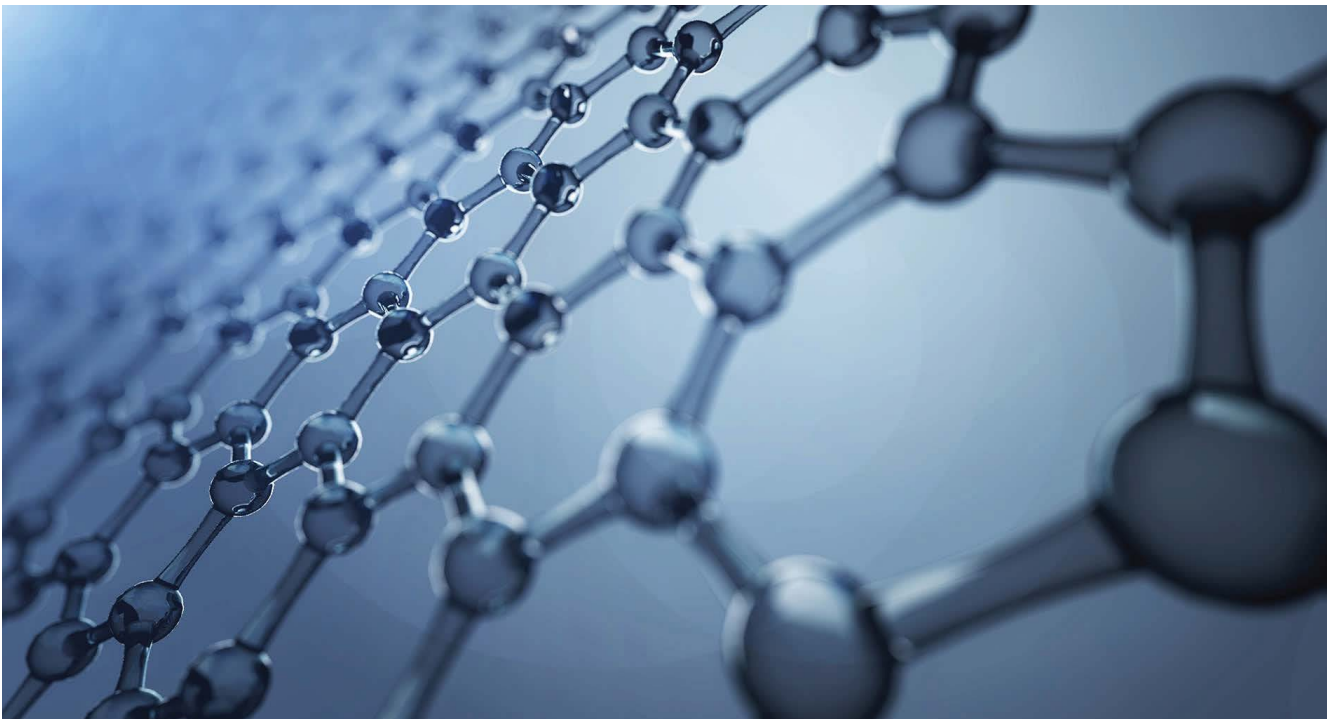
the life of a common man and therefore with the new emerging technologies like artificial intelligence, Nanotechnology, genetic engineering we are ready for one of the biggest leaps in the terms of technology development.

- The process of genetic engineering allows for the structure of genes to be honoured. It is deliberate modification which occurs through the direct manipulation of the genetic material of an organism. DNA is either added or subtracted to produce one or more nutrients that were not found in that organism before and therefore, genetic engineer is guaranteed to make a change referring to nanotechnology. One can say it is one of the most emerging technologies that has the potential to improve community resilience.

- This clearly establishes an increasing role of science and such emerging technologies, independent preparedness, and management to address global challenges and to ensure economic recovery and growth and to stimulate the transformations needed to achieve resilience societies.

Actions for Government

- Increased budget needs to be allocated for R&D.
- Emphasis should be on Genetic Engineering which could make COVID-19 vaccine in months rather than years.
- Suitable policies need to be in place to facilitate exploring science for the upliftment of human race in alignment with the nature that supports life.





FOSTERING GENDER EQUALITY AND PROMOTING WOMEN EMPOWERMENT: ROLE OF W20

Introduction

Women 20 (W20) is a recent G20 dialogue process with the goal of reducing the gender employment gap by 25% by 2025 ("25 by 25"). Demands and measures have been formulated to promote the economic participation of women in the G20 member states and to strengthen their economic power. The session facilitated dialogue to provide safe access to digital technologies for all women in G20 economies by 2026 to bridge the digital divide, include unpaid care and domestic work in policy making, create safe and welcoming workplaces and ensure equal representation of women at all levels of decision making.

Session Speakers

- Ms Smriti Zubin Irani, Hon'ble Minister of Women and Child Development, Government of India
- Dr Victoria Panova, Vice President for International Relations, Far Eastern Federal University, Russia
- Ms Dian Siswarini, Co-Chair, W20 Indonesia 2022 and President Director and CEO, PT. XL Axiata Tbk, Indonesia
- Ms Suchitra K Ella, Deputy Chairperson, CII Southern Region and Co-Founder and Joint Managing Director Bharat Biotech International Limited, India
- Ms Vaishali Nigam Sinha, Chairperson, CII National Committee on Women Empowerment and Indian Women Network and Chief Sustainability Officer, ReNew Power and Founding Chair, ReNew Foundation, India

Key Messages

- Studies indicate that 5% of all women employed lost their jobs compared to 3.9% of employed men in 2020 which further highlights that a woman's job is more vulnerable to the crisis across the world. This vulnerability stems from reasons such as women being disproportionately more in the informal economy, existence of the wage gap, less access to social protection and women being more likely to be weighed down with unpaid care and domestic work often driving them out of the labour force.
- An integral part of promoting female labour force participation is ensuring that the workspaces are friendly to female workers both physically and socially; this includes women-friendly infrastructure at the workplace, safe transport facilities for women and exposing them to reskilling and upskilling courses to meet the demands of the changing job markets. Such assistance will not only encourage women to join the workforce but also enhance their retention prospects. It will also facilitate their career progression from shop floors to the mid to senior level and hopefully to the boardroom levels as well.
- Women have not had access to digital platforms as they should because of the biases in our society. There has been a lack of access to technology in terms of knowledge about how to use technology.
- Technology enabled healthcare delivered via telephones or tablets improve health outcomes as it reaches women even in the remotest areas.
- India will have a very strong female-centric agenda as the host of the G20 presidency in 2023.



Detailed Takeaways

- As per International Labour Organization estimates in 2018, the global labour force participation rate for women was about 49% compared to that of 75% for men. The Covid pandemic has amplified this inequality.
- There is a positive outlook for women in the formal sector at this time of crisis. Several companies are evaluating the jobs that can be done from home permanently and which do not require relocation or long-distance commute, hinting at a potential increase in the female labour force participation.
- In developing countries, limited access often concerns women living in rural parts; in developed countries, women face a digital gender divide and systemic under-representation in information and communication technology and potential academic careers.
- In a recent initiative of CII to provide digital education to 2000 women in rural Uttar Pradesh and Rajasthan, it was found that while 56% of the families have a smartphone, it mostly belonged to the son or the husband in the family and were given to women only when they had to make a phone call. Among the respondents who had access to a smartphone only 6% did money transfers using their mobile devices. This probably goes to show the kind of gaps or the challenges that still continue to exist for many women from across the world even in the 21st century.
- Women's labour participation in India has shrunk further with women at around 1/7th of participation in the workforce. Almost half of all women lost their jobs during Covid.
- Women's economic empowerment is very fundamental for a prosperous world and essential for economic growth. This is everybody's agenda and must be adopted by everyone.
- Women centric technology needs to be created.
- There are some gender biases that are causing less involvement of women in the same areas or

in ICT because girls generally have less interest in digital technology compared to boys. In universities, the inclusion or the participation of women is quite high but then there is a leaky funnel when they enter the professional world.

- We need to have more women that are leading this arena to be role models.
- The pandemic also brought to light another issue of domestic violence against women.
- In Russia, there was a decision to create a portal for finance for women together with the International Financial Corporation which further brought up their solutions for the issue of financial inclusion.
- India today speaks not only of women's development but speaks predominantly about women led development and how will women in our country lead that development. In India, 220 million women received for the first time an opportunity to open a bank account for themselves from 2014. Today 78% Indian women have access to their own savings account from 28% in 2013.
- While there was a global lockdown, women especially in rural India had access to cash transfers and 220 million women benefited.
- India celebrates the fact that for the first time in our national education policy, we find an infusion of the gender inclusion fund, which provides more and more opportunities for women academically and institutionally to take the course of education and academia forward.
- The Mudra Yojana which proposes collateral free loans for small businesses was not gender inclined. However, 70% beneficiaries under the program today are women which is a testimony to their entrepreneurial nature.
- In the past five years over 20 million Indian women have become digitally literate under the PM Disha program. Over 20 million Indian women have received surgical or medical support for ailments like cancer.



Actions for Government

- Gender must be main-streamed and it is critical that Covid recovery policies must include increased access for girls and women in healthcare.
- Disaggregated data is crucial for understanding digital gender gaps. The Government should

work on forming decisions to address these gaps, set targets and track progress and ensure there is more communication and collaboration amongst various stakeholders to make this happen.

- The challenges for women who are trying to operate mid-size businesses or hope to grow into large companies needs to be addressed.





COMPETITIVENESS



PROCESS EXCELLENCE AND FUTURE OF MANUFACTURING

Introduction

The global manufacturing ecosystem is inherently based on the cooperation of businesses across nations, bound by wide-ranging value chains. Building competitive manufacturing systems across the world is imperative for inclusive and equitable growth processes. India has introduced multiple policy reforms, incentives, and structural changes under the 'Aatmanirbhar Bharat' campaign to strengthen self-reliance and build a competitive manufacturing environment. The discussions were based on how governments can support businesses in their quest for manufacturing excellence while building new partnerships for strong supply chains.

Session Speakers

- Mr. Jemmy Kartiwa Sastraatmadja, Chairman, The Indonesian Textile Association (API) Indonesia
- Prof Robin Clark, Dean, Warwick Manufacturing Group and Director of Education, University of Warwick, UK
- Mr Raghav M. Narsalay, Managing Director, Accenture Research, India
- Mr Ahmad Al Haddad, Chief Operating Officer, Parks and Zones DP World, UAE
- Prof Chris White, Director for Policy and Industrial Foresight, The Manufacturing Technology Center, UK
- Mr Mike Clarke, Chief Operating Officer and Chief Human Resource Officer, Hero MotoCorp, India
- Mr Soumitra Bhattacharya, Chairman, CII National Committee on MNCs and Managing Director and President, Bosch Group India, Bosch Limited, India

Key Messages

- The manufacturing and supply chains will be integrated, becoming highly digital and connected.
- Indonesia sees the strengthening of the local supply chains, rather than the global ones, as of utmost importance.
- There are five key elements in the future of manufacturing that must be highlighted—infrastructure, collaboration, innovation, technology transfer, and skill development.
- Use of digital technology to achieve process excellence has been rapidly growing in the last few years and collaboration between platforms and departments is crucial.
- In the past, the lack of available technology or skilled labor has affected manufacturing in UAE, but it is now becoming a preferred destination for international companies.
- In the UK, the drive towards Net Zero and the shock induced by Brexit and the Covid-19 pandemic, has brought a fifth industrial revolution.
- Investment in the electronic industry, amplifying the Skill India campaign, the introduction of online skilling platforms, and labor reforms are critical for the growth of the manufacturing sector in India.

Detailed Takeaways

- During the Covid period there has been a massive focus on digitalization. There are five areas where changes are expected in the digital field in future—people and leadership, shops and management, logistics management, shop flow execution, maintenance and analytics.



- Innovation must relate to affordability in the markets. The Government of India's vision to derive 25% of GDP from manufacturing is still further in the future and for it to happen – affordability, innovation and competitiveness must be the key.
- Indonesia envisages a stronger collaboration among other economic powers in the region and building back trust in multinational cooperation, as no country, regardless of their size, can face global challenges by themselves.
- Manufacturing in terms of three key elements needs to be supported adequately by appropriate government policies worldwide while focusing on self-reliance and process excellence by continually improving the quality of the product and the flexibility of production with minimal waste.
- In the UK, the national infrastructure and construction pipeline launched in September will be a crucial step, with almost 700 identified projects that will help manufacturers in their attempt to create innovative delivery solutions and resilient supply chains.
- As we head towards a more sustainable and digital world, skill development has become fundamental with the requirement of a higher skilled workforce based on education and training opportunities.
- In January 2022, WMG University of Warwick will launch the WMG Skills Centre, a local initiative aimed to grow internationally, with the focus on connecting pathways for learners, flexibility in the educational provision, and building networks to deliver education.
- Usage of digital technologies to drive transformation and achieve process excellence must transpire on a companywide collaborative level. Each digital platform needs to be able to communicate with all other platforms, rather than being competitive.
- The geopolitical stability in the UAE is unlocking new opportunities in the region for companies and manufacturers, especially since countries like Japan and China have shifted their manufacturing towards the local market rather than internationally.
- Countries from Europe or the Middle East are now

seeking raw materials in the UAE and are exporting to the world or the local markets. They have an integrated model for ease of doing business procedures which aims at helping manufacturers to consider UAE as their go-to-market.

- The UAE government has launched initiatives like Operation AED 300 billion to stimulate and diversify the economy from being an oil-rich country to a more industrial dependent economy. They have also created a multimodal connectivity environment, under a single custom bonded area which allows 24/7 undisturbed trade flow with all major world destinations.
- The creation of new policies, advanced manufacturing and collaboration between government and academy will play an important role in achieving Industry 5.0.
- The disruption during Covid-19 has especially emphasized the need to reduce the dependency on China. Since 16% of the GDP in India is derived from manufacturing only, the growth of the industry is extremely important.
- Automation and digitalization must be accelerated as labor-intensive manufacturing practices reduces productivity. The supply chain competency also needs to grow. Investment is needed in the design, product development and quality control capabilities.
- Labour retention is another challenge and the quality of training provided by the vocational training schools is critical.

Actions for Government

- The Government must invest in research and infrastructure and develop world-class digital communication systems.
- Ease of Doing Business procedures must be strengthened and enhanced.
- There should be higher investment in the quality of training provided by vocational schools to capitalize on demographic dividend.
- Homogeneity amongst policies at Center and State focused on sustainability is required.



TRADE POLICY



IN CONVERSATION WITH MR BORGE BRENDE



Introduction

The global trading environment has never been stable. Just before COVID, there was a massive trade war involving the world's two largest economies. In the last 3 decades, the world has been trying to create a more stable, equitable and predictable trading regime; however, framing the rules and effectively enforcing them has been tough for the WTO.

The emergence of several bilateral and regional FTAs has given the impression that world trade would get even more compartmentalized. The trading system needs redressal, and we should all work towards strengthening the WTO and weakening protectionism.

Economies are recovering but supply chains continue to be disrupted unbalancing trade. The session focused on getting Mr Brende's perspectives on the global economic outlook, the long-term impact of Covid on world trade, trade wars and their impact, strengthening the WTO and the impact of regional and bilateral FTAs on global trade.

Session Speakers

- Mr Borge Brende, President, World Economic Forum
- Mr Hari S Bhartia, Past President, CII and Co-Chairman and Managing Director, Jubilant Pharma Limited
- Mr Chandrajit Banerjee, Director General, Confederation of Indian Industry (CII)

Key Messages

- The global economic outlook for 2022 is cautiously optimistic, growth is back, and businesses are better prepared for ensuring continuity, but there are also several challenges including the pandemic.

- The pandemic has resulted in several countries trying to become more self-reliant by encouraging more local manufacturing and reducing dependence on single supply sources, but this is possible only to a limited extent and also adds to the costs. Trade, therefore, needs to continue to remain strong, as this has what has led to global prosperity over the last few decades.
- There is a need to strengthen the global trading system and focus on multilateral trade agreements.

Detailed Takeaways

- The global economy is again growing. 2022 will likely see a cautious approach to stimuli because of inflationary pressures. The world, therefore, faces a delicate balancing act between inflation and quantitative easing and stimuli. Global Value Chains (GVCs) have held up fairly well in the COVID times but there are challenges.
- Accumulated demand is now surfacing and is reflected in energy prices. The huge demand for semi-conductors and microchips is leading to huge pressure on minerals. Logistics is also under tremendous pressure, with prices increasing threefold. Long term investment is required in infrastructure as well. Therefore, the global economic outlook for 2022 is cautiously optimistic, growth is back, but there are also several challenges, and the pandemic is still very much around.
- In Europe, hospitalizations are largely of the unvaccinated people. Vaccines protect from serious infections, and booster doses are important now. If hospital capacities get overwhelmed, this will be a big challenge going forward.



- Businesses were better prepared in 2021 than they were in 2020 in terms of continuity and so there is no expectation of large scale and severe lockdowns.
- COVID has resulted in an effort to create local supply chains, to reduce dependence on external supply chains and avoid disruptions. China is creating a domestic market as well as demand, and reducing dependence on exports. In 2010, 35% of China's GDP was from exports and now it is just 20%. US, China, India and several other countries are witnessing similar trends on increasing local manufacturing and reducing dependence on single supply sources. But trade cannot stop as this is possible only to a limited extent.
- Since 1990, global GDP has doubled, the world has moved from 5 billion to 7 billion people while the percentage of those living in extreme poverty has declined from over 45% to 12% today. This is staggering progress made in just 30 years due to globalization. This has been possible because of increasing productivity, access to new markets and trade. We need to be careful that we do not lose these gains while at the same time, we need to look at inclusiveness, sustainability and access.
- Near shoring can make sense but will increase costs because comparative advantage will not be a priority criterion.
- The world should stick to collaborative approaches to ensure shared prosperity. Trade wars between the two largest economies will negatively impact this shared prosperity. Fierce competition should be based on the same rules and trade needs to continue.
- There is great optimism for India and its potential in the long term. India needs to gradually go through the necessary reforms and invest more in creating world-class infrastructure. India should go from

being a back office to competing with the US and China in innovation and entrepreneurship as well as in new technology businesses. India created 35 Unicorns during the lockdown which was an amazing feat.

- The WTO has built frameworks and rules to make world trade easier and reduce protectionism. It is disappointing that it has not been able to negotiate any breakthroughs in new areas for the last 20 years. While the world has changed considerably, the trading system has hardly changed. There has been no success in the negotiations on sustainability, not much progress on services facilitation agreement, the trade investment and facilitation and the appellate body is stagnant.
- WTO needs to be kept functional. But if no progress is made on multilateral trade agreements, regional and bilateral ones will go ahead. Plurilateral agreements could also lead to multilateral ones later, but there is a need to avoid a "Spaghetti Bowl" of trade agreements.
- The cost of climate change is very high, manifested in floods, droughts, and fires across the world. The world needs to keep growing but must try to decouple growth from growth in CO2 emissions. Technology is extremely important and there is a need to invest more in developments in science and technology.

Actions for Government

- Need to invest more in world-class infrastructure
- Focus must be on promoting innovation and entrepreneurship, science and technology, to be able to compete better with the major economies and also mitigate the effects of climate change.



CHANGING DYNAMICS OF GLOBAL VALUE CHAINS

Introduction

The dynamics of global value chains (GVCs) are changing because of several major structural shifts across the world. GVCs are being reshaped by rising demand and new industry capabilities in the developing world as well as a wave of new technologies, which are changing costs across global value chains. As a result, all GVCs are becoming more knowledge-intensive, which has further diminished the importance of low-skill labour as a factor of production. In addition, the flows of services and data now play a much bigger role in tying the global economy together. Given this important shift in the global production network, companies need to re-evaluate their strategies for operating globally.

Session Speakers

- Mr Dammu Ravi, Secretary (ER), Ministry of External Affairs, Government of India
- H E Dr (Ms) Luz Maria de la Mora Sanchez, Vice Minister of Foreign Trade, Mexico
- Mr Sultan Rasheed Al Khater, Under Secretary, Ministry of Commerce and Industry, State of Qatar
- Ms Isabelle Durant, Deputy Secretary-General, UNCTAD, Switzerland
- Ms Marion Jansen, Director, Trade Directorate, OECD, France
- Dr Amitendu Palit, Senior Research Fellow; and Research Lead (Trade and Economics), Institute of South Asian Studies, National University of Singapore
- Dr Robert Koopman, Chief Economist, World Trade Organisation, Switzerland
- Mr Per Altenberg, Senior Trade Policy Adviser, National Board of Trade, Sweden

- Mr Eduardo Pedrosa, Secretary General, Pacific Economic Cooperation Council, Singapore
- Mr Daniel Havas, Vice President, Strategy and Investor Relations, Lynas Rare Earths, Malaysia
- Mr Søren Skou, Chief Executive Officer, Maersk, Denmark
- Dr. Anish Shah, Chairman, CII International Council and Managing Director and CEO, Mahindra and Mahindra Ltd, India

Key Messages

- Global value chains have seen increased participation and integration which is essential for economic growth and prosperity in the last couple of years. However, due to various geopolitical reasons and the pandemic, the integration process with the GVCs has been negatively impacted. Therefore, it is essential to have right policies and incentives in place to enhance the benefits from value chain integration.
- With the changing nature of globalisation, the GVC's have undergone tremendous structural changes. The factors affecting the structure of GVC's include changing geography of global demand, innovation and technological advancement and new emerging capabilities of industries. The subsequent changes include decline in trade intensity, faster growth of trade in services as compared to trade in goods and declining importance of low skilled labour. These changes have further deepened due to global shocks impacting the nature of manufacturing.
- Therefore, it is critical to address the challenges and build resilient value chains to enhance competitive advantages. A few areas to focus on include identifying appropriate policy areas for intervention, diverse measures including trade



facilitation, development of infrastructure, logistics and innovation must be stepped up. Emphasis should also be on ensuring government and private sector collaboration.

- Additionally, the FTAs should focus on elimination of tariff and non-tariff barriers to ensure trade facilitation. Greater collaboration through mega-regional trade agreements is also critical to ensure the development of new global value chains while strengthening the existing ones.

Detailed Takeaways

- The most critical aspect of global value chains is that it allows developing nations to tap into global demand, outside of their own domestic market. It is done in a way that does not require for them to produce a final good, instead they/ the countries can contribute by producing parts and components for goods to be supplied into the final market.
- It has been observed that the production and organization of supply chains have also undergone evolution, with USA and Germany being the main suppliers along-side China; however, on the demand side, the centre for demand for GVC's remains USA followed by the EU market. In order to ensure other countries' role in being a demand market for GVC, it is required to establish coherent domestic policies and trade policies.
- The evolution of supply chains also includes the fact that these chains have developed resilience by moving towards expansion of regional value chains in areas that have stable trade and domestic policies, therefore ensuring stability and strengthening risk management strategies. This is precisely the reason why businesses were able to deal with the shock of the global pandemic amidst the lockdowns. The only downside to these scenarios was the lack of resilience in the global logistics sector which was not able to keep

pace with the changing environment. Therefore, the need of the hour is to strengthen the connectivity and global logistics sector.

- Additionally, the GVCs are being looked at for reorganization and realignment from a geopolitical point of view and not necessarily via the logic of economic efficiency. This contrast needs to be considered as a challenge. Technology plays an important role in this situation as it has over the years managed to reduce the trading costs, while increasing insecurities via the disclosure of strategic information which seems to be available quite freely. Therefore, there is a need to shape dialogues around technology while discussing GVCs.
- It is crucial to provide a conducive environment and right conditions for developing digital innovation and knowledge systems that can help linked Indian firms to climb up the value-chain ladder. Comprehensive innovation policies at the national level, along with adequate incentives in targeted sectors that are more linked into GVCs, can help achieve this. At the micro-level, the right incentives need to be created for firms to invest in their technological and digital capabilities, and for the development of Indian lead firms. This can help Indian micro, small and medium enterprises link with larger and more productive firms, further facilitated through digital platforms.
- To address the challenges of supply chains while ensuring resilience, it is important to foster collaboration between governments, private sector, multilateral organizations and international organizations.

Action for Government

- The government should work towards structuring policies which support the integration of industries with global value chains. It is essential to have seamless dialogue with industry members and address concerns in this regard.



SPECIAL MINISTERIAL PLENARY SESSION

Introduction

As the world emerges from the Covid 19 pandemic, the impact of the external shocks - both natural and man-made, has brought to the fore the criticality of economic resilience and the importance of the strategy to recover from severe disruption. Partnerships will play a pivotal role in reviving economies from the pandemic. For India, growth for the years 2021 and 2022 is projected to be 9.5% and 8.5% respectively, the highest recorded amongst major economies.

Session Speakers

- Mr Piyush Goyal, Minister of Commerce and Industry, Textiles, Consumer Affairs, Food and Public Distribution, Government of India and Chairman, The Partnership Summit 2021
- H.E. Lyonpo Loknath Sharma, Minister of Economic Affairs, Royal Government of Bhutan
- H.E. Chhuon Dara, Secretary of State, Ministry of Commerce, Kingdom of Cambodia
- H.E. Soodesh Satkam Callichurn, Minister of Commerce and Consumer Protection, Labour, Human Resource Development and Training, Republic of Mauritius
- H.E. Dr Pwint San, Minister for Commerce, Myanmar
- H.E. Bandula Gunawardana, Minister of Trade, Government of Sri Lanka
- H.E Mr Mohamed laad Hameed, Minister of State for Economic Development, Maldives
- Mr T V Narendran, President, CII and CEO and Managing Director, Tata Steel Limited
- Mr Chandrajit Banerjee, Director General, Confederation of Indian Industry, India

Key Messages

- India is showing sharp economic recovery and indicators are showing bounce back in manufacturing agriculture and technology.
- India is preparing for a decade of growth which is validated by 8.4% GDP growth in the second quarter of the year, increased exports and imports, record collection of direct and indirect taxes, and increased FDI, among others.
- The pandemic has encouraged various nations to convert a crisis into an opportunity as economies, resilience and partnerships were strengthened.
- Policymakers are focussing on six key areas to help India achieve its record export target of US\$ 400 billion and facilitate economic recovery.
- India provided great pharmaceutical support to other countries during the peak of the COVID-19 pandemic by way of vaccine diplomacy, sharing of oxygen concentrators, and sending other critical medical supplies.
- Nations must be more innovative and competitive for quick economic recovery while ensuring smooth flow of goods and services and making use of digitalisation for this phase of economic transition.
- COVID-19 proved to be instrumental in enhancing international cooperation and preparedness for controlling as well as mitigating the impact of the pandemic as there was renewed policy focus on contemporary governance, technology, remote working, and cross-border trade.
- Trade facilitation and ease of doing business are important for countries. Countries are keen to undertake more engagement with India.



Detailed Takeaways

- Trade facilitation must be explored to address supply chain disruption and to promote inter-region trade.
- There is a need to move towards paperless trade and harmonisation of procedures to ensure smooth and hurdle free trade.
- Policymakers must stress on advancing trade relations by high level dialogue, especially in the sectors of IT, agriculture, food processing and pharmaceuticals.
- Countries must undertake more FDI related measures, promoting connectivity and infrastructure development while working on regulatory aspects of e-commerce.
- Comprehensive Economic Cooperation and Partnership Agreements (CECPA) will help in further boosting investments and trade in goods and services, and leveraging the comparative advantages.
- There is massive potential for trade engagement in the domains of agriculture, food processing, tourism, and manufacturing. Nations must come together for promoting sustainable growth, furthering development, and capitalising on technology development.
- With an aim to boost economic growth, there should be focussed attention on trade facilitation for ensuring speedy turnaround times, signing of Mutual Recognition Agreements (MRAs), developing a robust global financial system, more structured dialogue at global business groupings like B-20 and constant monitoring of hurdles for job creation.
- The need of the hour calls for countries to adopt a more cohesive action plan for achieving the objective of sustainable development.
- FTAs are being reviewed for mutual benefits of growth in merchandise and services. Enhanced trade alliances are being looked at by India with countries like UAE, UK, Australia, Canada, Russia, Oman, and Botswana.
- Investments are being promoted from other countries in sectors such as healthcare, infrastructure, defence, energy, and insurance by way of liberalised FDI policies and Production Linked Incentive Scheme.
- India is being looked at as a supply chain alternative by measures like the National Infrastructure Pipeline, Gati Shakti Programme and National Monetisation Plan.
- Ease of doing business is being enhanced by measures like the National Single Window System and India Industrial Land Bank.
- Innovation is being promoted as India is home to start-ups which are catalysts of growth and development.
- Policymakers aim to attain their respective sustainability targets of being a net zero economy.
- India played a pivotal role as a trading and development partner of Bhutan. Trade facilitation must be explored to address supply chain disruption and promote inter-region trade. While Bhutan has undertaken ease of doing business measures like loan waiver, deferral of EMLs, improving investment climate for MSMEs and single business licensing services, stronger regional cooperation is crucial for quick economic recovery.
- Partnering for trade promotion is the need of the hour as the global economy is picking up. Policymakers must stress on advancing trade relations by high level dialogue, especially in the sectors of IT, agriculture, food processing and pharmaceuticals. There is need to undertake more FDI related measures, promoting connectivity and infrastructure development while working on regulatory aspects of e-commerce.
- Trade relations between India and Italy can be boosted further as the global supply chains are being reinvented. The sectors where engagement can be enhanced include energy transmission, enhancing role of MSMEs, waste management and innovation.



- India provided great pharmaceutical support to Mauritius during the peak of the COVID-19 pandemic by way of vaccine diplomacy, sharing of oxygen concentrators, and sending other critical medical supplies. Going forward the Comprehensive Economic Cooperation and Partnership Agreement (CECPA) between India and Mauritius will help in further boosting investments for goods and services.
- There is high potential for India and Myanmar for trade engagement in the domains of agriculture, food processing, tourism, and manufacturing. The business community of both Myanmar and India must come together for promoting sustainable growth, furthering development, and capitalising on technology development.
- Sri Lanka is working towards sustainable development and enhancing growth prospects. Measures will continue for providing relief to industry as efforts are being made for relaxing restrictions.

- Maldives moving towards nature-based solutions aims to achieve net zero emissions by 2030 to address climate change. Partnership with India can be strengthened further in several areas including healthcare, infrastructure, and housing.

Actions for Government

- Governments need to invest in a solution-oriented approach and partner with the industry to further enthuse the business sentiment in the post pandemic era.
- Collective solutions between governments are being made to be more competitive and sustainable as nations reflect on their growth strategy in the post pandemic world
- Government needs to ensure their continued support to neighbouring countries in the form of necessary medical assistance of vaccines, testing kits, masks, and PPEs.





TRANSFORMING GLOBAL SUPPLY CHAINS – ADVANCING WORLD TRADE SUSTAINABLY IN CONVERSATION WITH MR TAN CHONG MENG



Session Speakers

- Mr Tan Chong Meng, Group CEO, PSA International, Singapore
- Mr Bharat Joshi, Co-Chairman, CII National Committee on Logistics and CEO, J-Curve Ventures and Director, Associated Container Terminals Limited, India

Key Messages

- COVID induced supply chain disruptions are real and global in nature. Lack of containers, insufficient shipping capacity, manpower shortages, reduced worker productivity, inter-nodal connections breaking down, and non-digital documentation are some of the culprits in the whole chain. Injecting new containers in the supply chain will not solve this problem.
- Stress in the supply chain pre-dates COVID. Trade tensions, particularly between the U.S. and China, escalated under President Trump with the introduction of unprecedented tariffs and sanctions on Chinese companies. The unexpected shift in trade put the initial stress on global logistics.
- It is imperative to have supply chains that integrate elements and practices pertaining to environment protection, product sustainability and cleaner growth. The future is of a circular economy that envisages zero product wastage during transportation and manufacturing.

- In Singapore, supply chain disruptions are still plaguing local manufacturers as they struggle to cope with reduced margins from the higher cost pressures. Fears of supply chain disruptions and component shortages interrupting the manufacturing momentum within Asia appear to pose potential headwinds ahead for regional manufacturing centres including Singapore.

Detailed takeaways

- During the first half of 2020, demand for most goods cratered as economies worldwide went into lockdown. Sailings by ocean carriers were cancelled, manufacturing capacity was cut, and workers everywhere were displaced.
- By late 2020, real cracks in the supply chain started to emerge. From a logistics perspective, restarting the manufacturing machine after the lockdown turned out to be quite difficult. The complex system that moves raw materials and finished products around the globe requires predictability and precision. Both had been lost.
- A shortage of shipping containers emerged, shipping rates for certain routes skyrocketed, congestion developed at international ports that then spread to railroads and inland rail terminals, exasperating the trucking and chassis shortage that was already in place. U.S. importers experienced delays in receiving key



manufacturing components and exporters faced challenges accessing containers and getting bookings on shipping vessels.

- As the holiday season approaches, the logistics industry is bracing for another jump in demand that could further cripple the supply chain. Every link in the chain needs to operate effectively to restore order in the system, yet each component has its own unique challenges to overcome.
- When the Suez Canal was blocked, it stranded containers and caused backlogs and delays in shipping schedules as vessels were forced to wait for the canal to reopen or take the much longer route around the southern tip of Africa.

- More ships are needed, but additional supply is a few years away. There are new orders for shipping vessels, equal to almost 20% of the existing capacity, but they would not come online until 2023.
- Technology and changing customer behaviour are driving the change towards more supply chain solutions. Climate sustainability is something which is being adhered to faster than ever before. Sustainability has taken the centre stage within the conversation in this sector. Customers are demanding supply chain solutions which are climate friendly and green.





NEW DIRECTION OF INDIA'S FTA STRATEGY

Introduction

Over the years, FTAs have become a key driver of global trade and investment and new agreements are in process, including multi-country ones. With recalibration of trade equations, India as part of its new trade strategy has entered into fresh negotiations with several partner regions and economies. With such agreements expanding to include many dimensions, Indian industry too would need to re-strategize to meet the requirements, while at the same time articulating its interests clearly. Well-crafted bilateral economic agreements will also attract investments and boost India's participation in global value chains.

Session Speakers

- HE Mr Diego Llosa, Vice Minister of Foreign Trade, Ministry of Foreign Trade and Tourism, Peru
- Mr B.V.R Subrahmanyam, Secretary, Department of Commerce, Ministry of Commerce and Industry, India
- Dr. Harsha Vardhana Singh, Former DDG, WTO, India
- Dr. Rupa Chanda, Director. Trade, Investment and Innovation Division, UNESCAP, Thailand
- Dr. Ajit Ranade, Chief Economist, Aditya Birla Group, India

Key Messages

- With trade and economy rebounding globally, developed nations have become the lead consumers. This therefore should be seen as an opportunity for India to expand its exports and boost the economy. Additionally, the era of FTAs aims to reduce protectionist measures such as tariff and non-tariff barriers which should also act as a window to expand economic activities globally.

Detailed Takeaways

- India is working towards negotiating new generation FTAs with advanced economies such as UK, Australia, EU and UAE with promise of advanced access to new markets while reducing trade barriers. This will help remove tariff disadvantages for major export sectors in India such as textiles, leather and so on.
- With India's exports exhibiting robust growth over 2021, the Indian Government has entered into discussions with different countries / regions for economic cooperation agreements. Expected to be concluded over 2022 and 2023, these agreements are likely to be different in nature from earlier such deals and would impart a fresh boost to India's export trajectory.
- Due to many such FTAs in force across the world, India stands at a tariff disadvantage in major markets as it does not have trade agreements with large advanced economies or regions such as the European Union (EU). This makes Indian goods more expensive, especially for labour-intensive sectors such as textiles and leather where tariffs can make a difference to margins.
- India's FTA strategy is directed at reducing such tariff disadvantages and ensuring that Indian products are competitive in large market economies. The Government also aims to address growing and new markets and open up access through tariff reductions. It is further looking at new products that can be built up for these markets as well as ensuring that India is able to retain its market share for certain products.
- Upcoming FTAs are expected to be broader in scope and deeper in trade integration. To have a beneficial impact, tariffs on about 90% of traded goods need to be reduced in an FTA and such



significant liberalization would help both sides gain market access.

- Another way that these new FTAs are likely to be different is that they would include goods, services and investment.
- Further, given the increased presence of non-trade related chapters in recent FTAs between other countries and regions, India's discussions could centre around issues such as Intellectual Property Rights, government procurement, labour and social issues and environmental factors. The digital economy too could be a core chapter in the new agreements.
- To reap full benefits of these FTAs, industry will have to develop active market orientation strategies along with market intelligence with special focus on value addition, moving up the value chains and ensuring manufacturing of quality products alongside branding. It is important for the Indian industry to compete with international industries venturing into India as well.
- It was suggested that developing trade policy based on principles of openness of markets and trade liberalisation will help in promotion of economic development and integration with global value chains. Peru as a nation has vastly benefited by

engaging in FTAs, which have led to better integration of small and medium industries in non-traditional sectors and products in order to explore external markets and fulfil demands. It has also led to capacity building and ushered in innovation and improved production cycles.

- With an aim to integrate Indian producers with global value chains with higher additions, there is a need to go beyond the trade policy. There is an urgent need to improve on-ground effectiveness of reforms undertaken in India to promote trade facilitation, economic growth and development, understanding of international standards and their adaptation, improved innovation and technology transfer.

Actions for Government

- Government should work towards restructuring and reorganizing itself better to ensure growth in trade and allied activities. Further, it is important to structure policies which help the industry produce goods for international markets.
- It is essential to follow through on 'Make in India for the World' and 'Local for Global'.
- Finally, it is essential to form trade policy while considering markets in a strategic manner and not only as economies for the long term.



PARTNERSHIP FOR SUSTAINABLE TRADE RECOVERY AND PROTECTING LIVELIHOODS

Introduction

The world trade is on course of a strong rebound. The WTO is now predicting global merchandise trade volume growth of 10.8% in 2021—up from 8.0% forecasted in March. However, there are two serious concerns. First, within this strong growth, there is significant divergence across countries, with some developing regions falling well short of the global average. Secondly, the world is not yet out of the pandemic and therefore the risk of future disruptions is not completely ruled out. The pandemic has taken a huge toll on services trade. In 2020 alone, there was a loss of US\$1.3 trillion of export revenue from tourism, adversely impacting the livelihoods of millions of poor in the developing world.

Trade is also recognized as a key factor for meeting the SDGs, which aims to double the least developed countries' share in global exports by 2020. This target has now been missed. Given the important role of trade and the uncertain world trading environment, it is important to build a strong partnership to make trade growth sustainable and equitable.

Session Speakers

- Dr. Ngozi Okonjo-Iweala, Director General, World Trade Organisation
- Mr Piyush Goyal, Minister of Commerce and Industry, Textiles, Consumer Affairs, Food and Public Distribution, Government of India and Chairman, The Partnership Summit 2021
- Mr T V Narendran, President, CII and CEO and Managing Director, Tata Steel Limited

Key Takeaways

- India is showing sharp economic recovery and its growth indicators are showing a bounce back in areas of manufacturing, agriculture, and technology. It prepares for a decade of growth which is validated by 8.4% GDP growth in second quarter, increased exports and imports, record collection of direct and indirect taxes, and increased FDI among others. Additionally, the policymakers are focussing on six key areas to help India achieve its record export target of US\$ 400 billion and facilitate economic recovery.
- Negotiating trade agreements, promotion of ease of doing business, enhancing inward investment, promoting innovation, meeting sustainability targets, and promoting India as a supply chain alternative for global economy.

Detailed Takeaways

- While world growth rate was expected at 9.5% for 2021, a grave inequality in the fiscal capacity for vaccine production as well as distribution has impacted the low income economies. The trend in trade recovery is positive for advanced economies, whereas low income or underdeveloped countries are facing severe challenges.
- Therefore, the need of the hour is to harness global partnerships in the form of government to government collaboration and business to business collaborations, to counter the impact of the global pandemic. There is a need to ensure global access to vaccines while decentralizing its manufacturing processes.

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- WTO and other multilateral institutions such as IMF and WHO are constantly advocating for ensuring movement of medicines across borders.
- With regards to trade in services, there is need to address challenges in mode 2 (movement of professionals across borders). WTO Members are being urged to reach an agreement by the end of February at the latest and Members have resumed negotiations on the TRIPS waiver as well as other aspects.
- The need for clean and green trade was highlighted.
- India is a global pharmaceutical powerhouse and the incredible response of its pharmaceutical sector to the pandemic points to potential of the sector not only to meet demand at home but also around the world.
- India as one of the founding members of the WTO believes that bilateral agreements can never substitute multilateralism
- There is definitely a need to focus on the trade in services sector, as it holds great potential and the world rules would evolve accordingly in areas

such as digital trade. India can also support low income economies and less developed nations via technology transfer, capacity building and skill development in services sector with special focus on Africa.

- To ensure that trade growth is inclusive, it is critical for the nations to collectively create an environment that will not only revert to strong trade path but will also sustain it and an open trade regime can play a critical role in this regard and reduce poverty across the world.
- Trade is recognized as a key factor for meeting the SDGs and therefore boosting trade can play a key role in protecting livelihoods.

Actions for Government

- There is a need to strengthen policy framework related to foreign direct investment to promote inward investment flows and remove ambiguity.
- There is a need to work towards easing the cumbersome approval procedures and restrictions to enhance the movement of companies in India.





IN CONVERSATION WITH MR S ISWARAN



Session Speakers

- Mr S Iswaran, Minister for Transport and Minister-in-charge of Trade Relations, Singapore
- Mr T V Narendran, President, CII and CEO and Managing Director, Tata Steel Limited

Key Messages

- India and Singapore continue to share a deep and multifaced bilateral relationship, with a deepening of trade relationship and successful collaboration on numerous projects over the years through regular dialogue and engagement between the government and industry.
- Despite the pandemic, the close partnership has ensured continuous flow of essential supplies like rice and medical supplies and most recently, the mutual recognition of vaccination certification and establishment of vaccinated travel lane to ease travel between the two countries
- Singapore recognises the potential of the Indian market and the industry is committed to investing in India.
- Most pressing issues in the current times are climate change, establishment of resilient supply chains and need for innovation and accelerated digital adoption.
- Three critical areas that India and Singapore can partner together are Sustainability, Digital Economy and Connectivity.

Detailed Takeaways

- Both India and Singapore have announced national commitments to reduce carbon emissions. In the next phase, the two countries can cooperate on upstream initiatives to

accelerate research and development on low carbon tech solutions, explore mutually beneficial collaboration and scope in India's National Hydrogen Mission, jointly avail financing for green infrastructure initiatives and mobilise public capital through deepening work on Asia focussed financial expertise and co-create green financial adoption solutions.

- India's digital economy is estimated to touch US\$ 1 trillion by 2027 while South East Asia is expected to exceed US\$ 360 billion by 2025. It is vital to establish common rules and policies for intra-operability and closer digital links. Both India and Singapore are working on policies to strengthen their respective digital infrastructure system and economy.
- Policy makers should work with industry to lay the foundation for digital framework of the future with elements like digital identity, digital payment solutions, data exchange, data authorisation and consent.
- Despite the pandemic, Singapore has kept the ceiling open, served as a catch-up port and facilitated regional distribution for goods and vaccine. Singapore looks forward to strengthening partnerships with public and private sector stakeholders, including India, to building more resilient supply chains.
- India and Singapore can work together to setting standards for global maritime safety, security, and environmental performance.
- Singapore is the host country for the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (RECAP) Information sharing Centre and is committed to working with India and other contracting parties in this area.



- Supply chain resilience is a key part of any country's strategy for social and economic resilience. This would require developing a network of commercial and digital linkages for flexibility. India and Singapore can work together in the areas of network solutions, digital linkages and multimodal solutions to achieve better trade coordination.
- Singapore has just concluded a Digital Economy agreement with the UK and has announced the commencement of a digital economy partnership process with EU and is looking for more like-minded countries including India.

- Singapore and India can work in emerging technologies like AI, quantum computing etc. With growing digital business in India, ASEAN would be a good market to tap through creation of more digital bridges and connecting the Centres of Innovation in the region.

Action for Government

- India may like to explore the option of a bilateral Digital Trade Agreement with Singapore.





IN CONVERSATION WITH MR SARBANANDA SONOWAL



Introduction

The Minister of Ports, Shipping and Waterways and AYUSH, Shri Sarbananda Sonowal addressed the CII Partnership Summit 2021 held from 13-15 December 2021. The Minister emphasised on the efforts of the Government aimed towards reducing logistics costs and enhancing supply chain efficiency to achieve the goal of becoming a US\$ 5 trillion economy by 2025. He further underlined various initiatives of the Government including Maritime India Vision 2030, intended at accelerating growth of the Maritime Sector in the succeeding decade.

Session Speakers

- Shri Sarbananda Sonowal, Minister of Ports, Shipping & Waterways and AYUSH, Government of India
- Mr Narayan Sethuramon, Co-Chairman, CII National Committee on EXIM and Managing Director, Sanmar Matrix Metals Limited, India

Key Messages

- The Government is constantly aiming to increase India's supply chain efficiency and lowering logistics costs which will facilitate India to achieve its well-defined goal of being a US\$ 5 trillion economy by 2025.
- India allows 100% foreign direct investment under the automatic route for projects related to the construction and maintenance of ports and harbour. In the last two decades Indian ports have attracted a cumulative FDI of US\$ 22 billion under the Sagarmala Plan. The Government has identified 802 projects for implementation by 2035, and an investment to the tune of INR 5.54 trillion has been invited including from the private sector in the areas of port modernisation, new port development, port connectivity etc.

- The infrastructure development plans, such as Bharatmala, and Dedicated Freight Corridors, are at various phases of execution. Regulatory and administrative innovations such as E-paperless Sanchit's EXIM trade process, Turant Customs' faceless assessment, and the implementation of a required electronic toll collection system-FASTag have further aided the logistics sector's efficiency.

Detailed takeaways

- The nation is aiming towards an integrated transport hub and developing the multimodal connectivity which will significantly provide an impetus to India's maritime sector in the world.
- The Indian maritime sector plays a crucial role in the overall trade and growth, with 95% of the country's trade volume and 65% of the trade value being undertaken through maritime transport.
- With an extensive coastline spanning 7,500 km and extensive navigable inland waterways, the country provides an excellent opportunity to tap an environment-friendly water based modal transport, which can complement rail and road-based cargo movement in the country.
- The priorities of the government include the use of clean and renewable energy sources, along with augmentation of related infrastructure for trade and tourism.
- The Ministry has also proposed providing subsidies to Indian shipping companies in order to assist the companies.
- Further, the Maritime Vision includes setting up smart ports, creation of a Maritime Development Fund with an estimated capital of INR 50 billion, and the establishment of a pan-India port regulatory authority.

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- The Ministry of Ports, Shipping & Waterways is actively working on increasing India's shipbuilding capacity as well as ship repair infrastructure.
- The Government had recently announced 400 new projects in the sector with an investment potential of INR 2.25 trillion (US\$30 billion) for the development of the country's coastline that will help in the creation of over 2 million jobs in the maritime sector.
- India is poised towards establishing itself as a globally competitive and favoured investment hub with the continued initiatives by the Government of India towards infrastructure development, Make-in-India initiative, decreasing the logistical costs, and enhancing India's pivotal role in maritime trade.

Actions for Government

- Work towards increasing the supply chain efficiency and reducing logistics costs.
- Develop world-class mega ports in India, modernisation of ports and formation of trans-shipment hubs.
- Work towards reducing vessel turnaround time, lowering operational costs at ports, enhancing the ability to handle larger ships.
- Encourage waterways as the mode of transportation, developing a comprehensive approach towards reducing transportation costs.
- The entire network of movement of goods by road, railways, and waterways to be developed in tandem.





INVESTMENT



IN CONVERSATION WITH MR ASHWINI VAISHNAW



Introduction

The session delved into key issues being faced globally and how India is taking up the challenge. Details were shared on India's reform journey, key initiatives undertaken in the three transformative areas – Railways, Communications and Electronics and Information Technology – and opportunities for global and local industry participation in these sectors.

Session Speakers

- Mr Ashwini Vaishnaw, Minister of Railways, Communications and Electronics and Information Technology, Government of India
- Mr Vinayak Chatterjee, Chairman, CII Mission on Trade, Infrastructure and Investments, India
- Dr Janmejaya Sinha, Chairman, CII National Committee on Financial Inclusion and Fintech and Chairman – India, The Boston Consulting Group India Private Limited

Key Messages

- The top challenge being faced globally is disease management, where we have a long way to go despite the progress made by Science and Technology, as shown by the pandemic.
- Rising geopolitical tensions and the constantly changing global equations are challenges, which need to be fully understood
- The impact of big technology on democracy and society at large, which has the power to change behavioural aspects and affect decision-making capabilities of a country is another challenge.
- Addressing climate change and the need to strike a balance between developed and developing world are required.

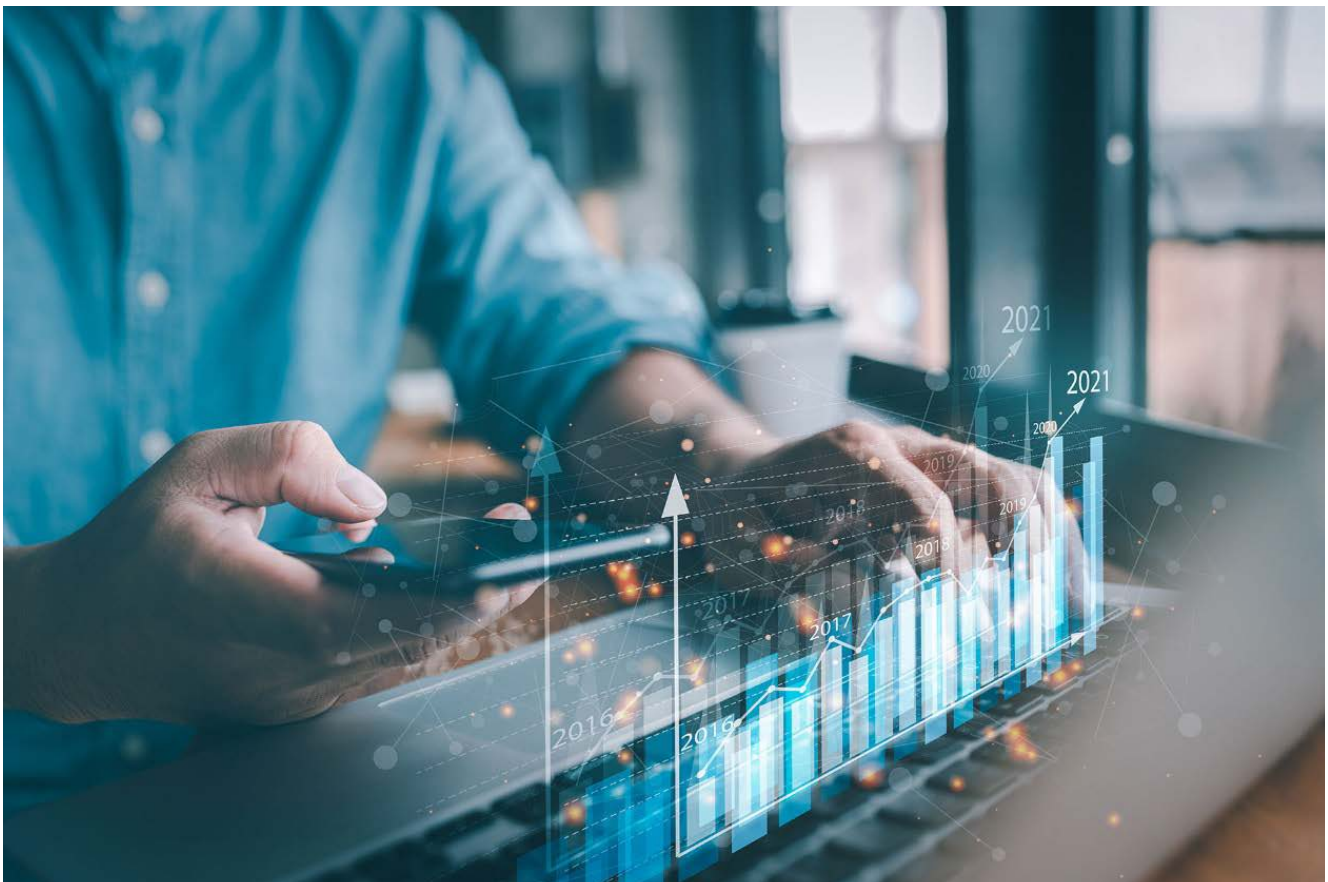
Detailed Takeaways

- India has moved towards an investment driven recovery, and the Ministry of Railways alone is undertaking capital investment of US\$ 15 billion out of the public investment of US\$ 80 billion announced in the previous Indian Budget and is on track to achieve this by March 2022.
- There is increased focus on clean energy to tackle climate change, with the Indian Railways aiming to achieve Net Zero by 2030 for which the plans shall be laid out in the next 2 - 3 years. About 40 Gigawatt renewable tenders will be released which, while attracting high volumes of investment, would bring along several business opportunities for global investors.
- Under the aegis of the Digital India Initiative, which aims to provide universal internet access to the country's 1.3 billion population as well as digital access to a vast number of services, especially in the rural areas, the Government has been undertaking several steps to ensure that connectivity is available even at the last mile through infrastructure development, as well as focus on manufacture of affordable smart phones, components, chip design and manufacture etc.
- Government is looking at spectrum pricing to see how best to strike a balance between maximising revenue and public services to the poor. Government looks forward to receiving industry inputs on this issue.
- Challenge of cyber security has become a global phenomenon and as a society, it is imperative to establish synergy amongst countries. In its preparedness to overcome the threats being posed by cyber security, India is consistently working towards bringing in relevant technology and investment in the country.



- While the public private partnership model has evolved well in the country in sectors such as roads and highways, ports and airport, the railway sector could not move in that direction due to its complex nature. The railway ministry is coming up with the hybrid BOT or HyBOT model to share financing risks by ensuring the commercial viability of all subsystems.

- The Government is innovating big time to provide affordable end-to-end logistics services, which will also leverage the Post Office infrastructure network and human resources.





TRACKING INDIA'S REFORM JOURNEY: THE INVESTMENT TRAJECTORY

Introduction

Even during the pandemic, India kept up the pace of reforms, announcing multiple policies on taxation, infrastructure, disinvestment, and different sectoral reforms. Taken together with its focussed approach on creating a welcoming climate for doing business and new initiatives for manufacturing and infrastructure, India is setting up many new areas for global investments. The session elaborated on the multiple new reform policies such as Production Linked Incentives, asset monetisation, reduction in corporate taxes, ease of doing business, and so on which together create multiple emerging business opportunities in India.

Session Speakers

- Mr Amitabh Kant, CEO, NITI Aayog, India
- Ms Sumita Dawra, Additional Secretary, Ministry of Commerce and Industry, Government of India
- Mr Richard Heald OBE, Group Chair, UK India Business Council (UKIBC), UK
- Mr Richard Rossow, Senior Adviser and Wadhvani Chair in U.S.-India Policy Studies, Center for Strategic and International Studies (CSIS), USA
- Mr Goldy Hyder, President and CEO, Business Council of Canada, Canada
- Mr Rajiv Memani, Chairman, CII National Committee on Taxation and Chairman - India Region and Chairman, Emerging Markets Committee, Ernst and Young LLP, India

Key Messages

- India's quest for taking its economy to a US\$ 5 trillion economy in a few years' time would require a lot of impetus on growth and investments.

- Despite the pandemic, the government of India has continued to promote economic activities and has undertaken several reforms to facilitate investment-led growth.
- Some of the pathbreaking reforms in this direction include the cut in corporate tax rate, decriminalisation of business laws, and simplification of procedures, to cite a few.
- National Asset Monetisation Pipeline is aimed to push for better operation and improvement in efficiency led by the Private Sector.

Detailed takeaways

- By increasing investment in the economy, India can travel on a high growth path in the coming years. Over the past few years, it has seen both economic and governance reforms. The country has adopted a multipronged approach that created an enabling environment for private investment and entrepreneurship to thrive.
- The past few years have seen India's reform agenda gather an unprecedented pace. These comprise of several reforms undertaken by the Government for improving the investment climate such as introduction of Goods and Services Tax (GST) in 2017, reduction in corporate tax rates, elimination of retrospective tax, opening of sectors for FDI, etc. Overarching focus on improving ease of doing business in India has paid dividends with India's ease of doing business ranking improving considerably over the last few years.
- Going digital and green are likely to be key catalysts of competitiveness in the post COVID era. India is moving from just being a data rich country to a country which is extremely data intelligent.



- India's flagship program of Aatmanirbhar Bharat built on five pillars - intent, inclusion, innovation, infrastructure and investment - is taking the country ahead to be part of the resilient supply chain. India is striving hard to improve the quality and scale of manufacturing through the Production Linked Incentive (PLI) scheme. The underlying objective is to bolster domestic manufacturing and integrate it efficiently with global supply chains to boost trade and investment in various sectors. Several reform measures in technology, infrastructure, focus on process re-engineering, etc. aimed at creating an investor friendly ecosystem in the country.
- State Governments are speeding up reforms in several critical areas such as in land acquisition, labour regulation, etc which will further help in improving India as an attractive investment destination.
- India is rapidly moving towards plugging the infrastructure gaps with a view to enhance its global competitiveness. The National Infrastructure Pipeline of identified projects with capital expenditure of US\$ 2.1 trillion for 2020-2025, and the Gatishakti National Master Plan for multimodal connectivity would make India an attractive place for doing business.
- The Rs. 6 trillion National Monetisation Pipeline for public sector assets will bolster the Government's resource raising ability, which would be used for financing infrastructure investment plans.
- The reforms in labour market would go a long way in elevating manufacturing sector growth to a new orbit and create jobs.

- It is imperative to ensure that Intellectual Property is protected and there is alignment of data protection rules to drive growth in innovative technology.
- With Canada looking at diversifying its economy, India comes across as a market that represents tremendous upside in terms of favourable demographics. Predictability, stability, and confidence instilled by the regulatory regime and political infrastructure along with social cohesion are the key factors for consideration by Canadian companies for doing long-term business in India.
- Over the years, the yearly survey conducted by UKIBC of the UK Companies working in India has shown significant improvements in the operating environment.
- The announcement of the comprehensive strategic partnership between India and UK aims at doubling bilateral trade and investments by the year 2030. The focus of the proposed agreement is on reducing tariffs, promoting technology transfer, reducing non-tariff barriers on goods such as aligning standards and simplification of procedures and processes, ensuring IP protection, etc.

Actions for Government

- India should work towards creating a predictable and stable policy environment.
- India should work towards bringing down the tariff barriers on sector-by-sector basis.
- A resilient trade infrastructure in the country is necessary for leveraging on the FTAs.



IN CONVERSATION WITH MR LIM CHOW KIAT



Introduction

Mr Uday Kotak and Mr Lim Chow Kiat spoke about the global economy, the financial crisis, sustainability, real estate, and what the investment future holds. The discussions focused on the numerous efforts and reforms taken by Indian Government to facilitate investment, including PLI plans to encourage domestic manufacturing and programmes to accelerate infrastructure development.

Session Speakers

- Mr Lim Chow Kiat, CEO, GIC, Singapore
- Mr Uday Kotak, Immediate Past President, CII and Managing Director and CEO, Kotak Mahindra Bank Ltd., India

Key Messages

The discussion was mainly focussed on three key points:

- First, the global investment outlook was seen to be macro cautious but micro positive because of the uncertainty around Covid. Innovation in technology in the domain of healthcare has helped to keep up the economic growth momentum. For example, in the times of Covid people were able to work from home.
- Second, sustainability and working towards investing in promising companies and areas which are sustainable and green were emphasized.
- Third, India's reforms and strategy including the PLI scheme, increase in real estate and infrastructural development were highlighted as drivers of investments.

Detailed Takeaways

- In terms of Investment, the uncertainty around Covid has led to large government interventions, monetary policy and other stimulus. Many countries have shown scale and speed in many ways to avert another crisis. One key development was in the medical innovations and solutions domain, where technology infrastructure has helped maintain stability.
- Regarding progression of the virus, countries have to take time to understand the virus and upcoming variants, as it has a scarring impact to the economy. Policymakers could help to prevent the economic downturn but the risks remain.
- Another important factor is the disparity in terms of resources in the world and the dependency of countries on one another for resources, services, human capital etc. Different countries deal with the pandemic and economy in different ways.
- On the micro side, this is an age of transformation, with capital being a good support to new business and start-ups, availability of new technology and innovation. For example, e-commerce in south east Asia saw 60 million new digital customers. In India, Fintech adoption increased and large technological changes in automation, energy, health care, infrastructure, etc is expected to grow.
- In sustainability, consumer preferences and good ESG practices should be taken into consideration. For investment purposes, companies like Envision Group global company, hydrogen battery digital solutions, green aqua culture, and others should be given importance. Although steel offers limited capacity, it is very promising. Assets which are not sustainable in



the future should not be given much importance. For now, transition is the largest strength.

- India has very attractive growth, the only country that gives skills and growth together. Macro fundamentals are also increasing, forex is improving and well managed. In recent years, Government and business have been embarking on practical steps, be it Covid or digital infrastructure. Stock market has also performed very well.
- India needs to see the spill-over effects in terms of high prices, including oil prices. The Indian Government has undertaken good reforms and has gained efficiency, including in infrastructure assets in which GIC has participated.

- India in COP26 has pledged for national hydrogen mission.
- The top three challenges are to balance environment and social benefits, transformation in technology and good quality data for investors.

Actions for Government

- Indian Government should work on the national hydrogen mission and other green development companies, as promised at COP26.
- The primary areas where the government should concentrate its efforts are digitalization and technological change.
- The Government must keep a close eye on existing policies in order to keep the inflation rate low.





IN CONVERSATION WITH MR JYOTIRADITYA M. SCINDIA



Introduction

Shri Jyotiraditya Scindia, Minister of Civil Aviation, Government of India, addressed the special session on “Building India into a Global Civil Aviation Powerhouse”. The Minister spoke about the successful privatisation of Air India resulting from a dynamic, result-oriented, and transparent process. He emphasised on the importance of building a complete aviation ecosystem in India and highlighted the supportive drone policy introduced by the Government.

Session Speakers

- Shri Jyotiraditya M. Scindia, Minister of Civil Aviation, Government of India
- Mr Vinayak Chatterjee, Chairman, CII Mission on Trade, Infrastructure and Investments, India
- Mr Chandrajit Banerjee, Director General, Confederation of Indian Industry

Key messages

- The privatisation of the national carrier, Air India, finally coming through, after more than two decades of attempts by the central Government, marks a watershed event for the policy discourse on disinvestment and privatisation in India.
- Civil aviation cannot override the health of a country during a pandemic in a democratic setup.
- The drone industry is envisaged to become an INR 100 to 150 billion industry across the value chain over the next seven to ten years, including the manufacturing and software component.
- It is imperative to look at the entire civil aviation ecosystem that focuses not only on airlines and airports but on flying training organizations, maintenance and repair operations (MRO), cargo

handlers, aircraft manufacturing, regional airlines, helicopters, etc. The civil aviation sector in India is a INR 900 billion industry, 15% of which is MRO.

- The Government has brought in a new MRO policy where all royalty and rentals have been abolished, creating a level playing field in light of ease of doing business in India and making it attractive for MRO companies to come in. It is also starting a dialogue with a number of MRO companies to encourage them to move to India. The government also encourages the industry to put the impetus and the thrust on OEM suppliers when securing orders for fleet expansion, to be able to bring MRO capacities.
- With regard to aircraft leasing, the Government has put in place various measures such as allowing financing and leasing to be a financial product, scrapping the concept of stamp duty on aircraft leasing, etc. to help India become a leasing hub.

Detailed Takeaways

- The privatisation of the national carrier, Air India, has been a win-win transaction and a win-win process from every stakeholder's point of view. From a company's perspective, there is an opportunity for Air India to rise as a phoenix again, having gone back to its original owners. From a customer-centric point of view, Air India has the capability of presenting itself as a unique proposition and an airline of choice for millions of customers across the country. The shareholder agreement has been signed in November 2021 and the Government is in the process of closing all the conditions.
- On further opening up of international travel, in early July 2021, India's domestic capacity was down to 50% which was later raised to 65%. Prior



to Covid, India's highest capacity was close to 4,20,000 passengers per day and presently, it ranges between 3.7 to 3.95 hundred thousand passengers per day. The increasing capacity has been a slow gradual process but with the onset of the third wave due to the Omicron variant, all countries have decided to contain international exposure. India has about 12-13 countries on the at-risk list. Passengers from these countries and airlines are being tested at the domestic airport. The Civil Aviation Ministry is working closely with the Health Ministry over Omicron to determine the optimum time to go back to normalcy vis-a-vis international travel.

- India has the opportunity to become a global leader and becoming the global drone hub by 2030. In this light, the Government came out with a new robust policy which is based on self-certification. The policy would reduce the number of forms from 25 to 5 and also reduce the type of fees from 72 types to only 4 types.
- The Government has fixed accountability issues by introducing time-bound licences for drone operators. The Production Linked Incentive scheme is twice the size of the entire drone industry as of now.
- The Government is leading the charge by seeding the demand by using drones in various

processes in agriculture, mining, urban development, and search and rescue during floods. From the point of view of employment generation, it is a huge opportunity because the country will be needing hundreds of thousands of drone pilots in the future.

- The Government is looking at 'minimum government and maximum governance' approach and ensuring that all the stakeholders are prospering and working towards a more dynamic sector. Helicopters are of paramount importance in terms of last mile connectivity. The Government has planned to develop 36 heliports out of which 6 are ready and functioning. It is also looking at putting in place HEMS (helicopter emergency medical services).
- In India, there are other issues from a fiscal standpoint in terms of customs duty on imports of helicopters and the Government is working towards resolving those issues.

Actions for Government

- The Ministry of Civil Aviation will work actively with the Ministry of Health and the Home Affairs Ministry to ease out travel restrictions.
- Map out the airspace dedicated solely to helicopters.



DELIVERING INFRASTRUCTURE-READY INDIA, ON TIME

Introduction

India has recently launched the Prime Minister Gati Shakti program, which brings together infrastructure-related ministries on a single digital platform to fast-track multimodal connectivity. Earlier, the country announced the National Infrastructure Pipeline for focused new infrastructure creation till 2025, along with the National Monetisation Pipeline, a shelf of Government-owned assets to be leased out to the private sector for management. With many initiatives providing access to long-term finance, delivering infrastructure on time with greater participation of businesses will be encouraged. The session's objective was to outline the new investment opportunities in the Indian infrastructure sector.

Session Speakers

- Mr Anurag Jain, Secretary, Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
- Mr Vinai Thummalapally, Acting Director and Chief Operating Officer of the US Trade and Development Agency, USA
- Mr Piyush Srivastava, Senior Economic Advisor, Ministry of Civil Aviation, Government of India
- Mr Subrat Tripathy, CEO-Ports, Adani Group, India
- Mr Dip Kishore Sen, Whole-time Director and Senior Executive Vice President (Development Projects), LandT
- Mr Manish Aggarwal, Partner, Head – Energy and Infrastructure M&A, Special Situations Group, KPMG in India
- Mr Atul Punj, Co-Chairman, CII National Committee on Construction, and Chairman and Managing Director Punj Lloyd Group

Key Messages

- India has kept up the pace of reforms, announcing multiple policies on taxation, infrastructure, disinvestment, and different sectoral reforms. Taken together with its focussed approach on creating a welcoming climate for doing business and new initiatives in infrastructure, long term capital for Infrastructure is the need of the hour.
- The National Monetization programme will bring in private efficiencies and will expand the space for private players. It will help the Government with additional funds to finance other infrastructure projects.
- The Indian Government is striving to create a mechanism which will allow all states and government departments to seamlessly communicate with each other about different infrastructure projects. This will help different Government agencies to work in tandem rather than in silos.

Detailed Takeaways

- The Government increased the capital expenditure on infrastructure in this year's budget by 35.4% despite Covid.
- Infrastructure is a risky area, hence financing such projects might be difficult initially. As of now, there are 9000 projects listed with the Government with a total value of US\$ 2 trillion. These initiatives will make India a world class infrastructure nation.
- The Government has created a mechanism to highlight projects which are getting delayed. Once they are earmarked, measures will be assigned for course correction.
- On 13th October 2021, Government launched the PM Gati Shakti programme. It is a two-part project.



One is the concept and the other is the PM Gati Shakti National Master plan for nodal connectivity. All projects in this will be available on the GIS portal which will allow private players to view them. Even projects which will be completed in the next 4 years are available on the GIS platform. This platform will allow everyone to look at the master plan of India's infrastructure.

- Similarly, the Government has also created an Industrial Land Bank and made it available on the GIS. All the available plots are visible on this portal, and private player can view them and look to set up their projects in these areas.
- The Airport Authority of India has planned to invest INR 250 billion in the next 5 years in creation of new airports and strengthening the current aviation infrastructure. Civil aviation is slowly going into the hands of private players. The Government is in conversation with players who will put in INR 360 billion in the near future.
- The Government has been endeavouring to increase regional air connectivity in India through the Regional Connectivity Scheme. The Government has been successful in connecting almost 268 routes and 63 cities. Almost 8 million people have used the RCS scheme and travelled. India is poised to become the 3rd largest aviation industry in the world in the coming future. We have increased our capacity of trained pilots.
- The drone revolution that India will soon witness is equivalent to the mobile revolution. A scheme was launched in August 2021 to encourage drone manufacturing in India. A drone network map has been released.
- For ease of doing business, the DGCA has put more than 30 services online and rest will be put

online shortly. The Government has been training far more pilots than ever before.

- India has 7,517 kilometres of coastline spread across many states which has 12 major ports and 187 smaller ports. The Government has launched a very ambitious project called the Sabarmala along with Gati Shakti for better organization and growth of ports.

Actions for Government

- The Government's infrastructure plan will involve all the stakeholder including large corporates to small and medium ones too. The Government should grade the potential contractors as per their technical caliber and also grade the projects so that private players can better understand their qualifications before applying.
- The Government should come out with a better mechanism of bid proposals and tendering. It has been observed that tender process takes a lot of time and at times, they get cancelled due to some technical errors. The Government should be able to edit the tender rather than cancelling it.
- The Government should look at making the Single Window clearance more efficient. All clearances should come under one umbrella, be it forest, environment, mining or factory and should be awarded on a single window. Its implementation should be faster.
- Infrastructure dispute resolution takes too much time in India. Highest priority should be given to projects which are stuck, and their dispute resolution should be fast-tracked.



PUNJAB SESSION: A STORY OF PARTNERSHIP, DELIVERY AND GROWTH

Introduction

With an intent to provide impetus to industry and investment in Punjab, the state Government has introduced sweeping reforms in terms of easy grants of change of land use, providing affordable power, a liberal one-time scheme for companies having outstanding dues with government agencies and other policy interventions. The steps have not only resulted in fresh investments pouring into the state but also revived the instincts of the existing industry. CII has been working with Government of Punjab in drafting its current industrial and business development policy, where sectoral recommendations on critical sectors like manufacturing, agro and food processing, skill development, defence and aerospace were made.

The session had some meaningful discussions on how Punjab can benefit from various policy decisions and schemes and industry in the state can be made more competitive through joint efforts of Industry, Government and other stakeholders.

Session Speakers

- Mr Manpreet Singh Badal, Hon'ble Minister for Finance, Planning and Programme Implementation, Government of Punjab
- Mr Tejveer Singh, Principal Secretary, Industries, Commerce and Investment Promotion, Government of Punjab
- Mr Uma Shankar Gupta, Additional Chief Executive Officer, Punjab Bureau of Investment Promotion
- Mr Bhavdeep Sardana, Chairman, CII Punjab State and Senior VP and CEO, Sukhjit Starch and Chemicals Limited, India
- Mr Amit Thapar, Vice Chairman, CII Punjab State and President, Ganga Acrowools Limited, India

Key messages

- The close working relationship of CII with Government of Punjab has resulted in many of CII's recommendations such as equal incentives for both green and brown-field investments, higher floor area ratio for textile industry, waiver of stamp duty on registered mortgage, reduction in VAT rates for natural gas for industrial use and others being accepted and implemented.
- The Invest Punjab - Business First Portal offers an end to end online single window system and includes 120+ clearances and 36 fiscal incentives of 16 state departments and 2 central agencies.
- Punjab has granted approvals to 77 investment proposals from micro, small and medium enterprises (MSMEs) with a project cost of INR 7.38 million and proposed employment of 5674 under the Punjab Right to Business Act 2020.
- In the last 5 years, Punjab has doubled its tax revenue with a tax growth of almost 14-15% year on year.
- Punjab has gone in for a very robust industrial policy which makes it an attractive destination for investors.

Detailed takeaways

- The Punjab Bureau of Investment Promotion was established in December 2013 as the premier investment promotion and facilitation agency to serve as the first point of contact for investors willing to invest in Punjab.
- With the establishment of the Business First Portal for the facilitation of investors, the process has been streamlined and made completely online wherein proposals and documents can be



uploaded and shared with officers directly. As a result, 85,000 clearances have been given within the stipulated time and the online user rating is 4.5.

- The State has an exhaustive and competitive incentive policy for industry to invest. These include fiscal incentives apart from reimbursements and employment subsidies. Punjab also offers lucrative Incentives for industry on power, land and property tax exemptions as well.
- Punjab is very well connected with Eastern and Western railway freight corridors. Moreover, there are multimodal logistics parks in Ludhiana and internal container depots at Jalandhar, Ludhiana, Amritsar, Bathinda and Derabassi that ensure seamless transportation and logistics from Punjab to different parts of the country and international destinations.
- Punjab has also recently introduced Anti-Red Tape Act that seeks to reduce the compliance burden on the industry and the Right to Business Act which allows for deemed approvals and expansions by MSMEs.
- Considering the fact that Punjab has geographical limitations of being land locked and distant from sea and ports, which has somewhat impeded the growth of Industry in the state, Government of Punjab has requested the Government of India for special Incentives.

Actions for Government For Government of India

- Provision of special incentives to the state of Punjab considering that Punjab is land locked and away from ports.
- A scheme along the lines of Production Linked Incentive schemes for agriculture so that the State can facilitate the diversification from cereal crops to high value crops or high-yielding variety of crops.
- Allotment of industrial parks in Punjab for specific goods such as pharmaceuticals, food, and textiles.

Actions for Government of Punjab

- Improvement of industrial infrastructure especially the upgradation of industrial areas and focal points in Punjab.
- Granting thrust sector status to the Auto Component and Automotive industry in Punjab to benefit from industrial policies.



SUSTAINABILITY



CLIMATE ACTION: THE ROAD BEYOND COP26 GLASGOW

Introduction

The year 2021 has been a crucial year in confronting the global climate emergency with actions. As the global conference of parties attended the COP26, 195 countries have set the target to keep average global temperature well below 2 degrees. The COP26 also marks the completion of technical negotiation on the Paris Agreement rule book. Important headway was made on the adaptation fund which was about 350 million which is almost three times the mobilization target set for 2022.

From India, PM Modi committed that India would achieve net zero by 2070. It was one of the five major commitments but more importantly, it was the powerful ambitious targets set in the near term by 2030 which aim to reduce 1 billion tons of carbon emission from India's total projected emission.

Session Speakers

- Rt Hon Alok Sharma, President, COP 26 (UK)
- Mr Rameshwar Prasad Gupta, Secretary, Ministry of Environment, Forest & Climate Change, Government of India
- Lord Karan Bilimoria, President, CBI (UK)
- Mr Mathias Cormann, Secretary General, OECD on Climate Action (Recorded Message)
- Lord Nicholas Stern, Chair, Grantham Research Institute on Climate Change and the Environment, London School of Economics (UK)
- Mr Ângelo Ramalho, Chairman of the Board of Directors and CEO, EFACEC, Portugal
- Mr Jacob Werksman, Principal Adviser to Directorate General for Climate Action, European Commission and Head of Delegation, European Union to the Paris Agreement and the UN Framework Convention on Climate Change

- Mr Tulsi Tanti, Chairman, Suzlon, India
- Mr Anil Sardana, MD & CEO, Adani Transmission, Adani Group, India
- Mr Malo Le Masson, Head Strategy & Global Product Planning, Hero MotoCorp, India
- Mr R Mukundan, Chairman, CII Environment Committee and Managing Director and CEO, Tata Chemicals, India

Key Messages

- In the road beyond COP26 session, at the upcoming COP at Egypt and UAE, the global community must ensure their adequate and timely climate fiscal support from the developed world to developing countries to implement ambitious climate actions.
- Affordability and accessibility of cutting-edge technologies are key pathways towards low-carbon economic transition.
- The private sector now has 130 trillion pounds of private finance which is available for financing the sustainable transition.
- The Organisation for Economic Cooperation and Development (OECD) has urged developed countries to deliver their US\$ 100 billion annual climate finance commitment to developing countries.

Detailed Takeaways

- There are about 90 Indian companies and over 5000 businesses that have joined the UN in its 'Race to Zero Campaign'.
- COP26 is pivotal to keep alive the ambition of limiting the rise in global temperatures to 1.5 degrees centigrade.



- The First Movers Coalition was launched at COP26 through which companies are committed to using the purchasing power to spur clean technology developments.
- PM Johnson and PM Modi launched the Green Grids Initiative in partnership with India's One Sun, One World, One Grid aimed at increasing the interconnectivity of grids across the world and improving energy access.
- As the crisis is global in nature, the response and solutions for climate action require global responsibility, collaboration, and partnerships.
- India is pursuing a global transition towards net zero, striking the balance between objectives of ecology, economic development and sustainability.
- In the B7 summit ahead of the G7, one third of the largest companies in the UK are committed to net zero by 2050.
- 60% of the Financial Times Stock Exchange 100 have now committed to net zero by 2050.
- A key element of our climate policy framework is our International Program for Action on Climate which aims to complement the United Nations Framework Convention on Climate Change (UNFCCC) designed to help countries track and assess their progress against their commitments.
- The need for strong investment and innovation is the driving force for the net zero mission.
- The extra investment needed in emerging markets and developing countries will probably be in order of two trillion dollars per year across those countries by 2030 via internal and external finance.

- Technologies will greatly help in circularity and sustainability by reinforcing a circular economy.
- The recent COP26 is a much clearer roadmap with multiple lanes addressing the vulnerabilities of communities around the world by investing more in adaptation and supporting those communities that are affected by extreme weather events and climate impacts in the form of loss and damage.
- The carbon intensity will be down by 45 % which is the outcome of all our sustainable initiatives and India will fulfil 50 % of energy requirements through renewable energy.
- India is the fourth largest renewable energy hub and well on track with the aspirational targets.
- The need of the hour is the policy of accelerated retirement of the old and insufficient polluted power plants to make space for renewable energy.
- We need to ensure mobility is converted from the base to being more fuel efficient.
- Both individual commitment and corporate responsibility are important to make a change.

Actions for Government

- To continue committing and strengthening the existing policies around sustainability initiatives with collective support and action by businesses, and civil society to achieve climate targets.
- To deepen engagement with the OECD and leverage its key strengths to maximize a more integrated and coherent contribution to global efforts.



CIRCULAR ECONOMY: BUILDING PARTNERSHIPS FOR THE TRANSITION

Introduction

The discussion on carbon reductions and carbon neutrality is imperative across the globe. Circular economy is one such system that is restorative or regenerative by intention and design. It aims to substitute the end-of-life concept with restoration and facilitate the use of resources in an efficient manner. It marks the shift of renewable energy, eliminates use of toxic chemicals which impair reuse and above all focus on elimination of waste through superior design of materials, products and systems. The circular process provides business opportunities for both existing businesses and new companies. It is pertinent therefore to point out the critical goal of collaboration between nations and industries to synchronize moving from a linear to circular trajectory globally.

In India, CII is supporting and mobilizing all the key stakeholders in managing non-biodegradable materials like plastic through better policy frameworks such as the extracted producer responsibility routes for plastic waste management and end of life plastic management projects. The launch of India's Plastic Pact led by CII aims to bring together leading businesses at a national level to make commitments for building a circular system for plastics and making 100% plastic packaging reusable or recyclable. A circular economy calls for widespread collaboration among stakeholders such as industry, government, and consumers.

Session Speakers

- Dr Susanne Kadner, Managing Director, Circular Economy Initiative Deutschland, Germany
- Mr Marcus Gover, CEO, WRAP, UK

- Mr Luca Meini, Head of Circular Economy, ENEL Holding
- Mr Freek Van Ejik, Director, Holland Circular Hotspot, Netherlands
- Ms Adriana Marina, Founder, Animana
- Dr Gunjan Bhardwaj, CEO, Innoplexus AG, Germany
- Dr Ashok Khosla, Chairman and Founder, Development Alternatives, India
- Mr Eisenhower Ike Swaminathan, Managing Director, Saint-Gobain, India

Key Takeaways

- The Circular Economy Initiative aims at defining the transition towards a resource efficient and digitally enabled economy with stakeholders from politics, science, industry, and civil society. In addition, the goal is also to begin quantifying different circular economy measures like extended product life and intensified use through sharing or improving recycling technologies and to see how much these aspects contribute to greenhouse gas emission reductions and resource savings.
- There must be a paradigm shift to circular economy and to make this potential a reality, certain perspectives are necessary which include the avoidance of waste and recycling focus, and product focus which starts with the design, durability, recyclability and reparability. The need is to move away from extended producer liability to circular producer liability.
- The need of the hour is to look at how we can support partnerships between the different companies involved and establish circular value networks.



- The Waste and Resources Action Programme (WRAP), UK has developed a framework to support collaborative change through voluntary agreements which create precompetitive safe space for businesses and supply chains to work together, so actions and solutions work across borders and change happens at scale. It has resulted in reduction of food waste by 27% already saving GBP 5 billion per year.
- The sustainable clothing action plan reduced the carbon and water footprints of clothing in UK by 20% and the UK Plastics Pact has since 2018 have reduced the problem of unnecessary packaging, increased recyclability to 70% and doubled the recycled content of plastics packaging. This model has gained attraction across the globe such as in Mexico, Indonesia, South Africa, Australia, the US and Canada.
- Engagements across the upstream value chain, raw materials and energy consumption are important for circular economy.
- Netherlands which aims to be fully circular by the year 2050, is focusing on priority sectors such as agro-foods, plastics, manufacturing, construction to mention a few.
- Emphasis should also be given to micro, small new firms, artisans and local people as the grassroots are equally significant for the solutions for circular economy.
- Technology is a bridge and a tool that will provide small businesses to share their narrative with the world market along with solutions around sustainability and good practices.

- The pandemic has led us to focus on the reuse of medical devices and underscored the need for hospitals to critically understand the supply chain.
- There are four elements that would drive real progress: 1) Leadership 2) Leveraging the power of Industry 4.0 technologies 3) Circular material value chains such as the global action on plastics and 4) Collaboration.
- In order to transition to circular economy, we require certain technologies, economic systems, new kinds of livelihoods, basic needs and governance.
- There needs to be partnerships between science and engineering on one hand and markets and policymakers on the other which currently is limited.
- Civil society has been marginalized by the establishment and the forces of the decision makers. Partnership among the public and private along with the people is necessary.

Actions for Government

- The Government should create policies at both central and state level on more opportunities for partnership between public, private, and civil society organizations.
- It must work to bring in incentives for the marginalized sections of society and create awareness at the grassroots level for circular economy.



A BRAVE NEW WORLD: PATHWAYS TOWARDS A SUSTAINABLE RECOVERY IN CONVERSATION WITH MR PIYUSH GUPTA



Introduction

In today's world, sustainable finance is a disruptive force altering the way global leaders think about performances pertaining to ESG aspects of the economy, encouraging them to drive change to deliver not just business value but better outcomes for the planet and its people. In response to the growing acknowledgment of boundaries and social imperatives, policy makers, regulators and private sectors are giving recognition to environmental and social development and the funding required to achieve this goal.

With the recent COP26 in Glasgow, UK, countries around the world are tasked with ambitious 2030 emission reduction targets and are working collectively to build ecosystems and infrastructure amenable to climate change. It sought to propagate this target by mobilizing finances as the key goal of the summit which can only be achieved with the support and collaboration of international financial institutions to reconfigure the private and public sector finance in achieving the global net zero.

This session covered pathways towards a sustainable recovery and sustainable finance and investing for the future. It played a key role in understanding diverse perspectives and in guiding each other for a smooth transition towards a sustainable economy that factors in a massive amount of long-term funding.

Session Speakers

- Mr Piyush Gupta, CEO, DBS Group, Singapore
- Mr Abhimanyu Munjal, Chairman, CII Northern Region and Joint Managing Director & CEO, Hero FinCorp Ltd, India

Key Messages

- The need is to integrate the risks and measures of social impact part of the accounting systems for different financial institutions to understand better where the risks are and to improve measurability and data.
- There is consensus between the government and the finance industry that the trillions needed to fund that allocation will rely heavily on the role of private finance and institutions.
- The ESG disclosure by companies should be universal and currently, it is only about 43% from the 4000 listed firms around the world.
- The creation of a voluntary carbon market mechanism which will be adopted from 2022 onwards provides an opportunity for listed funds to attract capital to deploy for environmental projects and generate carbon credits.
- In the climate context, financial institutions need to shift their mindset and a step change in emissions profile to pave the path for net zero mission by 2050.



Detailed Takeaways

- The passing of taxonomy in EU law is a positive step towards implementation of sustainable finance.
- The idea of double materiality is a collective development towards a holistic impact not exclusive to businesses but for the environment and society.
- Member countries must share similar impact accounting and accountability to facilitate the sustainable finance process.
- The importance of sustainable taxonomy to drive the growth of the green economy. For e.g. The green bonds, sustainable bonds, and transition bond segments.
- The Green Revenue classification system built on years of collected data enables an understanding of companies driving revenues from green activities and helps us create a green economy mark and plays a foundational role in the EU taxonomy.

- World Benchmarking Alliance has focussed on the SDGs and have created seven systems which include digital inclusion, food and agriculture, climate & energy, urban, nature, social issues, and the financial system. The aim is to benchmark 2000 companies across these seven systems by the end of 2023. Currently, 150 companies are evaluated in digital, 350 in food and agriculture, 180 in climate and energy and 400 in financial institutions etc.

Actions for the Government

- To create public policies that support the gradual exit of coal companies and provide incentives to financial institutions, businesses, and employees in order to shift towards a just transition framework.
- To design policies around better disclosure movement and better transparency is required from the financial and the private sector.



FUTURE OF MOBILITY

Introduction

India's vision for the future of mobility is based on the 7 C's: Common, Connected, Convenient, Congestion-free, Charged, Clean and Cutting-edge mobility. Future Mobility requires a carefully planned vision and strategy that envisions the merging of the transportation and energy sectors and re-envisioning relationships between people and vehicles. In recent times India has witnessed a major change in mobility. Improved customer outreach, growing competition and declining electric vehicles' (EVs) cost, growing environmental awareness, and strong central and state government support have significantly contributed to generating high demand for EVs. On the other hand, mobility as a service concept has gained huge momentum with technology playing a key role in transforming its landscape. This session presented the recent developments and deliberated on key challenges in mass adoption of electric mobility/ future mobility.

Session Speakers

- Mr Diego Graffi, CEO & Managing Director, Piaggio Vehicles Pvt Ltd India
- Mr Tarun Mehta, Founder & CEO, Ather Energy
- Mr Awadhesh Jha, Vice President, Fortum Charge & Drive India Pvt Ltd
- Mr Swadesh Kumar Srivastava, Business Head, Emerging Mobility, Hero MotoCorp, India
- Mr Vipin Sondhi, Chairman, CII National Committee on Future Mobility & Battery Storage and Managing Director & CEO, Ashok Leyland Ltd, India

Key Messages

- Extreme events like floods and destructive wildfires are causing loss of life and damage that exceed our capacity. Climate change is a big threat to humanity, and we are fighting against

time to limit the spike to an average of 1.5 degrees above pre-industrial level as pledged in the Paris agreement for climate change. This requires 30 gigatons of greenhouse gas emissions to be cut by 2030.

- Our cities are also recording unprecedented levels of pollution, 50% of which is contributed by vehicular emission. And today, between 65% to 80% of emissions come from automobiles and the industry is understandably focused on electrifying power trains to mitigate this.
- However, to achieve net zero carbon, industry must turn their attention to raw material emissions; as tail pipe emissions decrease, emissions from vehicle materials will increase both absolutely and relatively and soon become a larger share of life cycle emissions. Higher vehicular pollution is also a result of congestion due to heavy traffic and therefore to reduce harmful and greenhouse gasses, transforming to zero emissions mobility may not be enough. There needs to be equal emphasis to reduce congestion by promoting multi modal mass transit making them seamless, affordable, convenient, and comfortable.
- India is witnessing a growing popularity of EVs among the existing and new vehicle owners, with EV sales going up with an expectation of significant number of EVs being sold in the passenger segment by 2025-26. In the commercial vehicle segment, light commercial vehicles (LCVs) and intra city buses are likely to see the shift to EVs in the near to mid-term future.

Detailed Takeaways

- 5 possible areas in automotive manufacturing ecosystem that could help towards achieving net zero are automating existing processes, using low carbon energy sources, material substitution and light weighting with innovative structures,



adopting new technologies that reduce process emissions, and increased use of recycled materials.

- While battery EVs are one of the preferences in the sphere of clean mobility, technologies such as hydrogen fuel cells and alternative fuels like compressed natural gas (CNG), liquified natural gas (LNG), and biofuels are slowly getting prominence as well.
- The pandemic posed several challenges in terms of raw materials, commodity prices, transportation costs, fuel costs, freight charges going up. All of this led to a big hit to the internal demand across sectors. On the bright side, all these factors have further contributed to enhance the urge for the entire industry to move to electric mobility.
- Some challenges facing the EV industry are lack of infrastructure and localization of components.
- Two things driving the transition is government policy support and customer mindset with the industry witnessing tremendous growth in the past 12 months. Each company in the sector has at least witnessed growth of 10-20 % in the past year.
- The industry will likely need 100 GWh of lithium-ion cell production in India for the two-wheeler industry alone. If other modes of passenger vehicles are added, the national demand will be more than 300 GWh. This needs huge capacity building at a large scale.
- Innovation in mobility means not just in products but services too – both for business-to-consumer (B2C) and business-to-business (B2B) as well.
- Talent building for the sector also needs to be pushed, as the right talent will make the sector more productive and will ensure a smooth transition to clean mobility.
- For any new technology or technological product like EV, it has to go through its adoption cycle which comprises of innovators to early adopters to early majority to the late majority.

- Even though India has started quite late on the journey of electrification of vehicles, it has the advantage of learning from the experiences of the rest of the world. With a large customer base and the know-how, India can gain immensely.
- India needs a dense charging infrastructure due to its high population to land ratio. Also, chargers capable of modular scaling are required. Investment in public charging infrastructure will also bring down the load on electricity grid and costs vis-à-vis investment in charging infrastructure in individual homes. If charging stations are themselves turned into payment terminals, it will ensure smoother transition.
- Larger range EVs and charging infra across the highway network of India is required to ensure smooth intercity travel because of the increasing tendency of people to drive more across states, thanks to the increasing network of highways and better road connectivity.
- EVs will have a similar life cycle to internal combustion (IC) vehicles, minus the battery. Hence the resale value will hold up for EVs and should lead to better financing.

Actions for Government

- Ensuring that the complete ecosystem is elevated and transformed to increase the urgency to go green. The Faster Adoption & Manufacturing of EVs (FAME) scheme needs to be given further thrust.
- Improving the availability of public charging points by making land available for this purpose. Central government should create common framework across state governments for allocating the public space to charging operators.
- Incentivizing the industry to promote manufacturing of EV components in India.
- Promoting industry-academia linkage to bolster innovation in the sector and to build capabilities, training and growth across various activities in the industry.



NET ZERO BUILDINGS AND BUILT ENVIRONMENT

Introduction

Over 130 global leaders had converged in Glasgow for the COP 26 to discuss the main goal of securing global net zero by mid-century. As the building sector contributes to 38% of the total global emissions, decarbonizing the built environment and the supply chain is vital. Given the global focus on climate change and India's commitment at COP 26, the theme of the panel discussion was selected to discuss on Net Zero Buildings and Built Environment.

Session Speakers

- Dr Christine Lemaitre, CEO, German Green Building Council, Germany
- Dr Cary Chan, Executive Director of Hong Kong Green Building Council, Hong Kong (recorded)
- Ms. Yvonne, SOH, Executive Director, Singapore Green Building Council, Singapore
- Mr. Jeff Oatman, Head of Collaboration and Membership at Green Building Council of Australia, Australia
- Mr Matthew Black, Project Coordinator, World Green Building Council, Advancing Net Zero Project, UK
- Mr Ashish Rakheja, Chairman – IGBC Technical Committee & Chairman – IGBC NetZero Energy & NetZero Water Committee, India
- Mr. Vasudevan Suresh, Chairman, Indian Green Building Council, India

Key Messages

- India has been fortunate to get a good solar footprint. It had the target of 220 Gigawatts by 2022 and reached about 440 Gigawatts by Nov 2021.

- The Green Building Council has 29 participating members in the advancing net zero program. Together, they are working to increase awareness of urgency & achievability of net zero carbon buildings.
- There is need for more transparency and monitoring, which enables not just the architect but also the end user to be aware of the energy consumption of the building, making them a stakeholder.
- For facilitating newer and better technology in the built environment we need to try to educate the stakeholders and make available to them the existing large knowledge base, and make it accessible to the decision makers and people doing the work.

Detailed Takeaways

- World Green Building Council is approaching Net Zero Movement from a global perspective and focusing on how they can help the local green building councils (GBCs) to advance net zero in their local context.
- An enabler for advancing the Net Zero Movement will be the adoption of significant government policy and regulations, right from local town level to all the way up to the national government.
- In Europe there has been a launch of taxonomy which ensures that the money is going to be directed into measures to prevent climate change or deal with it. The taxonomy criteria propose to help banks and financial institutions as well as pension funds agencies to understand if a product is sustainable. The banks have internal rating schemes to evaluate a project based on its sustainability which has been made into key decision-making mechanism to buy buildings or invest into buildings.



- In Singapore, the green building standards have been revised with the platinum rating existing in November 2021 and are being made into the current minimum industry standard, while rest of the ratings are updated accordingly. It has been made mandatory for any building above 5000 square meters to meet these minimum standards.
- The COP conference and the pledges have acted as a catalyst for stakeholders to invest in sustainable measures. Regarding sustainable finance structures, the Global Real Estate Sustainability Benchmark (GRESB) which assesses how sustainable your property assets are, has been the real driver of increasing performances to attract more investments.

Actions for Government

- To consider forming exclusive norms and policies to accelerate the implementation of net zero carbon in the buildings and built environment.
- To consider bringing unique incentives / schemes to encourage a wider implementation of net zero carbon / green features across all typologies of buildings and built environment.
- To mainstream the Net Zero Movement with innovative engagement strategies which involve stakeholders of the built environment as well as public.





TECHNOLOGY



THE START-UP REVOLUTION: CHANGING THE LIVELIHOOD DIMENSION

Introduction

Start-ups are important indicators of the innovation capabilities of any nation, while contributing to competitiveness and employment. Globally, start-ups are leading the convergence of technology with business, thereby helping to address global challenges. Areas such as AI, Cloud Computing, IoT, Digital Health, Fin-tech and Ed-tech are transforming lives.

India as the third largest start-up hub in the world plays a pivotal role in using technology for developmental solutions. This session focussed on the role of government, investors, as also local and global partnerships in enabling a strong and innovative start-up ecosystem.

Session Speakers

- Ms Tina Jabeen, President, Bangladesh Start-up Consortium, Bangladesh
- Mr Yau Isa Garba, Director – National Center for Artificial Intelligence and Robotics, Nigeria Information Technology Development Agency, Nigeria
- Mr Nicholas Pandey, Immediate Past President, Nepalese Young Entrepreneurs Forum, Nepal
- Mr Ram Shoham, Founder, Accelerator Frankfurt, Germany
- Mr Ryan Yap, Head of Growth, Innovation and Partnership, YCH Group, Singapore
- Ms Yamuna Sastry, Founder & CEO of Cab Dost, India
- Ms María de los Ángeles Romo, CEO, Start-up Chile, Chilean Economic Development Agency (CORFO), Chile
- Mr Manoj Kohli, Chairman, CII Future Business Group and Country Head - SoftBank India, Softbank Group International, India

Key messages

- The pandemic has highlighted the key role played by entrepreneurs to help design innovative solutions for social, economic, and environmental areas. There is a need for massification of new technologies for social good.
- Both government and private investor support is critical to give a fillip to the start-up eco-system.
- Partnership between developing and developed countries creates a win-win situation. Developing countries, despite the infrastructural constraints, can leap-frog to the next level by means of technology. A case in point is India's fintech revolution.

Detailed Takeaways

- Investors are a catalyst in the start-up movement and different countries have ecosystems which are in different stages of development, and support is required for developing it further. While Bangladesh has a nascent ecosystem comprising mainly of local investors with a small angel investor community, the country is working on customising its start-up policy. Nigeria is also rolling out its landmark Nigeria Start-up Bill (NSB) that will help in unlocking its tech potential. Similarly, access to funds is difficult in Nepal and while the government has taken some initiatives to make funding available, work on regulatory framework and reforms is required.
- Government support is key to encourage a healthy start-up ecosystem as it allows entrepreneurs to take risk and learn from experience, while the private sector funding is geared more towards building profitable enterprises. Singapore has set up the National Research Foundation under the umbrella of the



PM office which plays a key role in supporting start-ups, supplementing the efforts of the investors, in the PPP mode.

- It was pointed out that Israel has seen over 50 Unicorns and attracted over US\$ 20 billion of investments but needs new markets. Germany too is looking at new markets.
- Developed countries like Singapore and Germany can offer products and technologies while countries like Bangladesh, Nigeria, Nepal, and India offer huge markets for product deployment and scaling up.
- The success of the start-up ecosystem lies in the identification of niche start-ups, domain expertise, shared services, funding, markets, and networking to help budding start-ups.
- Some of the key factors that have helped Indian start-ups are strong policy framework and support

from central Government (equity free grants / supportive schemes for small businesses); positive investor sentiment; state-level start-up policies to boost investment and ease of doing business (EoDB); emphasis on women entrepreneurship; strong corporate support and an outcome-driven ecosystem.

- The six top priority areas to boost the start-up ecosystem include policy do-over, access to more risk capital, raising the bar for early-stage investments, encouraging female founders, collaboration with more start-ups and networking and capacity building.

Action for Government

- Government may consider an international conference on start-ups to share best practices, policy frameworks and success stories from India.





INDUSTRY 5.0: THE FACTORY OF THE FUTURE

Introduction

The post pandemic era will be dominated by extremely agile organisations that leverage digital technologies in various businesses. In this context, Industry 5.0 will have people working alongside robots and smart machines. The evolving tech-based manufacturing scenario can only be successful with a high component of related services, including digital technology services, R&D, logistics and marketing.

Session Speakers

- Ms Sumita Dawra, Additional Secretary, Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
- Mr Ernst Stock-Pukall, Head - Digitisation, Industrie 4.0, Federal Ministry of Economic Affairs and Energy, Germany
- Dr Susanne Bieller, General Secretary, International Federation of Robotics (IFR), Germany
- Mr Robert Okine, CEO, Bewsys Ltd, Ghana
- Mr Douglas Foo, President of Singapore Manufacturing Federation (SMF), Singapore
- Mr Chandrasekhar Bharathi, Founder and Managing Director, AceMicromaticMIT, India
- Mr Dilip Sawhney, Co-Chairman CII Smart Manufacturing Council and MD, Rockwell Automation India Pvt.Ltd, India

Key Messages

- It is well recognized that Indian firms need to become globally competitive, and, in this regard, smart manufacturing is extremely relevant and is a key to helping the Indian industry scale up.

- For Indian industry to compete at a global level, be an integral part of the global value chains and to be ready to drive positive disruptions, it is imperative that India becomes a part of the technological advances and integrate the new technologies as a part of their manufacturing. In this context, micro, small and medium enterprises (MSMEs) play an important role as they form the backbone of the Indian industry. There is a need to help MSMEs unleash their potential by harnessing and deploying the power of Industry 4.0. Large players will also need to play their role by handholding MSMEs on their Industry 4.0 journey.
- The factories of the future need to focus on digitising their processes and extracting the maximum out of the new production technologies as well as managing aspects such as energy and material in an ever more circular manner.
- 'Industry 5.0' goes well beyond digitisation and delves into aspects related to human centric elements, sustainability, circular economy, resilience, etc.

Detailed Takeaways

- Industry at large is increasingly embracing digital technologies to drive efficiency, productivity and overcoming complexities.
- Manufacturing companies need to embrace industry 4.0 opportunities to their fullest extent.
- Industry 4.0 adoption is lagging in several parts of the global manufacturing ecosystem.
- The post pandemic era has led to a sharp acceleration and has brought about a transformation where organisations are much more aggressively leveraging digital technologies in various businesses. This is driving the notion of Industry 5.0.



- Global industries and enterprises are looking towards Industry 5.0 which would have people working alongside people and smart machines.
- The infusion of digital services into manufacturing processes is rapidly escalating with R&D and new age technologies such as 5G, AI, IOT and other services that are being adopted at a scorching pace. This also implies that there is now a significant convergence of manufacturing and services in the evolving manufacturing regime.
- It is evident that the businesses that fully understand and capture the value and essence of these technologies and the advantages that come along with these are going to be much well positioned to tackle the significant challenges.
- There are new opportunities that are emerging during the post pandemic times. It is a knowledge driven era where the country is developing and exploring technologies to achieve aspirational goals. Smart manufacturing is a paradigm shift from centralised manufacturing and production to a decentralised process referring to computerisation, digitization, skill automation and creation of smart factories. This will require changes in business models also warranting changes in the organisational culture.

- Data driven business models for sustainability will form a quintessential part of the production networks in factories of the future.
- The manufacturing companies globally need to overcome significant challenges pertaining to connectivity, transparency, and trust, specifically with respect to data sharing for driving digital transformation.
- For MSMEs, digital transformation of an entire organisation is a challenge. In this context, demonstrating use cases to MSMEs which reap high returns on investment (RoI) can help them achieve this ultimate objective.
- There is a need for collaborations in 5G, AI, IoT and other ICT, along with the potential for combining manufacturing and services for driving competitive excellence.

Actions for Government

- Formulate policies for incentivizing smart manufacturing particularly for MSMEs.
- Continuous engagement with industry and other relevant stakeholders to accelerate adoption of Industry 4.0 and Industry 5.0 specifically for Indian MSMEs.



THE DIGITAL REVOLUTION: LEARNINGS FROM SMALL BUSINESSES

Introduction

The pandemic has speeded up the adoption of new technologies by several years and the explosion in innovations in digital technologies in the form of artificial intelligence (AI), Internet of Things (IoT), Big Data, Block Chains etc. is expected to provide impetus to this industrial revolution. Small businesses are better positioned to benefit from digital transformation than large companies, as their size proves to be advantageous when adapting digital technology. India is home to more than 65 million MSMEs who will need to embrace digitisation to make the country a trillion-dollar digital economy. Small and medium enterprises are very much at the heart of these disruptive technologies and their intrinsic agility can help countries adapt quickly to these major structural shifts that are changing the rules of the game.

Session Speakers

- HE Faiyaz Siddiq Koya, Minister of Commerce, Trade, Tourism & Transport, Fiji
- Dr. Le Quang Lan, Director for Market Integration Directorate (MID), ASEAN Secretariat
- Ms Angela Di Giacomo, CEO & Founder, Wundernova GmbH, Germany
- Mr Shirish Jain, Director, Proxtera, Singapore
- Mr Antonio Saraiva, President, Confederação Empresarial de Portugal (CIP), Portugal
- Dr Santitarn Sathirathai, Group Chief Economist, Sea Group, Singapore
- Mr Prasad Kokil, Managing Director, Sanjay Technoplast Pvt Ltd
- Mr Mukund Kulkarni, Co-Chair, CII subgroup on Digital Technology for MSME (TechSaksham) & Director, Expert Global Solutions Pvt Ltd, India

- Mr Ashok Saigal, Co-Chairman, CII MSME Council and Managing Director, Frontier Technologies Private Limited, India

Key Messages

- As India leads towards the vision of becoming a US\$5 trillion economy by 2025 for manufacturing industry, it is imperative to integrate technology and move towards Industry 4.0 and digitization. While small businesses are in a better position to benefit from digitization, for large companies, size proves to be advantageous during digital transformation.
- ASEAN is embracing digital transformation, with the Southeast Asian internet economy expected to rise to US\$ 360 billion by 2025.
- The potential of a digitally integrated economy includes greater connectivity with the world as well as FTAs with major regional economies.
- The individual outlook of MSMEs is one of the challenges that we need to deal with, in order to change their momentum for going towards digital revolution, we need to shift focus towards the benefits of digitization which are scope, scale, speed and efficiency.

Detailed Takeaways

- 42% of Fijian SMEs were able to revive their business in the wave of the pandemic given that they were provided with some support from the Government. Digitalization and streamlining of business processes is an ongoing agenda. The establishment of an online, one stop information called BIZ FIJI Portal is the first step towards it.
- The Bandar Seri Begawan Roadmap - ASEAN Digital Transformation Agenda to accelerate ASEAN's Economic Recovery and Digital



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Economy Integration focuses on enhancing digital connectivity (infrastructure and data), cybersecurity; enabling laws and regulations, standards in line with international best practices; digital talent, innovation and R&D, investment and start-ups.

- SMEs contribute to 71% of the Portuguese GDP. The digital transformation of the Portuguese economy is one of the top priorities.
- After producing 5 unicorns, the national goal of Portugal is to shift from a start-up nation to a digital nation over the next 5 years through a budget allocation of 2.5 billion Euros and various other programs including employees skill development and training for digitization.
- The pillars which allow SMEs and MSMEs to thrive in a world crisis like Covid include access to the internet and digital solutions; increased role of government to provide a conducive environment with financial support, speed and decisiveness for regulations on greater integration in the citizen's daily life; and access to funding like cash cushioning for companies affected in the pandemic.
- In case of India, access to digital services in local vernacular languages is required to onboard the

digital world which would be outcome based and have greater outreach.

- The key challenges for MSMEs comprise of capability to adopt digital technology, lack of trust and security on cyberspace; access to digital talents/skills and enabling and harmonizing legal frameworks and standards.

Actions for Government

- Referring to the unavailability of skilled talent and government of Portugal's programme to provide employees skill development and training to prepare themselves for the digital world, the Indian government can also work on similar initiatives together and share best practices.
- The economic corridors in the ASEAN region hold immense potential to strengthen connectivity with India with the help of digital integration. ASEAN being the 5th largest economy and 4th largest market in the world, can work with the Indian government on free trade agreements that are in line with the ASEAN Digital Economy Framework Agreement by 2025.



TECHNOLOGY AND THE FUTURE OF GOVERNANCE

Introduction

Rapid technological changes have become the global norm, with tech advancements often setting the pace and moulding societal interactions and business reactions. Besides the obvious impact on society and industry, technology has an immense role in governance as it has the potential to make governance work for all sections of society and for making governments more efficient. Both public and private entities, particularly in emerging economies, are undertaking transformation programmes in digital citizen identity, banking, transportation, healthcare, education, social welfare, etc., to increase the penetration of public initiatives. India's successful initiatives of Aadhar identity card, financial inclusion programme and direct benefits transfer have reaffirmed these possibilities. The session focussed on the digital transformation required to operationalize newer technologies, innovate more, and deliver better services.

Session Speakers

- Ms Sumita Dawra, Additional Secretary, Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
- Prof Soumitra Dutta, Professor of Management, SC Johnson College of Business, Cornell University, USA
- Mr Abhishek Singh, President & CEO, National e-Governance Division, MEITY, Government of India
- Mr Rohinton Medhora, President, Centre for International Governance Innovation, Canada
- Mr Eyal Feder, CEO & Co-Founder, Zencity, Israel
- Mr Amit Sinha Roy, Vice President, Global Head of Marketing & Communications, Tata Communications Ltd, India

- Mr Jagdish Mitra, Chief Strategy Officer and Head of Growth, Tech Mahindra, India

Key Messages

- Technology enables integration with services, better access to services for both citizens and businesses, and ensures participation of more and more people in the economic process.
- Applications of AI and machine learning will be the 'tomorrow' of the future of technology in governance. The next stage of tech investment is in enabling services through the voice platform.
- From a silos-based delivery of services, which is the past, the present involves the integration of these services into a platform of government services and the future will be providing services on demand and proactive delivery of services, using AI, machine learning and data science, to offer better quality of services for citizens, for both ease of living and ease of doing business.
- Governance must balance three things — security, so that systems are resilient to cyber-attacks; second, it has to guarantee privacy, including human rights; and third, functionality for addressing climate change and global health.
- Robust digital and physical infrastructure lies at the core of building functional and effective technology systems.
- The biggest challenge for digital governance is bridging the digital divide and ensuring access for everyone regarding connectivity and services, so that we don't end up creating digital haves and have nots. Digital inclusion must be a priority.
- It is important to remove vulnerabilities arising from security issues, for which, it is important to have the right guard rails in place to secure peoples' assets, be it or otherwise.



- One of the biggest opportunities for digital governance is the access to huge volumes of data and with the technologies of AI and machine learning, there is an opportunity of building solutions to solve key societal problems in the fields of healthcare, agriculture, education, and skilling.

Detailed Takeaways

- Digital India initiative has expanded to over 250,000 gram panchayats and villages in the country. Government of India has recently soft-launched the National Single Window System, a first-of-its-kind initiative where clearance portals of various ministries of the Government of India and state governments have been brought together on one platform for potential investors. This intervention in good governance puts services under one single portal and enables end-to-end facilitation and support for investors, which includes a pre-investment advisory called 'Know Your Approvals', which has mapped about 2,500 approvals across the states and central ministries.
- Another initiative is the India Industrial Land Bank, where geographic information system (GIS) mapping has been done for more than 500,000 hectares of industrial land across 4,500+ industrial parks, and this reveals the land that is available for industrial activity, which is about a 100,000 hectare plus. Along with showing the land that is available for industrial activity, this portal also gives the mapping of raw material availability, connectivity to the railways and airport, etc.
- A third initiative is one where government has been able to reduce the compliance burden on businesses and citizens, with the objective of improving the ease of doing business and the ease of living through simplifying, rationalizing, digitizing and de-criminalizing many of the provisions which were found to be unnecessary and seemed to be burdensome for the businesses and citizens. As of now, more than

24,000 compliances have been reduced in the last one year or so with the help of technology.

- Parakh, which is for delivering good governance is a portal that maps 6,500-plus laboratories across the country that are accredited for testing, medical and calibration laboratories.
- The Project Monitoring Group is a very powerful use of technology. An institutional mechanism has been put in place to monitor all infrastructure projects in the country, which have an investment of INR 5 billion and more to map their milestone-wise progress and to identify any obstacles that come in the way of the smooth implementation of the projects. It maps more than INR 42 trillion worth of investments in the country.
- The two primary objectives of governance are to enable ease of living and ease of doing business. Today, because of investments made in technology for building platforms like the identity platform, the UPI platform, digi-locker interface, the GSTN interface and the GIS backbone, India can deliver on both the objectives of enabling ease of living for citizens and enabling ease of doing business for businesses.
- Instead of accessing services from different government departments in silos, citizens are today able to access services in an integrated manner across departments. The citizens now looks at government as one organic whole and they are able to access services across verticals.
- The data that is being generated from services for citizens and businesses is helping build a data governance and data-sharing framework. Based on data analytics, and with the next level of applications such as AI and machine learning, governments can now implement models for better identification of programme beneficiaries.
- The next investment that India is making is in enabling services through the voice platform because almost 700 million people are already onboarded onto the Internet economy and accessing services of various kinds, but remaining 500 million people would prefer a



voice-enabled interface when they are accessing services. So, India in the process of implementing an AI-based voice-bot and chat bot on the Umang Platform which offers almost 20,000 services, on which voice-based services will be available, such as quality of soil, weather, market access, product pricing, etc.

- Technology can be used to empower people and augment skills and abilities.
- In the present, where we have to design systems that go from old fashions of static data-using systems to much more dynamic systems that can address these huge global challenges and social challenges.
- Indian government is creating data systems that address and create global public goods which address climate change and global health in a way that balances the various imperatives of efficiency, innovation, and privacy.

- There should be a focus on compatibility across systems as it is critical to have the ability to leverage data across systems.
- Another important area is Internet of Things (IoT), both for service capability and delivery of modernization. For providing holistic services to citizens, technologies must be chosen wisely to promote systems that are coherent, can coexist and are able to transfer information in an efficient and transparent manner.
- As skill sets are also very important, it is critical to build technology skill sets and to retain that talent.
- The challenge is to design a multi-stakeholder governance process, unlike previous governance processes.
- The opportunity is in leveraging the ubiquitous nature of digital technology to allow more people to participate.





THE SOCIAL DIMENSION



SOCIAL ENTREPRENEURSHIP: CRAFTING CHANGE

Introduction

Over the past few years, India has witnessed a burst of entrepreneurship with a new breed of social entrepreneurship. Entrepreneurs have worked around their challenges, finding new digital mediums to expand customer base and arrange alternatives for the groups most affected by the pandemic. Socio-entrepreneurs have existed for quite some time, however, making a significant impact has been difficult. Making an impact through a business proposition is important as it ensures sustainability, expansion, growth, and job creation. The Indian government has been supportive of the idea working towards greater inclusion, inequity reduction, funding provision for start-ups, etc., recognizing the immense possibilities using technology for disruptive innovation.

Session Speakers

- Ms Judith McKenna, President and CEO, Walmart International
- Ms Karen Loewy Nuñez, Sempertex de Colombia, 2nd Generation, Barranquilla, (Head of Family Assembly), Colombia
- Prof Johanna Mair, Professor of Organization, Strategy & Leadership, Hertie School; Director, Global Innovation for Impact Lab; Academic Editor, Stanford Social Innovation Review (SSIR), Stanford University, USA
- Ms Megan Moloney, Chief Operating Officer, Points of Light, USA
- Ms Priya Agarwal Hebber, Principal Partner, NED, Vedanta, India
- Mr Kiran Karnik, Chairman, CII National Committee on eCommerce, Former President, NASSCOM and Chairperson, Indraprastha Institute of Information Technology Delhi (IIITD), India

Key Messages

- One of the positive consequences of the pandemic has been the reinforcement of potential in social entrepreneurship and effective national partnerships.
- Corporations are investing greatly in reducing imports and promoting Made in India products by supporting local craftsmen and artisans.
- We have long used people's power to tackle the most pressing challenges. As citizens, it is important to find ways to convene and connect with non-profit organizations to contribute towards social welfare.
- There are now entrepreneurs across age groups thinking of profit-making as a by-product of social development rather than the opposite, which is an encouraging mindset.
- Indian companies are incorporating the spirit of social entrepreneurship into business models with responsible growth and large social impact in areas of environmental protection. They believe in value creation and using value for social prosperity as both factors are equally important in achieving success.

Detailed Takeaways

- One of the consequences of the pandemic has been the reinforcement of potential in social entrepreneurship. India has now gained opportunities to build and support new businesses through public commitment towards economic growth. These three factors - investments, resilience, and opportunity - are a powerful recipe for growth for everyone.
- Companies are working to improve Indian farmer producer organization's market access



capabilities. They aim to aid farmers in better controlling their outcomes through US\$ 25 million of commitment designed to benefit 140,000+ farmers, with more than half of that population consisting of female workers.

- Food wastage across the globe is another major issue that needs to be addressed. It is important to generate jobs for tailors and craftsmen, with the additional benefit of instilling the importance of sustainability in children from a young age with the hope of changing the overall product culture.
- We have long used people's power to tackle the most pressing challenges experienced. As citizens, it is important to find ways to convene and connect with non-profit organizations to contribute towards social welfare. Organizations have also allowed corporate and local partners to connect to personalize work towards community needs as each community has been affected differently by the pandemic.
- It is important to look through a holistic lens and use our voices in all aspects such as social media, purchasing power, voting etc. to change a system from its roots. Civic circles are therefore individual systems formed to change systems at greater scales. Partnerships between non-governmental

organizations (NGOs) and the public must be based on mutual dignity and respect as well as equitable relationships.

- Emphasis should be given on creating ecosystems for veterinary education, research, sheltering, improving health, and safeguarding the environment. People should be encouraged to work with animal protection groups, promoting the use of cruelty-free products and increasing planet consciousness for a more sustainable community for all.

Actions for Government

- Government to take greater leadership to ensure that companies are effective partners under the Companies Act, legislating that corporations of a certain size and profitability invest a portion of their earnings on government approved categories of corporate social responsibility (CSR).
- Corporate CSR investments should be analyzed thoroughly with an understanding of the driver of social problems aimed at mitigating them with a long-term impact in mind.
- Coordinate with non-profit organizations to highlight their goals to match with large corporations.



INCLUSIVE HEALTHCARE: ACCESSIBILITY AND AFFORDABILITY

Introduction

The inequalities of the global healthcare system have been highlighted by the Coronavirus pandemic which has deeply impacted lives and livelihoods for almost over two years. While the global scientific community hastened to develop vaccines, the imbalanced rollout of vaccination poses continued risks, given that 'no one is safe until everyone is safe'. India as the largest supplier of vaccines to the world is known as the "Pharmacy of the World". Its notable programs for widespread healthcare access and insurance has helped millions of people. This session discussed how partnership models for accessible and affordable healthcare can be instituted, especially in light of future pandemics.

Session Speakers

- Ms Jayasree Iyer, CEO, Access to Medicine Foundation, The Netherlands
- Mr Biju Mohandas, Partner & Global Co-Leader for Health Investments, LeapFrog, Kenya
- Mr Mati Gill, CEO, AION Labs, Israel
- Mr Krishnan Ramachandran, Co-Chairman, CII National Committee on Insurance and Pensions, Managing Director & CEO, Max Bupa Health Insurance Company Limited, India
- Ms S Aparna, Secretary, Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers, Government of India
- Dr Naresh Trehan, Chairman, CII Healthcare Council & Chairman & Managing Director, Medanta, India

Key Messages

- Some of the main criteria the future of healthcare are prioritising is primary healthcare and making sure that the poor have access to medicine.

- In order to make an effective healthcare delivery system and take care of all citizens, there has to be convergence of all the stakeholders, like insurance, MedTech, delivery system, prevention of disease, etc.
- Global access to medicine needs to improve. Currently, there is inequitable access in different areas such as new drugs and new vaccines, which reach patients much later than they should.
- The adoption of technology in healthcare can be one of the tools that can be used to increase access and affordability, as well as the quality of healthcare.
- In the Indian context, the spirit of cooperation has enabled a 'whole of government approach', with departments breaking their silos and working together towards a common objective. Furthermore, the public and private sector have come closer together and leveraged their strengths to find solutions that can be of help to the population affected by the pandemic. This is one of the biggest learnings from the pandemic that needs to be institutionalised and utilised fully going forward.

Detailed Takeaways

- India has launched the Ayushman Bharat digital mission, the aspiration of which is for every Indian citizen to have a unique health number, which would enable them to register on the digital platform and give transportability to all records globally, which are stored in a digital locker.
- Even while the WHO has identified the top pathogens to worry about for future pandemics, there is very little investment from pharmaceutical industries, unless there are sufficient revenues to be generated. That is why there was a sudden surge in innovation for covid-19, but in the case of others like Chikungunya, MERS or other



coronaviruses, there are a few to none large pharmaceutical companies involved. Hence, the role of the innovation environment is critical.

- There is a need to sustain supplies and improve supply chains. We need to reinforce supply chains by having better demand and forecast planning, sharing data when there is a serious issue with patients, ensuring that companies maintain a buffer stock of essential medicines, work with API suppliers, improve capacity, and get involved in technology transfer, to ensure local availability is improved.
- Companies should register their products in countries that have a high risk of disease and drug resistance. This alludes to the fact that registrations are more predominant in countries where there are large patient populations in need of some level of mix payments, availability of financing from private insurances, well-functioning public health systems and investment from the government.

- We need to leverage technology to reduce the cost of providing medical insurance; administering that insurance and reducing the cost of medical events that cover that insurance.
- It is important that we get the healthcare payment system right, with respect to the pooling system to make healthcare more affordable.
- Some of the challenges in the healthcare system include market dynamics and market failure in many areas, the behaviour of companies and investors, problems in regulatory systems in many of the countries across the world and lack of effective coordination and collaboration.

Actions for Government

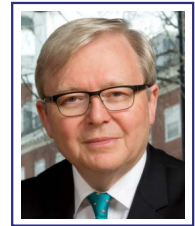
- Increase awareness of Ayushman Bharat scheme.



GEO-POLITICS



IN CONVERSATION WITH THE HONOURABLE KEVIN RUDD



Introduction

The world is in the midst of change with a triangular equation between India, China and the US. The US needs to assume global leadership and also embrace free trade while reducing protectionism. The large free trade areas should be entered into by the US and India as China is also applying for membership of CPTPP. China and India's proactive stance in sustainable development and mitigating climate change is critical to the world's mission of reducing emissions.

Session Speakers

- Honourable Kevin Rudd, President and CEO, Asia Society and President, Asia Society Policy Institute and former Prime Minister of Australia
- Dr. Naushad Forbes, Past President, CII and Co-Chairman, Forbes Marshall Ltd

Key Messages

- The Biden Administration is focusing on rebuilding the foundation of America's national economic power while grappling with legacy factors of a divided political system, the legitimization of protectionism, and a new Republican questioning of America's role in the world. The Biden Administration is rebuilding economic strength as well as traditional alliances and strategic partnerships, but it is weak in geo-economics and the global free trade economy indicated by the absence of America in Regional Comprehensive Economic Partnership (RCEP) and Trans-Pacific Partnership (TPP), in the centrality of rebuilding the WTO, etc. because of its continued over-protectionist Congress.
- Freer trade is better for working people, as long as it is attached to a strategy of structured adjustment where Government has a supporting

role. The US is experiencing industry restructuring, and the nation's traditional absence of Government support in terms of restructure financing for retraining and repositioning industry led to the backlash that resulted in populist and isolationist movements. Demand for increased Government support will likely be "driven out of Walmart rather than Washington" as US inflation, induced by supply chain crises and trade wars started pre-pandemic, spirals out of control.

- This global resurgence of the State is clear world-wide, and seemingly inevitable as its retreat yielded high growth but also the first Global Financial Crisis and the Global Pandemic. The global economic downturn is now the largest since the Great Depression. The State must intervene to hold the economy together through the coordination of public health. A balance is needed between State and Market forces for fiscal health.
- The international community welcomed India's participation in Glasgow COP26; however, unless both China and India enter a trajectory towards carbon neutrality, not only will China and India's environments and economies be destroyed, but they will also undermine the global environmental commons and worldwide economic growth.

Detailed Takeaways

- The last few months have seen remarkable economic recovery from the pandemic, bouncing back faster than any forecast predicted but in a very uneven manner, creating supply chain disruptions across the world and greater employment struggles for the most disadvantaged.
- The Quad has come into its own, both as an arena for like-minded countries to discuss issues in the Indo-Pacific, and as a grouping to discuss more broad issues like global pandemic response



- One thing that has been striking through the pandemic is the absence of global leadership. It does not seem like the US is interested in reclaiming its previous role absconded under the Trump administration: “America looking in, looking out”.
- A noticeable takeaway from the pandemic has been the resurgence of the state and the re-emergence of government’s presence in people’s everyday lives including tax rates and long-term competitiveness of firms.
- COP26 saw many positive moves but it was missing a real need for coordination to reach broader sustainability objectives – everyone needs to do their part.
- The US’ withdrawal from global leadership has become a glass half full/glass half empty situation due to the dual impact of fractured domestic politics and a lean towards isolationism coupled with the legitimization of protectionism during the Trump Administration, led by traditionally the most internationalist party, the Republican Party. This has created a structural danger for like-minded countries who wish to see an activist America in the world.
- The transition from Trump to the more internationalist Biden Administration changed perceptions from a glass that was very empty to one that was very full, despite legacy factors of a divided political system, the legitimization of protectionism, and a new Republican questioning of America’s role in the world.
- Biden’s response to the Trump challenge and growing China challenge has been to double down on rebuilding America’s economic strength. Looking carefully at the first year of his Administration, one sees acts by Congress not only of economic stimulus but also strengthening investment in the future drivers of America’s long-term economic growth. The jury is still out on the effectiveness of such measures.
- At the same time, the second priority has been rebuilding America’s alliances and strategic partnerships around the world through intense diplomacy, given the previous lack of interest in engaging the Indo-Pacific diplomatically during the Trump Administration.
- The Biden Administration has become quite activist, but its Achilles’ Heel is its indifference to geo-economics and the global free trade economy indicated by the absence of America in RCEP, TPP, in the centrality of rebuilding the WTO, etc. because of its continued over-protectionist US Congress
- As has been seen for the past 20-30 years, free trade works best for poor working families than a subsidized market economy. Free trade does, however, result in inevitable industrial restructuring. The government’s choice is either to “throw everyone into the fire” or restructure waning industries with appropriate restructuring payments to retrain businesses/ workers in the businesses of tomorrow. What might turn this around in the US is the unfolding risk of inflation, in part induced by the supply chain crisis and trade wars started before the pandemic.
- Resurgence of the state was inevitable as the retreat of governance and resurgence of the market yielded high growth but also great consequences with enormous systemic assaults on both global financial and public health management.
- The massive accumulation of public sector debt stemming from state-led COVID interventions- is the extent to which the IMF and the G20 have the political resolve/roadmaps to return the world to fiscal balance once the drivers of recovery set in. The temptation will be to keep the state at the forefront, but a better balance is needed than perhaps ever seen before between the market and the State to preserve the countries’ well-being.
- One of China’s greatest dangers is President Xi Jinping’s statist and pro-party attitude changing the balance between State and market in China to lurch decisively towards the State, which will lead to the long-term detriment of China’s overall economic performance.
- The international community welcomes India’s participation in Glasgow (COP26). Unless both China and India enter a trajectory towards carbon neutrality, they will undermine the global environmental commons and economic growth as well as result in unsustainable temperature escalations due to climate change.



- Global capital and technology will rise to the challenge of supporting India's critical transformational needs for sustainable infrastructure, at-scale energy projects, etc. because no one wants China to leave India behind on the road to carbon neutrality as the world's biggest emitter.

Actions for Government

- China has outflanked both India and the US by applying to join the TPP membership. The appeal to Delhi and Washington is not to let short-term economic adjustment stand in the way of long-term strategic economic advantage which comes from being a member of the enormous economic trading and investment entity of the Indo-Pacific Region.
- The suggested roadmap is first, join APEC; second, join RCEP and third, start conditional negotiations with the TPP states in collaboration with the Americans to get full access to the Indo-Pacific and US markets in a win-win outcome.
- Political parties can begin to construct the politics of shifting to a free trade model as per a bold vision for India's economic future, one which will rival China. As China turns left in its economics and embraces the State, India now has the chance to discover and embrace the market's benefits for working families.
- This is India's second big chance to realign its economy. The opportunity is now for India to look past the retail politics of the next 12 months and look to the medium-term economic yield and then the long-term political benefit





THE GEOPOLITICS OF INVESTMENT STRATEGY

Introduction

The last couple of years has seen unprecedented disruptions in global supply chains in wake of the Covid-19 pandemic. When the lockdowns were lifted, real cracks in the supply chain started to emerge from a logistics perspective, given the lack of predictability and precision in an uncertain global environment. Businesses made conscious efforts to re-strategize and diversify their supply chains to build more resilient, reliable, and resurgent supply chains and many firms were motivated to shift to a strategy of spreading production. The discussions were focused on where India features in this strategy and what is the future of international investment decision-making considerations.

Session Speakers

- Secretary William Cohen, Chairman and CEO, The Cohen Group, USA
- Lord Jonathan Marland, Chairman, Commonwealth Enterprise and Investment Council, UK
- Ms Nisha Biswal, President, U.S.-India Business Council (USIBC) and Senior Vice President for International Strategy and Global Initiatives, US Chamber of Commerce, USA
- Mr Bruce Stokes, Executive Director – Transatlantic Task Force, German Marshall Fund of the US, USA
- Mr Deep Kapuria, Co-Chairman, CII National Committee on International Trade & Trade Policy and Chairman, The Hi –Tech Gears Ltd, India

Key Messages

- Globalization has aided businesses by lowering operating costs, contributing to their bottom line with dividends being shared between shareholders and consumers alike. The Covid-19 pandemic exposed

the weaknesses in the global economy that were always present but were ignored.

- Geo-economics is the geopolitics of today, and we must focus on the strategic impacts and implications of the economic lines tying countries together – this should result in a massive rethinking of our economic, commercial and trade policies versus our strategic goals and ambitions.
- Today's digital ecosystem has resulted in virtually every company being a technology company, revealing that silos are artificial and there is no such thing as commercial vs. strategic – these two ideas are interlinked. This has resulted in strategic frameworks like the Quad looking at emerging technology fields like AI as well as health supply chains, education, etc.
- As we move forward in these uncertain, disruptive times, the government must provide the stability that helps in creating opportunities by providing the structural frameworks, including the US' Indo-Pacific grouping or India's 'trusted supply chain network, that can unleash economic potential. However, this process is often approached in reverse, with economic policies following the articulation of strategic goals.
- Supply chains are not moving to insourcing or near-sourcing but to trust-sourcing; trust means much more than having the same values, it means having regulations, reciprocity of standards, etc.

Detailed Takeaways

- Supply chains are similar to arteries, which once clogged, the result is inflation, higher transportation costs, unfulfilled consumer demands, and political discontent.
- Companies are looking for new places to set up shop. India's expansive consumer market, large



amounts of science, technology, engineering and mathematics (STEM) educated workers, growing business-friendly policies, etc. position it perfectly to pick up what other international manufacturers can no longer supply.

- Governments must adopt policies that are pro-growth, pro-business, pro-environment.
- Pre-covid, the massive concentration of global supply chains in single geography resulted in the total manufacturing output of China exceeding that of the rest of the world because, for the prior two decades, China had provided a great deal of stability, clarity, ease of doing business, and simplification of investments that is not necessarily the case today. The Covid-19 pandemic illustrated how relying on a single ecosystem can create a catastrophic failure, creating the impetus for companies to de-risk and diversify.
- Perhaps strategic partnerships like the Quad can become some sort of trade agreement as well; there is tremendous rhetoric about the geo-economics of the Indo-Pacific, however, the US economic and trade policies are not following suit.
- To support and de-risk a diverse ecosystem and incentivize businesses to move closer to markets and develop regionalized approaches, market access must be ensured and sustained for several decades through long-term viable economic policies, as shifting of supply chains requires decades of investment to flourish.
- Fundamentally, democratic, and free market societies create long-term stability that requires managing one's internal politics to allow for companies to expect stability.
- To succeed in developing new technologies, scientific talent, money, and a market is needed together. India and the US have all three and need to build on this foundation.
- Europe and the US have created the 'Trade and Technology Council' (TTC), with ten working groups to propose ways for political leaders to coordinate approaches to key global trade, economic and technology issues, and to deepen

transatlantic trade and economic relations based on shared democratic values. The supply chain working group was tasked with advancing supply chain resilience and security in key sectors such as clean energy and pharmaceuticals, as well as mapping research and development priorities.

- There is a need to identify the fields in which India can become a source of secure supply chains for the US. Pharmaceuticals is an obvious choice and an opportunity for India to not only diversify the global supply chain but move up the value-added ladder by becoming a low-cost producer of active pharmaceutical ingredients (APIs).
- Issues of data security and privacy will be one of the defining challenges in the next phase of global economic integration. The value-added in the future economy will be through the extraction of value from data. The major goal of US is to come up with a data security agreement in the Indo-Pacific.

Actions for Government

- The government should work on building internal consensus and the constituency to maintain stable policies that allow it to achieve both its strategic and economic goals, critical for the development of a geo-economic order that prioritizes inclusive prosperity. Strategic goals and economic policies must match.
- Building better infrastructure, implementing comprehensive and fair tax policies (around 20% for corporate tax rates) and making companies feel a part of the community will persuade companies to invest in India.
- India has made important strides, for example, the PLI scheme has injected an incentive structure for bringing in supply chains. However, it is equally important to lay down the architecture for the digital economy in future, which cannot be done in isolation.
- Government should collaborate with other like-minded democracies such as the US, the UK, etc. to design strategic, security-minded



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frameworks for a digital economy in a more holistic, non-siloed manner. The digital ecosystem does not respect national boundaries and we must consider a US-India digital corridor that extends to other strategic partners.

- India shouldn't limit itself to just manufacturing the world's pharmaceuticals. India should participate in US's Advanced Research Projects Agency for Health (ARPA-H) that would not only rejigger

supply chains but build new and lasting ones that will enable India to be a player in developing the next generation of pharmaceutical products and ensure that it captures a growing share of the value-added from new, life-saving drugs.

- If India aspires to be a player in developing new energy technology, it should strive to join the US' Advanced Research Projects Agency for Energy (ARPA-E).





COUNTRY SESSIONS



INDIA AND GERMANY: A NEW PARTNERSHIP IN A NEW WORLD

Introduction

Over the last seven decades, India has become one of Germany's most important partners in the Indo-Pacific region. The two countries are united not only by shared interests, which often lead to joint action, but also by their democratic character. On 18 May 2000, India and Germany signed the Agenda for the Indo-German Partnership in the 21st Century. This laid the foundation for greater bilateral cooperation in a rapidly changing international environment. More recently, the bilateral Indo-German intergovernmental consultations have become a key forum for dialogue. These meetings of the two countries' Cabinets have been held every two years since 2011.

The year 2021 marks the 70th anniversary of diplomatic relations between India and Germany. For 10 years, India and Germany have had a "Strategic Partnership", which has led to greater trade and investment as well as new areas of engagement, among them are Artificial Intelligence, Space, Smart Cities, Urban Green Mobility etc. Today, Germany is amongst India's most important partners both bilaterally and in the global context. As the world emerges from and navigates past the challenges presented by the pandemic crisis, both India and Germany have identified myriad opportunities for a resilient, collaborative and mutually beneficial economic relationship. The virtual session focussed on some key areas of partnership through thematic sub-sessions on Technology, Innovation, Sustainability and Green Economy.

Session Speakers

- Prof. Dr. Andreas Pinkwart, Minister of Economic Affairs, Innovation, Digitalization and Energy, State of North Rhine-Westphalia, Germany
- H.E. Mr. Walter J Lindner, Ambassador of the Federal Republic of Germany to India

- H.E. Mr. P Harish, Ambassador of India to the Federal Republic of Germany
- Ms. Iris Plöger, Member of the Executive Board - Head of Digitization, Innovation and Health Economy Department, BDI, Germany
- Mr. Sapthagiri Chapalapalli, Head - Europe, Tata Consultancy Services, Germany
- Ms. Sindhu Gangadharan, Managing Director, SAP Labs, India
- Mr. Laszlo Posset, Managing Director, T-Systems ICT India
- Mr. Niranjan Nadkarni, CEO, ASMEA region (ASEAN, South Asia, Middle East, and Africa), TUEV SUED, India
- Dr Hishmi Jamil Husain, Head – Biodiversity & Corporate Sustainability, Tata Steel, India
- Dr. Karsten McGovern, Chief Executive Officer, Landes Energie Agentur, State of Hessen, Germany
- Mr Shivang Mahadevia, Head - Corporate Strategy, Tata Chemicals, India
- Mr Markus Kösters, Vice President Business Development New Markets, RWE Renewables, Germany
- Ms Almut Rössner, Member of the Executive Board, OAV, Germany
- Mr Salil Singhal, Chairman, CII Task Force on Agri-Chemicals & Chairman – Emeritus, PI Industries, India
- Mr Stefan Halusa, Director General, Indo-German Chamber of Commerce, India
- Mr Rajiv Ranjan Mishra, Co-Chairman, CII National Committee on Power & Managing Director, Apraava Energy, India



Key Messages

- Germany today is India's very important partner politically and economically, bilaterally and within the global context. Both India and Germany have immense opportunities towards building a resilient, collaborative and mutually beneficial economic relationship.
- Both the governments and private stakeholders interact regularly in the areas of agriculture, energy and environment, transport and quality infrastructure, export control, digitization, urbanization, financial and social affairs to strengthen the cooperation.
- India-Germany relations are very strong with a bilateral trade of over US\$ 21 billion. German companies in India and vice versa have a good experience of operating with each other and have created jobs and prosperity.
- German companies are taking a leading role in the area of smart manufacturing and there are many examples of the use of Industry 4.0 in Germany.
- The Supply Chain Act imposes significant obligations on companies that source their products and services through supply chains from developing and emerging countries and sell them in Germany to comply with human rights and environmental standards and exposes them to potentially serious liability in the event of violations. Indian industry has an opportunity to engage further with their German counterparts to ensure that they can be a part of a reliable supply chain that Germany is looking for.
- India already has about 100 GW of renewables in operations and there has been a solar target of 100 GW to be achieved by 2022-23.
- Besides the ambitious targets, various other national missions and initiatives support India's low carbon and sustainable development.
- Both India and Germany have the common purpose of abating carbon and going towards net zero emission in addition to the other sustainability measures like circular economy.

Detailed Takeaways

- In the new Indo-Pacific strategy of the EU, India will become a key partner in respect to trade exchange and investments.
- There is a great connect between companies, start-ups, and academia in North Rhine-Westphalia (NRW) to support businesses and the public sector to overcome the challenges of digitisation and helping to shape it.
- International cooperation is an important pre-requisite in fully exploiting the potentials of Industry 4.0.
- There is a significant opportunity for all companies to collaborate with India because India has proven itself to be a champion in technology and digital space.
- In the constantly evolving global business dynamics, there are more opportunities than ever for India-Germany technology and innovation partnerships.
- India and Germany have shared a collaborative relationship for more than 70 years and there are more than 1600 Indo-German collaborations and over 600 Indo-German joint ventures in operation.
- The pandemic has pushed the need for more and more digital solutions. Contributing to innovative technology solutions has been the top priority. The focus has been on formulating ways and methods to take services digital.
- Germany is India's largest trading partner in Europe. The economic partnerships between the two nations will make a significant contribution in tackling the greatest challenge of climate change.
- India is focused on reducing its carbon dioxide emission to less than 2% CO₂/tcs (tonnes of crude steel) by 2025 as our contribution towards climate change.
- Today, India imports a billion dollars worth of chemicals from Germany and almost an equal amount is being exported to Germany. Hence, it is an important partner for collaboration in sustainability.



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Actions for Government

- Governments should realize the idea to harmonise the regulatory frameworks on AI and to develop harmonised standards at international levels. The set of common rules will significantly promote the development and scalability of new AI based business models.
- Building a long term decarbonization road map and pursuing low carbon technologies are some of the ways of attaining sustainability in the iron and steel sector.
- The demand for green materials is going to outpace the supplies. This could be a potential opportunity for India becoming a hub for manufacturing and Germany becoming a hub for technology and innovations.
- Offshore wind in Europe has already proven that it can outperform cost for conventional fuels and India should adopt best practices in these lines for achieving such low cost of electricity generation.





INDONESIA

Introduction

India and Indonesia have shared a long-standing relationship, bound by close, cultural, commercial, and historical ties. In recent times, the bilateral relationship has received a renewed impetus, marked by several high-level exchanges as well as recent visits of the leadership of both countries, indicating the commitment of both sides to deepen ties further.

India and Indonesia as trillion-dollar economies are poised to lead the world with their consistently high and impressive growth which is backed by the demographic dividend and governed by a large middle class with rising levels of disposable incomes.

Session Speakers

- Mr Nyoman Adhiarna, Acting Director for Digital Economy, Ministry of Communications and Information Technology (Kominfo), Indonesia
- Dr Sandeep Dewan, Director & HOD, ECMO, Fortis Memorial Research Institute, India
- Ms Augustine Gunawan, Vice President Partnership Alodokter, Indonesia
- H.E. Mr Masni Eriza, Deputy Chief of Mission and Chargé d'Affaires, Embassy of the Republic of Indonesia
- H.E. Mr Manoj K Bharti, Ambassador of India to Indonesia
- Mr Girish Ramachandran, Member, CII International Council and President, APAC, Tata Consultancy Services

Key Messages

- India and Indonesia have committed to take two-way trade to US\$ 50 billion by 2025.
- Digital infrastructure, digital economy, digital government and digital society are the four pillars of Indonesian digital transformation.

- Indonesia is currently India's 9th largest trading partner in the world and the second largest trading partner in the ASEAN, with a total bilateral trade of US\$ 14.37 billion in 2020-21. The trade figures have witnessed a reduction in recent times, largely on account of the disruptions in world trade caused by the Covid-19 pandemic.
- Indonesia has one of the fastest growing digital economies, but action is required to ensure all-round, inclusive development. India on the other hand has ambitious goals to become US\$ 5 trillion economy by 2025 and set in place several digital initiatives to work towards this goal.
- Across the world, there is a shortage of specialist doctors in the interior and farther parts of the country. Expertise is clearly needed, and healthcare digitisation can really help in managing the clinical situation everywhere.

Detailed Takeaways

- Enhancing cooperation and strengthening digital initiatives especially in areas including digital skills, digital security, smart cities, blockchain, data flows and use of Information and Communication Technology (ICT) must be an integral part of India-Indonesia cooperation. As G20 leaders, both India and Indonesia have committed to work to leverage digital opportunities, address challenges to foster inclusive growth and development.
- Apart from trade and investments, India-Indonesia have agreed to work towards expanding cooperation in areas including sustainable development of marine resources, disaster risk management, tourism, maritime security, academic and science collaboration as well as security and defence cooperation.



- India and Indonesia must harness synergies in diverse areas including medicine and vaccine cooperation, invest in R&D for medical technology and vaccine development, human resource development and worker training in the medical sector, health and digital, infrastructure as well as investments in education and exchange programmes on bioscience and biotechnology.
- Indian Embassy in Indonesia has come out with a recent publication “KESAMAAN”, meaning similarities, titled The Next Step, which focusses on the two nations future endeavours and lists 19 different sectors for cooperation between the two nations.

Actions for Government

- India and Indonesia signed an MoU on bilateral health cooperation in 2018, aimed at strengthening collaboration in research and development, pharmaceutical ingredients and IT based medical equipment. As a follow up, first joint working meeting was held in Feb 2019 in New Delhi where Indonesia submitted a draft plan of action for implementation of the MoU which includes research and development in health sector, human resource, etc.
- India provides a ready-made online solution for intensive training modules, under I-Tech training for skilling healthcare workers. Indonesia’s Ministry of Health and Ministry of Information may like to take this opportunity to train their manpower online since Indonesia lays emphasis on skill development, especially in the health sector.





PROMOTING INDIA ISRAEL ECONOMICS COOPERATION BEYOND COVID

Introduction

The Indian economy is a prime destination for Israel be it exports or imports, with its 1.3 billion consumers led by 300 million citizens and with the purchasing power equal to the middle class of Western economies. Trade between the countries has grown from US\$ 200 million in 1992, when diplomatic relations were established, to US\$ 4.13 billion in 2016. Israeli exports reached US\$ 1.29 billion in 2015, but there was a 13% dip in 2016 with exports totalling US\$ 1.15 billion. Israel has 3 different trade offices in India and according to Invest India from 2000, more than 300 Israeli companies have invested hundreds of millions of dollars in India.

Session Speakers

- Mr Salil Singhal, Chairman, CII Task Force on Agri-Chemicals & Chairman – Emeritus, PI Industries, India
- H E Noar Gilon, Ambassador of Israel to India
- Mr Anil Agrawal, Additional Secretary, DPIIT, Ministry of Commerce & Industry, Government of India
- Mr Rohtash Mal, Chairman, EM3 Agri Services Pvt Ltd
- Mr Sushil Choudhary, Founder and CEO, Picture Time DigiPlex Pvt .Ltd
- Mr Eran Meller, Co-Founder & Chairman Eccopia, Israel
- Mr Doron Shalom, CEO, MS Tech, Israel
- Mr Guy Itzkovitch, Senior Manager, SCR Engineering, Israel

Key Messages

- The Indian economy is a prime destination for Israel be it exports or imports, with its 1.3 billion

consumers led by 300 million strong middle-class population with the purchasing power equal to the middle class of Western economies.

- Central government along with state governments has created a robust ecosystem for start-ups to support innovation and new technologies. Israel with world's best start-up culture can be a natural partner in catalysing the technological cooperation between the two countries.
- The Indian industry needs to focus on innovation because only through developing technologies in-house, that is unavailable globally we can get global funding.
- Covid-19 pandemic has provided opportunities to Israeli companies to look beyond the big metros in the country and encouraged them look out for business partners in other parts of country through digital platforms.

Detailed Takeaways

- Israel is the epitome of start-ups and innovative solutions, high-tech technology and entrepreneurship. Emphasis is given to renewable energy as it offers a huge opportunity for Israel companies to participate. In the Indian setting, there has been a significant surge in start-ups, and we have seen numerous unicorns emerge. This relationship has the scope of co-production and co-development and development institution around the defence corridor, collaboration related to research and technology for enhancing competitiveness.
- COVID has broadened the horizon for Israeli companies for Indian market. Interactions over the digital platform have encouraged Israeli companies to look beyond metros and reach out to the partners in other parts of India.



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- Israel has developed an India-Israel mentorship programme, in which they advise Israeli companies on how to enter the Indian market and teach them Hindi to make communication easier.
- Disruptions in supply chain arising due to covid-19 have given opportunities to Israeli companies to look for manufacturing partners in India.
- India is aware of the vast range of technologies and solutions that germinate out of Israel. There is a need to bridge the gap between the supply of ideas, innovation technologies and the application, which India needs to understand in order to make this relationship productive. India needs much more exposure to Israel to get more advantage from Israel as this partnership has tremendous potential compared to many other relationships.

Actions for Government

- The Government should focus on creating sector specific collaborations with Israeli companies where new ideas, technologies and funding can be complemented based on mutual benefits of companies from both countries.
- Israeli Start-ups should be encouraged to partner with Indian counterparts through multi-pronged approach i.e creating more channels of institutional partnership platforms and opportunities



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INDIA AND JAPAN PARTNERSHIP @ 70 – INVESTMENT, TRADE AND BEYOND

Introduction

The current global scenario offers fresh opportunities to both Japan and India for an enhanced engagement for mutual benefit. The two economies continue to embark on a new paradigm of co-operation and partnership. India provides a vibrant and rapidly growing market, a facilitative investment climate and multiple sectors for investment for Japanese companies. Japan too offers huge opportunities for expansion and investment. The recently announced investment policies offer the Japanese companies and SMEs to intensify the engagement especially in sectors like auto and auto components, textiles, food processing, chemicals, hi-tech, start-ups, IT, electronics, science and innovation and other strategic areas of collaboration.

Session Speakers

- Mr Hirose Naoshi, Vice Minister for International Affairs, Ministry of Economy, Trade and Industry (METI), Government of Japan
- H E Mr Satoshi Suzuki, Ambassador of Japan to India
- H E Mr Sanjay Kumar Verma, Ambassador of India to Japan
- Mr Takahiro Ebisu, President, Japan Chamber of Commerce and Industry (JCCII), & Managing Director, Sojitz India Private Limited
- Mr Shardul S Shroff, Chairman, CII Task Force on Insolvency and Bankruptcy & Executive Chairman, Shardul Amarchand Mangaldas & Co
- Mr Amur S Lakshminarayanan, Managing Director & CEO, Tata Communications Limited
- Mr Baba Kalyani, Co-Chair, India Japan Business Leaders Forum (IJBLF) and Chairman & Managing Director, Bharat Forge Limited

Key messages

- With a huge thrust in the Infrastructure sector by the Government of India through the union budget this year, there is an enormous potential for increased Japanese role in this critical sector which would define India's growth in the foreseeable future.
- India and Japan must expand cooperation and co-creation of knowledge in advanced manufacturing with Japanese academic institutions, research labs and Industries with a focus on automation, Artificial Intelligence (AI), Internet of Things (IoT), Robotics, etc.
- Digital innovation, sharing of data and information is one of the critical elements for the progress of both economies.
- Trilateral trade and project cooperation through the Asia Africa Growth Corridor is a promising route that can be replicated for other trilateral approaches in markets like CLMV countries (Cambodia, Laos, Myanmar and Vietnam), South Asia, Latin America etc.
- Supply chain resilience initiative can be a platform to build exports competitiveness; private players must partake in order to make it a more effective platform
- There was a sharp bounce back after the pandemic with FDI from Japan to India crossing US\$ 1.4 billion in the first half of 2021. Quad alliance can play a major role in increasing FDI investments and enhance business cooperation between the member countries including India and Japan, here again private players must act as catalysts to make the platform more efficient by filling the gaps of collaboration.
- India and Japan must understand each other's business cultures and systems rather than imposing one's ways over the other.



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Detailed Takeaways

- India's GDP has grown 8.4% on annual basis against a contraction of 7.4% during the same period last year, this is a testament to the Indian economy's resilience and fundamentals.
- About 14,000 Japanese companies have invested in India, so far. These companies have been contributing to India by creating employment, human resource development and supply chain building exports.
- In addition, business leaders from both countries have indicated the potential to work more closely in sectors such as technology transfer, clean energy, information and communications technology, biotechnology, and pharmaceuticals, waste management among others. A Government-industry body could catalyse such cooperation.
- India's competitive talent advantage can feed into Japanese R&D and product development.
- There is tremendous scope for collaborative initiatives in the area of technology. India and

Japan must expand cooperation and co-creation of knowledge in advanced manufacturing with Japanese academic institutions, research labs and Industries with a focus on automation, Artificial Intelligence (AI), Internet of Things (IoT), Robotics, etc.

- Japanese companies can contribute more to enforcement of export competitiveness, which is essential for Indian supply chain resilience.

Actions for Government

- The Digital Cooperation Partnership of 2018 must be a focus point with more engagement in start-ups, tech/digital investments such as those in healthcare and education using latest technologies and AI.
- India-Japan Industrial Competitiveness Partnership (IJICP) of 2019 is also an area wherein Indian government must work proactively to leverage Japan's industry 5.0 to boost India's smart manufacturing capacities.



MALDIVES

Introduction

India and Maldives share ethnic, linguistic, cultural, religious, and commercial links steeped in antiquity. Relations have been close, cordial, and multi-dimensional. The overarching objective of the Maldives country session was to create a platform to discuss the emerging business opportunities to further enhance trade and investment linkages between India and Maldives. The session deliberated on harnessing the untapped potential for Indian Industry in various sector of Maldives.

Session Speakers

- H E Mr Mohamed Iaad Hameed, Minister of State for Economic Development, Maldives
- Mr Munu Mahawar, High Commissioner of India to Maldives
- H E Dr Hussain Niyaz, High Commissioner of Maldives to India
- Mr Dorababu, CEO, SBI Maldives
- Mr S Paramasivan, Managing Director, Afcons Infrastructure Ltd
- Mr Samrat Datta, General Manager, Taj Exotica Resort & Spa, Maldives
- Mr Shrikant Dash, Deputy Managing Director, Atmosphere Hotels & Resorts, Maldives
- Mr G S Rao, Senior Vice President, Sri Avantika Contractor (I) Ltd
- Mr Vir S Advani, Chairman, CII National Committee on EXIM and Vice Chairman & Managing Director, Blue Star Ltd

Key messages

- India and Maldives share very special relations. For Maldives, relations with India have evolved as excellent partners at multiple levels.

- India has provided unwavering support to Maldives in its socio-economic and also working on strengthening its bilateral trade and investment component with ample opportunities to explore mutually sustainable economic development.
- Corporate India has had a long association with Maldives and are key partners for socio-economic development of Maldives.
- Maldives present enormous opportunities for enhanced Indian investments in various sectors. This was also reiterated by major Indian companies present in Maldives.

Detailed Takeaways

- As per India's "Neighborhood First Policy," India is supporting the government of Maldives in its socio-economic development and Maldivian government has also reiterated its "India First Policy" to work closely with the government of India on all issues.
- For combating the Covid situation, India has supported the vaccination program of Maldives. Maldives received the Indian vaccine within 72 hours of vaccination roll out in India in January 2020.
- For strengthening connectivity, India and Maldives entered in the Air Bubble agreement in August 2020 which boosted Indian tourist arrival in Maldives, which is now 25% of the overall tourist arrival.
- One of the key areas where India is assisting the Maldives is connectivity and infrastructure.
- The Indian government supported Greater Male Connectivity Project (GMPC) which would be the "largest civilian infrastructure project in Maldives consisting of a number of bridges and causeways to connect Male to nearby islands that span 6.7 km, taking much of the pressure off the main capital island of Male for commercial and residential purposes.



- The commencement of a direct dedicated cargo ferry service between India and Maldives in the August 2020 was an important milestone in the geo-economic and political relations between the two countries and a huge boost for business communities in both countries to expand their businesses and trade relations.
- India's development partnership with Maldives has grown from strength to strength. Indian companies are involved in many large infrastructure and high impact project which is around US\$ 1.7 billion.

Actions for Government

- There is an urgent need for both the Governments to diversify trade basket and also work on sectoral collaborations.
- To boost maritime related economic activities in the region, the Indian private sector can enhance trade and investment within the region in core activities including fisheries, minerals exploration, development of renewable energy and coastal tourism. Areas of cooperation can cover:
 - Development of infrastructure such as fishing harbours, ice plant, research and training centres, and fish processing units.
 - Indian industry may support the training courses, workshops for capacity building on stock assessment, analysis of data, fish-genetics and mariculture research in the Maldives.
 - India may help in exploring the opportunities for development of potentially new areas in fishery and aquaculture development.
- Having embarked on an ambitious programme to boost the share of renewable energy especially solar energy in its energy mix, India can work with Maldives to help develop a suitable renewable energy infrastructure.
- There is an immense scope for public sector development projects like ports, airports, housing, roads, infrastructure etc.
- In addition, India would be happy to share best practices in sustainable development with Maldives, especially in terms of technical cooperation and technology transfer in order to help Maldives efficiently harvest rainwater and manage waste.
- India's prowess in the IT space could be leveraged to help the island nation promote e-governance, and to develop human resources in the information technology sector.
- India can offer its expertise in setting up of multi-speciality tertiary care hospitals, tele-medicine, emergency management centres, speciality care centres among others.
- India could help Maldives set up Incubation Centres for Island Industry in various atolls and provide hands-on training to unemployed youth in the region.
- India and Maldives could collaborate in sectors such as coir industries, coconut processing, farming and processing of fruits, vegetables cold storage, marine industries among others.



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THE NEW MIDDLE EAST: DIVERSIFYING THE ECONOMIC STRUCTURE

Introduction

Covid -19 has shed renewed light on the need for economic diversification to provide a more stable path of equitable growth, especially in developing economies. For several years, countries across the Middle East have maintained the idea of diversification, especially at times when there is a drop in oil prices. For India too, diversification not only helps in raising GDP growth but also enabling millions of new people to join the workforce, every year. The Middle East is one of the youngest regions in the world with about 60% of the population being under the age of 25. Both India and Middle East have a keen interest in each other's economic progress.

Session Speakers

- Mr. Hussain Hassan Mirza Mohd Al Sayegh, Director & Head of Investment Affairs, O/o of HH Sheikh Hamdan bin Rashid Al Maktoum, Deputy Ruler of Dubai and UAE Minister of Finance
- Dr Saud Bin Abdulaziz Al Meshari, Secretary General, Federation of GCC Chambers of Commerce and Industry, Saudi Arabia
- Dr Jarmo Kotilaine, Economist & Chief Planning and Monitoring Officer, Tamkeen, Bahrain
- Mr. Pankaj Khimji, Director, Khimji Ramdas, Sultanate of Oman
- Mr. Bharat Bhatia, CEO, Conares, UAE
- Mr. Atul Punj, Chairman, CII National Committee on Construction and Chairman, Punj Lloyd

Key Messages

- The effects of the drop in oil prices and impact of Covid-19 on the economy of the Middle East have made the Gulf Cooperation Council (GCC) countries look towards those sectors and industries

that generate high net values for the economy, have high growth potential, faster innovation and are resilient to fluctuations in energy prices.

- These sectors include healthcare, telecommunications, and clean energy.
- Oman wants to focus on logistics, connectivity, openness, and manufacturing, among others.
- The UAE has given the opportunity to connect to 7.2 billion people through air and this has provided a lot of opportunity for any manufacturer to be set up in the country.
- UAE seeks a direct relationship and partnership with India and not simply be an importer and consumer of foodstuffs and products from India. UAE is keen to expand and move investments into India in sectors such as fisheries, nuclear energy, agriculture, petrochemicals, financial services etc.

Detailed Takeaways

- Unlike traditional practices where Middle Eastern investment money used to come into India through the west, financial flows are now happening on a bilateral basis. About 8.5 million Indians have found jobs in the Middle East and are strong contributors to the local economies.
- Indian remittances form the backbone of India's foreign reserves. UAE and Saudi Arabia are India's top trade partners in the Middle East. While trade has mostly been based on the fuel economy, there are immense opportunities to widen the trade basket. Some of the identified sectors that hold business potential between India and the Middle East include services, FMCG, automobiles, real estate, infrastructure, manufactured goods, etc.
- It is necessary to reduce structural barriers to innovation, promote capabilities, invest in



research and development, and promote competition. In the long run, this provides more job opportunities and higher quality products at the lowest possible price. It is very important to develop and keep activating the private sector.

- The Middle Eastern countries are at an inflexion point in their development journey. Covid-19 has accelerated the change. The growth drivers everywhere in the region will have to be different from what they have been in the past. More efficient and inclusive financial markets and technology are required as enablers for growth and development of the private sector.
- An inclusive and flexible workforce force could be a key driver to growth in the region and Gulf women could provide additional impetus. Engaging more of the young population will be dependent on creating jobs that sustain acceptable living standards. India and the Middle East have obvious complementarities.
- Oman has just completed its vision 2020 programme, which set up the country's education, health, and physical infrastructure. For their 2040 vision, Oman seeks to rely less on hydrocarbons and aims to have a GDP of 90% or more which is non-oil driven.
- Oman is trying to become a major player in cement manufacturing and is strategically positioned to fill the huge demand for cement in Africa.
- Countries in the Middle East are looking at food security. The Middle East region imports about 80–85% of its greens and grains from across the neighbourhood. Oman has very fertile agricultural soil and produces 60% of greens for its own market.
- Oman has been very conservative in growing, processing, and exporting its fishing stock. This has resulted in a very healthy resource in Oman's

waters. The country has close to 3000 kilometres of coastline which provides an abundance of fish stock.

- Currently, less than 2% of Oman's GDP comes from tourism. By 2040, Oman aims that 6% of its GDP should be from tourism, which is more eco-friendly, and more about landscapes and experiences.
- Opportunities for skilling and education need be looked at in the GCC countries. Vocational training is of utmost importance to have a strong local workforce and to decrease the dependence on importing.
- Since India is only two to three days away from UAE by ship, it would be beneficial to have a corridor between the two countries for trade.
- Investors need to have the option of routing their dividends straight from the bank in Mumbai back to Dubai without having to route it via Mauritius, London, etc. The UAE has recently issued a decree to allow foreigners to own 100% of 150 activities in the country.

Actions for Government

- Reduce bureaucratic procedures in India to help attract more investment from the Middle East. India to look at further improvement of ease of doing business parameters in order to get more foreign direct investment (FDI) from GCC countries.
- India to look at the option of bilateral free trade agreements (FTA) with Middle Eastern countries and then the possibility of a GCC level FTA.
- Government of India to have discussion with UAE Government regarding their mentioned hurdles in the way of UAE investments into India, i.e., investors should get the recognized share (reasonable ownership) and ability to repatriate any profit that they achieve, back to Dubai.



RUSSIA

Introduction

The country session held on 15th of December 2021 between India and Russia was about increasing strong bilateral trade relations. The session was focused on the recent visit of President Putin in India and the 28 MoUs signed. Both the countries will try to create a collaborative working environment in the sectors like energy, culture, intellectual property, accountancy and education.

Session Speakers

- Mr M V Ramanna, CEO- Branded Market, Dr Reddy's Lab, India
- Mrs Nonna Kagramanyan, Vice-President Business, Russia
- H E Mr Nikolai Kudashev, Ambassador of Russian Federation to India
- Ms Gina Uika, Deputy Chief of Mission, Embassy of India, Russia
- Mr Mikhail Golubkov, Deputy Head of Asia Countries-Division Department of Development Cooperation of Ministry of Economic Development, Russia
- Mr Nandan Unnikrishnan, Distinguished Fellow, Observer Research Foundation
- Ms Olga Levchuk, Deputy Director, Department of International Projects and Program, Foundation of Assistance to Small Innovative Enterprises (FASIE)
- Mr Pankaj Bajaj, Director, Bajaj Industries
- Mr Maxim Kuznetsov, Director, Russian-Asian Union of Industrialists and Entrepreneurs, Russia
- Mr Basab Banerjee, Founder and CEO, Magic Billion
- Mr Lawrence Stein, Vice President, Centre for Entrepreneurship and Innovation, Russia
- Mr Junaid Iqbal Khan, General Director, Flex Film (LLC) Uflex, India

- Mr Alexei Pinchuk, Chief Business Development Officer, SearchInform, Russian
- Ms Olga Levchuk, Deputy Director-Department of International Projects and Program Foundation of assistance to Small Innovative Enterprises (FASIE)

Key Messages

- India's vaccine partnerships to fight COVID, stable bilateral trade figures despite huge disruptions in global supply chains and COVID induced lockdowns have demonstrated resilience in bilateral partnerships between India and Russia.
- The inauguration of the 2+2 dialogue between the ministers of foreign affairs and defence will be instrumental in enhancing our recognition in the international arena to ensure favourable trade in a predictable global and regional environment, so that the cooperation remains comprehensive.
- There has been a thrust not only on the intensification of trade in the traditional sectors but also in new sectors which include inland waterways, civilian ship building and power, as well as organic chemicals, mechanical devices etc.
- India-Russia bilateral trade increased by 38% in 2021 which is a positive sign in terms of increasing business between India and Russia. Russia is the 8th largest market of packaged food making it a desired destination for business in packaging.

Detailed Takeaways

- One of the key areas of the partnership is establishing the free trade economic zone between Russia and India and signing the subsequent agreements. The most important task set by leaders of both countries is increasing the bilateral trade to US\$30 billion by 2025. Both the countries should strive to work hard towards achieving this target.



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- There has been a thrust not only on the intensification of trade in the traditional sectors but also in new sectors which include inland waterways, civilian ship building and power, as well as organic chemicals, mechanical devices etc. There has been a spurt in activities in regional cooperation.
- The main goal of India-Russia Joint Technology Assessment and Accelerated Commercialization Programme is to link Russian and Indian companies where they can collaborate on joint projects and technologies.
- The growth of Russia is dependent on getting trained certified workers from overseas and employers in Russia are looking at India for sourcing skilled manpower.
- India is focused on specific technology areas of applied science and innovation and has focused on 6 technical domains, 150 faculty and over 1000

students for a close educational experience, making them a next gen technological institute for Russia and the world.

- There is need to put stress on the point of working hard and to achieving what is planned and use this opportunity of trade partnership effectively by increasing the trade numbers by using all the knowledge and resources available.

Actions for Government

- Government of both the countries should focus on establishing a free trade economic zone and also signing the subsequent agreements.
- The Government of India should assist Russia in obtaining skilled and experienced labour. This will aid Russia's development.
- Both the countries should work hard towards Joint Technology Assessment and Accelerated Commercialization Programme.



SRI LANKA

Introduction

Sri Lanka is India's major trading partner in South Asia and is also a priority destination for Indian companies in the region. India's trade complementarities have significantly increased with Sri Lanka. The untapped opportunities that have been created between India and Sri Lanka are profound and inordinate. The session was organised to harness the untapped potential in enhancing bilateral trade and investments and attempted to address the challenges in realising potential.

Session Speakers

- Mr Vinod Jacob, Deputy High Commissioner, High Commission of India, Colombo
- Mr Suchira Surendranath, Director – Strategy and Investments, Brandix Lanka Ltd
- Mr Manjula de Silva, CEO, Ceylon Chamber of Commerce
- Mr Umesh Gautam, President, Indian CEOs Forum Sri Lanka & CEO, Lanka Ashok Leyland Ltd
- Mr B Thiagarajan, Chairman, CII Western Region & Managing Director, Blue Star Limited

Key Messages

- India and Sri Lanka enjoy a vibrant and growing economic and commercial partnership, which has witnessed considerable expansion over the years.
- India's partnership with Sri Lanka stands out as a role model in the region for good neighbourly relations and very few countries in the world share such close fraternal ties.
- Sri Lanka is India's major trading partner in South Asia. The bilateral trade between India and Sri Lanka in 2020-21 was US\$ 3.2 billion with Indian exports amounting to US\$ 2.3 billion and Indian imports amounting to US\$ 594.9 million.

- India is also one of the largest contributors to foreign direct investment (FDI) in Sri Lanka.
- The main investments from India are in the areas of petroleum retail, tourism & hotel, manufacturing, real estate, telecommunication, banking, and financial services. These joint ventures are not only meeting the Sri Lankan requirements but also helping in increasing the exports to India and other countries.
- At present, India – Sri Lanka trade is not commensurate with its potential and it is imperative for Indian business community to forge strong bonds with their Sri Lankan counterparts.
- Both economies are also trying to bounce back due to the unfortunate circumstances arising due to Covid-19 outbreak. Government of India as well as Indian companies have contributed and assisted humanitarian aid to Sri Lanka to fight the pandemic.

Detailed Takeaways

- The entry into force of the India-Sri Lanka Free Trade Agreement (ISFTA) in 2000 contributed significantly towards the expansion of trade between the two countries. Economic ties between the two nations also include a flourishing development partnership that encompasses areas such as infrastructure, connectivity, transportation, housing, health, livelihood and rehabilitation, education, and industrial development
- Sri Lanka has been accorded the highest priority in India's foreign and external economic framework. Indian industry aligns with this and believes that building mutual stakes in each other's development is the best strategy for closer ties; for this, Indian industry would like to further boost its investments in Sri Lanka.
- A number of leading companies from India have invested and established their presence in Sri Lanka.



- Similarly, investments by Sri Lankan companies in India are also surging and taking advantage of India's dynamic economy and wider market.
- The need of the hour is for a stable policy environment, liberalization of the parameters for doing business and encouragement to foreign capital. This would enable both our countries to move towards faster and more inclusive growth together.

Actions for Government

- India should look at giving lines of credit as it has done with Bangladesh on some of the key infrastructure, energy, and transport projects. It could also look at projects pertaining to building super specialty hospitals which can be operated by Indian healthcare providers.
- Digitization and E- Governance could be an important area of cooperation as it not only promotes technology upgradation but also generates employment. Improving digital connectivity in Sri Lanka can be an area that Indian companies should look at.

- Sri Lanka spends a substantial amount of their foreign currency for education in Australia, UK, USA and Malaysia. There is enormous scope for Indian education sector to establish campuses in Sri Lanka which will also help the latter in conserving foreign currency reserves.
- The Covid-19 pandemic has hit Sri Lanka's exports of niche garments to European and US markets. Due to the pandemic, several orders have been cancelled and it has affected the textile sector badly. Indian companies in this sector can look at collaboration with Sri Lankan counterpart in creating value chains.
- Expediting sea and air connectivity projects between India and Sri Lanka which would give further fillip to bilateral trade and investments

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VIETNAM

Introduction

With a shared vision for economic prosperity and a strong history of trade ties, India's economic relationship with Vietnam has made great strides over the past few years in trade and business cooperation. Both India and Vietnam are home to rapidly growing markets that offer immense opportunities for enhancing bilateral trade and investment. India-Vietnam bilateral trade stood at over US\$ 10 billion in 2020, with India ranking 8th in the list of top exporting nations to Vietnam.

Session Speakers

- H E Dr. Madan Mohan Sethi, Consul General of India in Ho Chi Minh City
- H E Mr. Pham Sanh Chau, Ambassador of Vietnam to India
- Mr Doan Duy Khuong, Vice-Chairman of Vietnam Chamber of Commerce and Industry
- H E Do Thang Hai, Vice-Minister of Industry and Trade, Vietnam
- H E Tran Duy Dong, Vice-Minister of Planning and Investment, Vietnam
- Mr Anuj Kacker, President and Executive Director, Aptech Ltd
- Mr Shantanu Srivastava, Managing Director & CEO, Ishan International and Chairman, Ishan Foundation
- Mr Indronil Sengupta, Co-Founder and CEO, Invesify Company Limited
- Mr Sanjay Budhia, Co-Chairman, CII National Committee on EXIM and MD, Patton International Limited

Key Messages

- Strength of domestic industries in Vietnam is in fisheries, agro-products, plastic, textiles, leather, infrastructure, wood, etc while the foreign

companies in Vietnam dominate technology sectors like mobiles, electronics, computer hardware products and IT.

- Vietnam has a good number of universities and engineering facilities, producing efficient quality graduates, ready to enter into different industries, across sectors.
- Under the new industrial policy, Vietnam is planning to improve its manufacturing and processing sector, set to contribute to 40% of GDP by 2030.
- In terms of trade, India has become one of the ten largest trading partners of Vietnam and its leading economic partner in the South Asia.
- In terms of investment, India currently has about 315 valid FDI projects in Vietnam with a total invested capital of nearly US\$ 1 billion.
- Despite the pandemic, there has been a 28% of increase in trade between Vietnam and India. Vietnam is emerging on the map of potential investment for India, a significant development and we shall continue to grow on that.
- The World Bank lists Vietnam today with one of the most improved countries in terms of ease of doing business.

Detailed Takeaways

- For expanding trade and investments, Indo-Vietnam cooperation needs to be strengthened and a strategic plan must be formulated to increase business to business linkages in identified thrust sectors.
- Expanding healthcare cooperation is an imperative. As a strong player in pharmaceutical manufacturing, India is a leading exporter to both Vietnam and the world. This sector is likely to see continuing growth and cooperation must be stepped up.



- Apart from safety, security and political stability, a young skilled workforce and low-cost labour have made Vietnam an important destination for foreign players.
- Building regional supply chains for deeper regional integration should be given high priority.
- Augmenting logistics and infrastructure connectivity needs to be emphasized. The heightened degree of volatility witnessed in the global trade environment has pushed businesses into diversifying their supply chains away from China, which has increased the importance of the India-Vietnam trade route for international business.
- Creating energy partnerships must be a focus area. India and Vietnam had signed an MoU at the India-Vietnam Virtual Summit to promote exchange of knowledge, best practices and information and to explore new business opportunities in the field of solar energy with the aim to bridge the gap between Indian and Vietnamese solar companies.
- Cooperation in disruptive technologies and digitalization is a must. On the digital payment front, India could share its experiences in creating an integrated, interoperable system with a unified interface that could be hugely beneficial as it will allow seamless transfer of funds across borders, incentivize innovations in payment systems and, in the bargain, enable fintech companies to expand their scale and operations.
- On the trade front, India can leverage digital cooperation mechanisms to engage through Digital Economic Partnership Agreements (DEPA) with

Vietnam as this will help facilitate seamless, end-to-end digital trade, enable trusted data flows and build trusted digital systems. Through end-to-end digital trade, business can look forward improved efficiencies and reduced costs.

- We need to actively improve our business capacities to improve efficiency and resilience. Digital transformation is one sector where partnerships between India and Vietnam is scalable.
- Vietnam has on offer a lot of opportunities for India for investment in energy, cultural innovation & digital transformation in health.

Actions for Government

- To work with State level chambers, sector specific associations to arrange online meetings and physical meetings once the travel restrictions are uplifted.
- The two Governments should closely coordinate to speed up market opening procedures, on priority, for commodities for which technical documents for import negotiations have been already submitted, especially in agriculture and fishery products.
- Long term visas to be considered issuing to frequent business travellers to Vietnam.
- To consider simplifying EXIM loans, with respect to policies and process, to facilitate the boost of India Industry interest to Vietnam, especially in areas like green energy, infrastructure, etc.
- Vietnam Government to consider revising the procurement laws in the pharmacy/ generic medicine sector for India pharma companies to invest in Vietnam.

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Confederation of Indian Industry

The Confederation of Indian Industry (CII) works to create and sustain an environment conducive to the development of India, partnering Industry, Government and civil society, through advisory and consultative processes.

CII is a non-government, not-for-profit, industry-led and industry-managed organization, with over 9000 members from the private as well as public sectors, including SMEs and MNCs, and an indirect membership of over 300,000 enterprises from 294 national and regional sectoral industry bodies.

For more than 125 years, CII has been engaged in shaping India's development journey and works proactively on transforming Indian Industry's engagement in national development. CII charts change by working closely with Government on policy issues, interfacing with thought leaders, and enhancing efficiency, competitiveness and business opportunities for industry through a range of specialized services and strategic global linkages. It also provides a platform for consensus-building and networking on key issues.

Extending its agenda beyond business, CII assists industry to identify and execute corporate citizenship programmes. Partnerships with civil society organizations carry forward corporate initiatives for integrated and inclusive development across diverse domains including affirmative action, livelihoods, diversity management, skill development, empowerment of women, and sustainable development, to name a few.

As India marches towards its 75th year of Independence in 2022, CII, with the Theme for 2021-22 as *Building India for a New World: Competitiveness, Growth, Sustainability, Technology*, rededicates itself to meeting the aspirations of citizens for a morally, economically and technologically advanced country in partnership with the Government, Industry and all stakeholders.

With 62 offices, including 10 Centres of Excellence, in India, and 8 overseas offices in Australia, Egypt, Germany, Indonesia, Singapore, UAE, UK, and USA, as well as institutional partnerships with 394 counterpart organizations in 133 countries, CII serves as a reference point for Indian industry and the international business community.

Confederation of Indian Industry

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