



Confederation of Indian Industry



®

**PARTNERSHIP
SUMMIT 2020**

**PARTNERSHIPS FOR LIVES, LIVELIHOOD AND GROWTH
15-18 DECEMBER 2020 | CII HIVE VIRTUAL PLATFORM**

Report, Outcomes and Recommendations

Contents

Foreword	1
Introduction	4
Inaugural Session	6
Geopolitical and Geostrategic Issues	8
Economy and Finance	18
International Trade	31
Investments	48
Technology Disruptions	73
Sustainability	82
Healthcare	93

Foreword

CII recently concluded the 26th edition of the Partnership Summit. The Summit marked 125 years of CII's existence and carried forward the agenda of strengthening partnerships between India and the world in its landmark year.

This year's edition of the Summit came in the wake of the Covid-19 outbreak. This pandemic has demonstrated that unwanted incidents occurring in distant places can have a direct impact on our lives. The risks to global supply chains have become painfully visible.



There are several emerging areas where international cooperation is bearing fruit. Countries are coming together to develop vaccines and therapeutic treatments to contain the spread of the virus.

Countries are also working together to ensure that the economic fallouts of the pandemic are evenly distributed so that no one country has to bear a disproportionate amount of economic recession triggered by the global pandemic.

There has been a lot of discussion around the role of supply chains and the nature of globalisation. Given the benefits of interconnectedness, countries are looking at building supply chains with countries that have a transparent decision-making process and facilitate free information flows.

Technologically, with the world moving to the digital space to continue their interaction, there is tremendous scope for collaboration. Apps such as Zoom and Webex have become buzzwords in the wake of the pandemic. India, with its inherent strength in the IT space is well positioned to take advantage of this trend.

In India, a host of measures were undertaken by the Government across key sectors to shield the Indian economy from the negative impacts of the pandemic and accelerate economic recovery. The focus on building a self-reliant economy or 'Atmanirbhar Bharat' is expected to jumpstart the economy's growth engines and pave the way for a sustained revival.

As nations and businesses can learn much from each other, the time is critical for global institutions and governments across the globe to come together to keep the growth momentum going and mitigate the adverse impacts of the pandemic through a coordinated approach.

It is in this backdrop that we organized this year's Summit with the theme - "Partnerships for Lives, Livelihood and Growth".

This special event covered an array of diverse topics covering geopolitics, technology, economics, investment, trade, sectoral and state level opportunities etc.

With the Partnership Summit 2020 being held on a virtual platform this year, it offered a unique opportunity to bring together eminent speakers and a much larger audience from across the world, thereby making it a vibrant and thought-provoking series of sessions that converged on all geographies on common challenges.

It is with that in mind that I am pleased to present the proceedings of the Summit.

Chandrajit Banerjee
Director General
Confederation of Indian Industry



Nitin Gadkari



Nirmala Sitharaman



Ravi Shankar Prasad



Dr S Jaishankar



Prakash Javadekar



Piyush Goyal



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Anurag Singh Thakur



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Suresh Prabhu



Lyonpo Loknath
Sharma



Caio Mario Paes de
Andrade



Bernd Lange



Ville Tapio Skinnari



Dr Christian Hirte



Shigehiro Tanaka



Uz Fayyaz Ismail



Yogida Sawmyanaden



Dr Than Myint



Hanneke Schuiling



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Dr Bandula
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Congressman Ami
Bera



The Rt Hon Alok
Sharma



Elizabeth Truss



Baroness Sandip
Verma



Lord Jitesh Gadhia



Dr Thani Ahmed Al
Zeyoudi



Lord Karan
Bilimoria



Dr Guruprasad
Mohapatra



Anshu Prakash



Rahul Chhabra



Arun Goel



Tarun Bajaj



S Aparna



Uday Kotak



T V Narendran



Sanjiv Bajaj



Chandrajit Banerjee



Kevin Rudd



Patrick Pouyanné



Paul Hermelin



Dr Duvvuri Subbarao



K V Kamath



Kim Fausing



Richard Heald



Indrani Bagchi



Dr C Raja Mohan



Darshana M. Baruah



Janka Oertel



Dr Stephen Brien



Stephen Smith



Atul Punj



Markus J. Beyrer



M V S Seshagiri Rao



Helena König



Dr Janmejaya Sinha



Dinesh Kumar Khara



Sanjay Nayar



Rajeev Kannan



Vishal Kampani



Ravi Lambah



Dr Shankar Acharya



Dr Mukesh Aghi



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Koopman



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Nicolas Pinaud



Arlinda Imbang Jaya



Wan Chee Foong



Prof Peter Draper



Dr Robert Yap

The Partnership Summit 2020

Introduction

The Confederation of Indian Industry (CII) and the Department of Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry organized the largest ever Partnership Summit during December 15-18, 2020 on the CII Hive Platform. The Theme for the Summit was Partnerships for Lives, Livelihood and Growth.

The Partnership Summit was organized in the backdrop of the Covid-19 pandemic which has disrupted economies, industries, businesses, systems and societies worldwide. A robust recovery from the pandemic would need newer systems, policies, partnerships and investments. The Partnership Summit 2020 was a significant step in placing India at the forefront of a changing geopolitical global scenario and the evolving economic, trade and investment dynamics.

This edition of the Partnership Summit was special as it marked 125 years of CII as an institution and CII carried forward the agenda of strengthening partnerships between India and the world in its landmark year.

Dialogue Tracks

The discussions extended across multiple critical domains under 7 key tracks.

Geopolitics/ Strategic

With a close connect of political and economic directions, The Partnership Summit explored various geopolitical trends shaping the world today. The Indo-Pacific region, US elections, Brexit, EU and other regions received high attention from participants across countries.

Economy and Finance

Economists and top industry leaders came together to deconstruct the post-pandemic economic situation in the world as well as in India, offering thoughts and perspectives on the emerging recovery process.

International Trade

The sessions regarding international trade and trade policy covered trade and production linkages in the post-Covid era with a view to reviving the disruption in global flows caused by pandemic. The issues and impact of trade protectionism and how to ensure global partnerships rather than inward looking policies were focus areas. In particular, the role of G20 was considered as well as fostering services trade.

Investments

With investments as key area in The Partnership Summit, sessions were held on the state of the global economy, ease of doing business, and new opportunities as well as on countries and Indian states.

Technology

The global digital economy, the future of jobs, changes emerging from COVID and the new technologies coming up were elaborated with diverse views being expressed.

Sustainability

The sustainability of growth, climate change, and environmental conservation is a global imperative. New sustainable business models and global collaborations examined during The Partnership Summit guided interested businesses.

Global Cooperation in Healthcare

A focus on public health for equitable vaccine distribution, medical technology, and preventing the next pandemic helped coalesce actions for developing countries on handling such health situations.

The Partnership Summit 2020 collated top policymakers, global investors and businesses as well as leading experts for an interactive and intensive discussion process with key outcomes that will serve as a guidepost for the future.

29 Ministers
Bangladesh
Brazil
Bhutan
Finland
India
Japan
Maldives
Mauritius
Mexico
Myanmar
Norway
Singapore
Sri Lanka
UAE

UK
Ukraine
USA

Showcasing the strengths of Indian industry to offer to the world, the Summit featured a virtual Investment Pavilion which included participation by Ministries of the Government of India and States, and more than 90 companies and organisations.

This report features a compilation of the outcomes emanating from the multiple discussions held on the key themes of geopolitics, economy and finance, trade, investment, technology, sustainability and healthcare. The outcomes from the various sessions could be useful in strategizing and directing policies for the future, in line with the requirements of the current global scenario. The report would also serve as a useful guide for industry in charting the way forward and deepening its international footprint.

The Partnership Summit 2020 – A Snapshot

Speakers

10 Indian Ministers
 19 Ministers from 15 Countries
 30 Global CEOs
 60 Heads of Institutions
 260 Speakers

Sessions

50 Sessions
 7 Country Sessions
 4 State Sessions
 7000 Delegates
 100+ Countries

Themes

Geopolitical and Geostrategic
 Economy and Finance
 International Trade
 Investments
 Technology Disruptions
 Sustainability
 Healthcare

Inaugural Session

The inaugural session of the Partnership Summit 2020 focussed around this year's theme for the summit - "Partnership of Lives, Livelihood and Growth".

The conversation centred around actions required from Governments and international policymakers to combat the global challenges posed by the Covid-19 pandemic. Perspectives on ways to achieve sustainable and inclusive growth across nations and global economic recovery were shared by the ministers in the session.

A common thread in the discussion was the importance of working together in partnership and building mutual cooperation among countries across the globe to overcome the current crisis.

Speakers

Mr Piyush Goyal, Minister for Commerce & Industry and Railways, Consumer Affairs, Food & Public Distribution, Government of India and Chair of The Partnership Summit 2020

Dr Bandula Gunawardhana, Minister of Trade, Sri Lanka

Dr Than Myint, Minister of Commerce, Myanmar

H E Ville Tapio Skinnari, Minister for Development Cooperation and Foreign Trade, Finland

Dr Thani Ahmed Al Zeyoudi, Minister of State for Foreign Trade, United Arab Emirates

Dr Guruprasad Mohapatra, Secretary, Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India

Mr Uday Kotak, President, Confederation of Indian Industry

Mr Chandrajit Banerjee, Director General, Confederation of Indian Industry

Key Messages

- Global cooperation and international solidarity are critical to find sustainable solutions and ways to mitigate adverse impacts of the Covid-19 crisis.
- International free trade will be the way forward – maintaining an open rules-based international trading system with WTO at its core will be critical for economic revival.
- The crisis has given the opportunity to fight common global challenges including climate change and other environmental challenges.
- Green transition and digitalization will be key drivers of economic recovery.
- With focussed action, India aims to grow sustainably at high levels and aims to achieve the target of becoming an US\$ 5 trillion dollar by 2025.
- India will play a key role in global economic recovery.

Detailed Takeaways

- Coordinated response measures are required on specific agendas including global liquidity and support measures, international flows of goods and services, and building resilient and sustainable economies.
- It is important for countries to align domestic policy measures with the pandemic situation. Countries also need to develop and rebuild business models to become more innovative and competitive.
- Both emerging markets and advanced economies must strengthen public health systems and implement reforms.
- Digital systems and digital technology, especially in sectors such as healthcare, education and services sectors, will be a key driver for sustainable growth and economic

recovery. New opportunities to entrepreneurs must be created utilising modern digital technology

- Investments must be accelerated over the next few years for a cleaner and greener future for encouraging sustainable growth
- With regards to supply chains, the best way to improve resilience is to diversify channels rather than closing borders
- India will have a key role to play in the global commons and can offer many solutions to the world through deepening and strengthening partnerships by exploring overseas opportunities
- India has undertaken a series of reforms with the Atmanirbhar Bharat strategy at its centre which will pave the way for its sustainable growth trajectory
- India has been systematically opening up to global investors and encouraging new businesses through strategic relationships with different investment partners. India is also strengthening its economic plans for the future and introducing conducive reforms and facilitative measures to encourage greater global involvement
- India has one of the world's most attractive tax rates and a congenial and facilitative FDI policy
- Historic reforms in sectors such as defense, mining, finance, agriculture, and labour will improve prosperity levels of the people of India

Actions for Government

- Build new bridges for fostering balanced and equitable growth and strengthening partnerships among countries
- Strengthen public health systems by implementing reforms

- Strengthen cooperation on digital infrastructure, necessitating Governments to make legislative adjustments
- Enhance multilateral cooperation on trade and investments
- Encourage greater investments and monetary support for research and innovation
- Undertake an active role in the WTO reform process, which is critical for restoring its credibility as a matter of priority
- Take forward the EU-India strategic partnership with the EU-India roadmap as guide
- Promote bilateral dialogue on India-EU FTA and take steps to reach an agreement on the issue of investment protection
- Enhance collaboration and promote dialogue on India-Finland commercial and economic relations in potential areas such as 5G, AI, quantum computing and eco-systems
- Explore new areas of collaboration including advanced manufacturing, defence, healthcare, food processing, space, AI and many others for further strengthening India-UAE relations

Takeaways for CII

- Encourage the business community to share views on global trade trends and supply chain linkages and explore way forward for further collaboration in dealing with supply chain constraints posed by the pandemic
- Build business linkages by bringing the international business community together, also building partnerships & strengthening global cooperation in the process
- Promote sustainable business by undertaking and encouraging greener and sustainable practices



Geopolitics and Strategic Affairs

Future Construct of the Indo-Pacific Region

The session on the “Future Construct of the Indo-Pacific Region” with Dr. S. Jaishankar, Minister of External Affairs, Government of India centred around the concept of the Indo-Pacific, which has gained increasing traction in recent times. The construct and definition of the Indo-Pacific, what the region represents for nations around the world and for India, its implications for global peace and prosperity and India’s role in the region were some of the central themes of the discussion.

The Indo-Pacific is essentially a maritime space and literally signifies the confluence of the Indian and the Pacific Oceans, that can no longer be handled as distinct spheres. The region is home to over 64% of the world’s population and accounts for 62% of the world’s gross domestic product (GDP). Over 50% of global trade traverses through the region.

Speakers

Dr S Jaishankar, Minister of External Affairs, Government of India

Mr Jamshyd N Godrej, Past President, CII and Chairman & Managing Director, Godrej & Boyce Manufacturing Company Limited

Key Messages

- The Indo-Pacific holds relevance across various aspects of the international community, including trade and investments, connectivity and travel, politics and security across the globe. Therefore, the security, stability, peace and prosperity of the region is vital for the world.
- While different regions have their own versions of the Indo-Pacific reality, for India, it represents a mix of its broadening horizons, widening interests and globalized activities.
- The changing construct of the region is the reflection of a set of global trends, reflecting the increased globalization of societies and rebalancing of power distributions.

- It is essential for nations around the world to build practical cooperation for world peace and prosperity and for collective benefits.
- India’s footprint is increasing in the Indo-Pacific along with its responsibilities, and changing the manner in which it is engaging with other countries, which truly reflects a New India.

Detailed Takeaways

- There is a strong need for building collaborative action around the Indo-Pacific for promoting a safe, secure and stable maritime space and combating threats to the region.
- Addressing the Indo-Pacific policy for all players in the international arena for ensuring security of the global commons is critical.
- In the Indian context, the Indo-Pacific holds relevance in all aspects including political, economic, connectivity, travel and societal spheres and relies heavily on ensuring the safety and security of the maritime domain.
- India’s Indo-Pacific Ocean’s Initiative (IPOI), announced during November 2019 at the East Asia Summit, is aimed at furthering practical cooperation as an open, non-treaty based global initiative.
- The IPOI rests on the seven key pillars that address the challenges of the international community including maritime security, maritime ecology, maritime resources, capacity building and resource training, disaster risk reduction & management, science, technology and academic cooperation, and finally, trade connectivity and maritime transport.
- The IPOI is an open and inclusive initiative seeking to better manage, conserve, sustain and secure the maritime domain. It aspires to provide urgent and coordinated solutions to shared problems and pressing issues.

- India will be a driving force for all the identified areas under the IPOI and is exploring partnerships with like-minded countries. Countries including Australia, Japan and ASEAN member states have already expressed willingness to work with India in these areas.
- India's approach to trade and connectivity is a consultative, viability driven, and partner-based approach that presents real opportunities for businesses.
- India has many interesting connectivity projects underway, including India-Thailand-Myanmar trilateral project, the India-Maldives connectivity project etc., which when completed will promote smooth physical connectivity between India and South East Asia.
- India is looking at how to activate US\$ 1 billion Line of Credit for connectivity projects in ASEAN region, including roads, shipping lines, and digital connectivity. These are opportunities for Indian companies.
- India's focus today is attracting more investments and technology partnerships under the Atmanirbhar Bharat Package. In this regard, the Production Linked Incentive (PLI) scheme and India's continuous efforts toward promoting ease of doing business will go a long way in driving investments.

Actions for Government

- Build practical cooperation and promote collaborative action around the Indo-Pacific region
- Need for regional cooperation on emergencies and addressing issues including environmental emergencies, protection of marine environment and marine resources, conservation of species etc. through a regional framework of cooperation
- Need to achieve coordinated efforts in increasing capacity and capacity building, particularly the small island states of the Indo-Pacific
- Take forward the MOUs signed by India on various trade and connectivity projects to ensure smooth physical connectivity between India and South East Asia

Takeaways for CII

- Engage industry more strongly in the Indo-Pacific region
- Work to align with Government priorities under IPOI
- Deepen trade connectivity in the region
- Use Line of Credit for connectivity projects in ASEAN

In Conversation: The Hon. Kevin Rudd

The Hon. Kevin Rudd AC, President, Asia Society Policy Institute and former Prime Minister, Australia was in conversation with Mr Dhruv Sawhney, Past President CII and Chairman and Managing Director, Triveni Turbine Ltd. at the Partnership Summit 2020.

The conversation focussed on the impacts of the current global pandemic, ways to tackle the crisis including India's role and how the shifting geopolitical relationships would play out in the post-pandemic period. It was emphasized that India would play a strong role in the global economic recovery process and would achieve even faster growth rates by continuing to be an open economy.

Speakers

The Hon. Kevin Rudd AC, President, Asia Society Policy Institute

Mr Dhruv M Sawhney, Past President, CII and Chairman & Managing Director, Triveni Turbine Limited

Key Messages

- China will be more powerful and under the new US administration, the bilateral relationship will be stabilised but not normalised. There is a sharp dialectic between the US and China and other countries need to take more binary positions.
- The current crisis arising out of the global pandemic is different from the financial meltdown of 2008 and the public health crisis has led to a real economy crisis which has severely affected global employment.
- A potential debt crisis looms, emanating from the current global economic problems as sovereign indebtedness and bank crisis may bankroll into a financial crisis.
- The G20 and global multilateral institutions including the IMF have learnt from the 2008 crisis and are proactively taking advance measures.

- The green economy approaches will play a significant role in the post pandemic long-term sustainable recovery. India has set up its own ambitious renewable energy goals and even exceeded them.
- India's clean energy initiatives are backed by global advances in green technology, especially solar power, wind power and energy storage.
- There are high employment and environmental gains from renewable energy. India has an opportunity in this. Focus on solar energy is required along with linking electric grids to the solar power generating plants and decommissioning of coal plants.
- There will be a new dynamic in the China-US relationship because of the new US administration.
- The current crisis provides an opportunity to build a more resilient, sustainable economy that will put the world on an irreversible path of net-zero emissions.
- The focus must be on creating more jobs, building a modern, sustainable infrastructure and delivering an equitable clean energy future.
- The Chinese private sector played an important role in the tremendous economic growth that China has witnessed, particularly in the past two decades or so.
- The world wants India to be stronger and to do this, it must have an open economy. It can achieve 10% growth rates rather than 5% growth rates with more openness to trade.

Detailed Takeaways

- President Xi Jinping is likely to be China's leader till 2035.
- China first brought in market disciplines, removed domestic barriers to trade and encouraged the private sector which now

contributes 60% to the economy. However, the government is now changing the mix of public and private sector and the 5% growth rate is therefore a question mark for the longer term.

- The US is China's major focus as it wishes to become a major and dominant power in the wider Indo Pacific region.
- India looms large in the China strategy along with US, Japan, Korea and Russia in the "top 5".
- There is a deepening strategic relationship between India and US.
- India should join the Asia Pacific Economic Cooperation (APEC). The fear in India is that FTAs will cause contraction. In the case of APEC economies, there were adjustments, but the economic cake grows. India should open up and consider joining RCEP for regional markets such as Korea, Australia and Indonesia.
- India must develop a full economic union with full regulatory harmonisation so that registration of goods, services, and employment can be applicable across the country. For example, an approval given to a company registered in Gujarat should be recognized in UP. Mutual recognition of approvals should be developed for all states.
- This can be done over a period of three years through an intergovernmental agreement of all chief ministers with central government to accept each other's standards. Thereafter, India should open to the rest of the world and join RCEP and APEC after about 7 years.
- In the new US administration, the priorities will be getting the pandemic under control, green economic recovery and climate change.
- India should have a dialogue with the US on jointly entering RCEP and embrace Trans Pacific Partnership.
- India should urge the US to reduce visa restrictions on students and workers and the new US administration may be better inclined to do this.

Actions for Government

- Look at forms of common or collective security measures as well as coming out of the original non-aligned movement, something like an Asian Pacific Community which establishes a basic level of principles of confidence of security building measures in an increasingly bipolar world, so that we do not enter into crisis, conflict or war by accident
- Have a time frame within which to sign the RCEP and work towards that
- New Delhi should aim to join the Trans-Pacific Partnership and have a strategy in place for that
- Work with the new US administration on climate change and reducing visa restrictions
- Ensure that the decline in the real economy because of the pandemic does not have a cascading effect on the financial sector in India
- Decommission coal plants and link solar energy to electric power grid

Takeaways for CII

- Explore how Indian industry can increasingly do business with US and leverage on the opportunities thrown up by the focus on fighting climate change, in view of the priority of the new US Administration on climate change
- Work with the Indian government to enter RCEP and APEC
- Urge Indian and US governments for a more open visa regime
- Work towards a Universal Registration in India as is done in Australia, i.e., if a business registers to do business in a particular state, it can operate all over the country without restriction
- Play a role in solar energy and linking electric grids to the solar power generating plants

Global Response to Assertive Expansionism

The session focussed on how the current pandemic has given rise to new rules of international engagement and realities of geopolitics. The current geopolitical landscape is tense and negotiations on disengagement with China has been a central theme of the debate. The pandemic told its own story of not only how China dealt with its borders but also how it used the pandemic to push the boundaries of its own power.

Speakers

Moderator: Ms Indrani Bagchi, Diplomatic Editor, Times of India

Dr C Raja Mohan, Director, Institute of South Asian Studies, National University of Singapore

Ms Darshana M. Baruah, Non-Resident Scholar, South Asia Program at the Carnegie Endowment for International Peace & Visiting Fellow at the Sasakawa Peace Foundation, Tokyo, Japan

Ms Janka Oertel, Director, Asia Programme, Senior Policy Fellow, European Council on Foreign Relations, Belgium

Dr Stephen Brien, Director of Policy, Legatum Institute, UK

Mr Stephen Smith, Former Minister of Defence and Foreign Affairs of Australia and Board Member, Perth US Asia Centre, Australia

Key Messages

- Given China's size as the second largest economy of the world, every country has a reason to engage with China. China has the capacity to pacify and neutralize much of its periphery and its making of an example of Australia is really a signal to those who are willing to contest. China has learnt to weaponize economic interdependence.
- The maritime domain is the key geopolitical theatre in the emerging competition today.
- Maritime security as a foreign policy engagement is fairly new, especially for a country like India and so is the competition in the maritime domain.
- Today in the Pacific, maritime partnerships are essentially the heart of India's bilateral engagement and strategic partnerships, whether it is the Quad or going beyond the Quad to France, Indonesia or even going as far as the Pacific Islands.
- Over the past years, Europe has witnessed a power shift in the world which has led to various readjustments in policy, including European sovereignty, and the idea that Europeans have their own capacity to act in all areas such as digital to trade to health to supply chains.
- Europe needs to have multiple options and not be too reliant on certain partners in certain facets. One of the aspects of this is the deterioration of the Trans Atlantic relationship.
- There is progressive fatigue in Europe when it comes to market access in China. Also, it is important to address the deterioration of human rights situation in China and its assertive policies in the region.
- Europe also noted China's regional acts, which quite resonated in Europe. The bluntness of the tools being used regionally is sometimes in contrast to the creative coercive tools that we see on trade and technology dependence which is more than the area what is seen in Europe.
- There is a shift from the time of the UK coalition government in 2010 sending a very high-level delegation to China, and India at the time when it was thought that both nations to be part of each other's future trading, diplomatic and economic relationship. While, in the Indian context these have grown, there is a question mark on the UK relationship with

China. Rolling out of 5G is not in Europe's interest. Also, there is the issue of the Chinese infiltrations of a lot of institutions and the issue of human rights. China has put sovereignty and nationality over human rights.

- There is enormous concern about a rising China and the increase in traditional territorial and maritime disputes that the world is witnessing.
- As China has been the largest trading partner for around 200 countries, decoupling from it would be difficult.
- Over the past 4 years, the world has also lacked a US leadership.

Detailed Takeaways

- We are in a pandemic hit world which has given rise to new rules and realities of geopolitics.
- Australia has been at the receiving end of a lot of assertive expansionism by China, not only in terms of territory but also in terms of economic influence, and trade and tariff and non-tariff barriers put up against Australia indicate China's new muscular policy.
- Today, China's assertion and muscular approach to problems and use of multiple instruments to cow down neighbours are quite dramatic.
- Given China's size as the second largest economy of the world, every country has a reason to engage with China.
- Maritime security as a foreign policy engagement is fairly new, especially for a country like India and so is the competition in the maritime domain.
- This scrambling or competition for power in the Indian Ocean over small island states with geographical access to key choke points has led small states to maximize their contest and influence to draw attention to issues important to them.
- The competition for expansion is not just restricted to military activities. Other areas

are to participate and deploy in non-traditional security issues. An example is the widely known case of anti-piracy in Africa where China sent its first submarines to the region for anti-piracy missions.

- Issues such as smuggling, disaster response, and blue economy all carry strategic implications in the form of influence and engagements today.
- The system of multilateral institutions has been set up with the notion of nation states protecting the interests of private individuals and property rights and trading etc. and that leads to a world in which it is really hard in the structure of WTO to play a tightening game against China. The raison d'être of WTO is to facilitate trade mechanisms and trade agreements to move towards the journey of freer trade and thus the use of trade as a negotiating tool in the bigger strategic set up is challenging to its mindset.
- The biggest challenge is to build a set of world institutions that has broader legitimacy in the 21st century, that have the power to legitimize sovereignty so that they can bring other nations in in maintaining order.
- We need the US leadership again in the Indo Pacific. We need a regional architecture which can be used in the economic front, strategic front and, the military front.
- Unless the stronger countries stand up and speak, the situation will not improve. In Brussels, capacities for this are being built up. For example, an FDI screening mechanism has been concluded. Europe is also trying to figure out the legal framework to deal with China.
- The US Treaty Alliance with Japan and Australia was devised against the Soviet Union. The longer the discussions take, the more countries will be sucked into China's periphery. The world needs to take strong actions. There are multiple ways to do this in the Indo Pacific such as official trilateral discussions between Japan, India and Australia and others. A multi-pronged framework across the Indo Pacific is the way to address the China challenge.

Actions for Government

- Important to join an international call-out of China's violation of basic norms to delegitimize its actions and do much more in multilateral / international forums
- China is also massively dependent on exports to the rest of the world. With that size of exports, if 3 or 4 major economies respond to the actions that it is doing, then costs on China can be increased in indulging in such actions, whether through WTO or other multilateral forums
- China has been deploying fishing vessels which can travel and enter areas which is difficult to do for military ships. Chinese fishing vessels are present from Andaman & Nicobar Islands to South America. Government needs to have a coordinated response
- India could take the lead in creating the information fusion centre around the South China Sea
- Serious steps are needed towards economic thought and action, on military and defence and strategic and security action.

Takeaways for CII

- The changes in Europe's approach to China are opening up a range of opportunities with other partners. An Indo Pacific awakening is happening in the past year or two. France, Germany, and the Netherlands are coming out with guidelines and strategies on the Indo Pacific. CII can give recommendations in this regard
- A Pan Europe approach of engagement towards the Indo Pacific is developing that is not just military or security, but extends to climate change, biodiversity, non-traditional military, etc. There is huge potential in collaborating specially with India. CII can lead these movements
- Recommendations are required for India's economic and strategic involvement in the Indo Pacific and its role in the East Asia Summit

European Union - India: Strategic Partnership in a Re-aligned Global Order

India and the European Union partnerships are key in a rapidly shifting world with shared agendas, that can shape future geopolitical politics and dynamics. India's export to the EU countries in 2019-20 stood at USD 54 billion while imports recorded USD 52 billion. Trade is evenly balanced, and the EU is one of India's largest markets in exports and services as well. The India EU bilateral trade and investment agreement is an area of concern that needs to be addressed in this partnership. India and the EU started negotiating a Comprehensive Free Trade agreement in goods and services in 2007.

Even after several rounds of negotiations held until 2013 the negotiations could not be completed as a series of differences remain over issues like tariff cuts in automobiles, wines and spirits procurement, market opening and movement of professionals. The two parties have had a series of stock taking at senior official levels over the years to work out the modalities for resuming the negotiations. Indian industry looks forward to the finalisation of the bilateral trade and investments at the earliest.

Speakers

Chair: Mr Atul Punj, Chairman, CII National Committee on Construction and Chairman, Punj Lloyd Limited

Shri Hardeep Singh Puri, Minister of State (Independent Charge) for Civil Aviation and Housing and Urban Affairs, and Minister of State for Commerce & Industry

Ms Helena König, Deputy Director General - Trade, European Commission, Brussels, Belgium

Mr Rahul Chhabra, Secretary (ER), Ministry of External Affairs, Government of India

Mr Bernd Lange, Member of the European Parliament & Chair of the International Trade Committee (INTA) of the European Parliament, Brussels

Mr Markus J. Beyrer, Director General and CEO, Business Europe, Belgium

Mr Christian Hirte, Member of Parliament, Germany

Key Takeaways

Partnerships and cooperation for trade and investments should be in the following areas –

Healthcare

- The COVID pandemic has put healthcare as the topmost priority with all countries where mutual synergies in the field of healthcare to share capabilities and experiences, and strengthen production and development of pharmaceuticals and vaccines, healthcare research and development, and diagnostics and treatment could be strengthened.

Digital Technologies

- Artificial intelligence and digital technologies are areas where EU and India could partner and make a big difference to the global economy.
- Digital technologies can ensure sustainable development and economic outcomes for both EU and India and these partnerships could be strengthened.
- Major opportunities are present for India and EU to collaborate and strengthen and diversify supply chains through the use of smart technological sovereignty.

Trade and Investments

- Both economies should work together to further develop trade and investments relations, particularly in the context of post COVID economic recovery and supporting sustainable growth and jobs.
- Work needs to be done for creating balanced, ambitious and mutually beneficial trade and

investment agreements; opening markets and creating a level playing field on both sides.

Sustainable Modernization Partnerships

- The India EU partnership could be enhanced through a wide range of cooperation tools and activities including financial and technical assistance, consistent with and in pursuance of obligations and responsibilities under major international agreements such as UNFCCC and the Paris agreement, as well as the United Nations Convention on Biological Diversity.

Other areas of cooperation

- Science and technology, climate change, clean energy, environment, biotechnology, food and food supply, urban development, information and communications technology, research and innovation etc. cooperation should be strengthened.

Actions for Government

- EU and India need to stand up together for a rules-based multilateral trading order and against protectionist tendencies and policies. EU and India need to work together to revive the WTO as it is in their interest otherwise they would become decision takers rather than makers and countries like China and US would be taking the decisions and imposing them on others.

- EU and India together need to focus on investment facilitation and protection, especially in view of the current need for diversification of supply chains.
- EU and India should negotiate an Investment Protection Agreement. It is an important signal to EU companies that demonstrates that they are welcome in India.
- India has made large strides in EODB but should continue taking steps to continuously improve the business environment.
- EU and India need to intensify cooperation on connectivity, both hard and soft. EU and India should jointly identify connectivity projects to bring their companies and funding together.
- EU and India should find ways to improve and increase market access for their companies for products and services. India and EU must continue to negotiate the FTA as the ultimate goal, and, in the meantime, use the High level Dialogue to address existing barriers.

Takeaways for CII

- Continue to take up negotiations on an India-EU free trade agreement
- Position India as a viable destination for inward investments through stronger networking, particularly in key large EU economies



Economy and Finance

Session with Mr Nitin Gadkari, Minister of Road Transport & Highways and MSME, Government of India

Introduction

Mr Nitin Gadkari, Minister of Road Transport and Highways and MSME delivered a special address at the Partnership Summit 2020. During his interaction with the industry members he spoke about the government initiatives and plans in 3 major areas including infrastructure development, initiatives to strengthen the MSMEs in India and the government plans of enhancing the mobility systems in the country.

Speakers

Mr Nitin Gadkari, Minister of Road Transport & Highways and MSME, Government of India

Mr Vipin Sondhi, Chairman, CII Trade Fairs Council & CII National Committee on R&D and Innovation and Managing Director & Chief Executive Officer, Ashok Leyland Limited

Key Takeaways

Infrastructure

- The National Infrastructure Pipeline (NIP) of Rs 111 trillion highlights that the Government has already drawn out a framework towards implementation of infrastructure development.
- Out of the total NIP of INR 111 trillion, INR 44 trillion (40%) worth of projects are under implementation, INR 34 trillion (30%) worth of projects are at the conceptualisation stage, and INR 22 trillion (20%) worth of projects are under development.
- The Government has set a target to invest INR 25 trillion in the road development sector.
- The Government is also promoting FDI in the road sector and several foreign companies are forming partnerships with Indian firms in this sector.
- Multiple initiatives have been undertaken in the infrastructure sector in the recent past

like de-risking of projects to encourage private sector participation, creating a focused plan for InvIT in the road development sector; attracting large global institutional investors such as SWFs, Pension Funds, Insurance Funds etc. and the creation of National Investment and Infrastructure Fund (NIIF) - a collaborative investment platform anchored by the Government of India; and implementing multiple taxation reforms covering both direct and indirect taxes.

- The Government has set a target of constructing roads worth INR 15 trillion (US\$ 212.80 billion) in the next two years. Multimodal transportation to enhance competitiveness, developing waterways, access control highways and the existing Bharatmala project are some of the other key projects undertaken.
- Projects such as Delhi-Meerut Highway and Bangalore-Chennai highway are also under implementation, besides many tunnels to connect remote locations in the next few years.

MSMEs

- The Government has been trying to support the growth of MSMEs through various policy changes and packages. It has kept a target to reach 60% exports from MSMEs and create 50 million jobs in the next 5 years.
- Multiple initiatives have been taken by the Government including regulatory measures like changing the definition of MSME, funding measures like Credit Guarantee scheme & Credit Linked Capital Subsidy Scheme, and interventions like cluster development programme, MSME Technology Centres, etc.
- The Government has taken several steps to enable MSMEs to adopt technology. This will lead to a paradigm shift in the way MSMEs approach and operate their business and help them establish global linkages.

Mobility

- As a part of mobility initiatives, four key areas have been covered including Emission Norms & Environmental Sustainability, Road Safety & Regulations, Alternative Fuels & Fuel Choices and Digitalization & Smart Mobility.
- Several digital interventions for traffic safety and rule enforcement have been undertaken.
- The FASTag initiatives will make toll collection completely electronic.
- The Government is also focused on developing alternate fuels as well as electric vehicles and is trying to bring out an integrated Roadmap for Alternate Fuels with phase wise introduction of different fuel options for supporting infrastructure.
- There is focus on innovation and creating new models of transportation.
- A pilot initiative is being undertaken in Nagpur,

where the existing facility of broad-gauge tracks are being used for local transportation. This will help in reducing the cost as well as pollution.

Actions for Government

- Form a public private initiative with retired judges and high officials with legal status and identify new mechanisms

Takeaways for CII

- Hold discussions on the public private initiative and engage experts in the sector including industry, retired judges and officers
- Partner with Government to promote use of technology to support local MSMEs
- Conduct a study on the pilot initiative in Nagpur along with more studies in the areas of integrated transportation like waterways, ropeways etc.

Session with Mrs Nirmala Sitharaman, Minister of Finance and Corporate Affairs, Government of India

Introduction

During the session with Mrs Nirmala Sitharaman, Minister of Finance and Corporate Affairs, the discussion veered essentially around the issue of 'Partnership for lives, livelihood and growth', the theme of the Partnership Summit. It was noted that these are the three key words where there was need to build synergies for prosperity and growth. The Finance Minister elaborated on the priorities of the upcoming Budget as healthcare, infrastructure and growth.

Speakers

Mrs Nirmala Sitharaman, Minister of Finance and Corporate Affairs, Government of India

Mr Uday Kotak, President, Confederation of Indian Industry

Key Messages

- Healthcare would be the top-notch priority of the Government in the near future.
- The Government would fund expenditure not only for building hospitals but also creating capacities, human resources, technology and skills for use of telemedicine, among others.
- India is fortunate to have the facility and capacity to not only produce the vaccine but also export the same for a humanitarian cause.
- The Government is considering policies which would be in sync with industry needs.
- The Government's focus is on 'Atmanirbhar Bharat', with the commitment to engage with the world.
- India would be a source of global economic revival considering the size, population and potential of the nation.
- Newer systems such as work from home, new

technology adoption, etc., would become a part of emerging work culture.

- Despite the pandemic being unanticipated, it caused much less disruption in the hinterland due to the country's resilience. The stress in the urban precincts was far higher.
- Digitisation, fintech and manufacturing including industry 4.0, infrastructure building and tourism will be the sectors to look forward to for next Partnership Summit.

Detailed Takeaways

- Public-private partnership is needed to help the health sector scale up, by investing more in medical R&D, biotechnology and pharma R&D.
- The inputs received from the health sector would be given good consideration in the Budget.
- The Government seeks growth-inducing big ideas and inputs derived from introspection by industry, which would be used for creating a 'Budget like never before'. This in turn would help India emerge as the engine for global growth and economic resurgence.
- The Government is engaging with stakeholders so that jobs are defined better and there is scope for new crop of workers and women in employment.

Actions for Government

- Extend support to stressed sectors disrupted by the pandemic and to areas which would become centres of newer demand
- Build capacities in newer areas and be part of the global supply chain
- Provide vocational training and skills to workers to adjust to the new normal
- Address and encourage women's workforce participation

Takeaways for CII

- Share innovative ideas for promoting growth for the Budget
- Keep healthcare high on the agenda
- Bring out new ideas on skilling and training for the new normal

An Indian Economic Resurgence

The session on 'An Indian Economic Resurgence' focussed on the prospects of India in a changing economic landscape, as democracy, demography, demand, and diversity converge to make it a growth hub.

Speakers

Chair: Mr Uday Kotak, President CII and MD & CEO, Kotak Mahindra Bank Ltd

Shri Arun Goel, Secretary, Department of Heavy Industry, Ministry of Heavy Industry and Public Enterprises, Government of India

Mr K V Kamath, Former President, New Development Bank

Mr Peter N Varghese AO, Chancellor, The University of Queensland

Mr Kim Fausing, President and CEO, Danfoss

Mr Paul Hermelin, Chairman of the Board of Directors, Capgemini

Dr Rakesh Mohan, Former Deputy Governor, Reserve Bank of India (RBI)

Key Messages

- The Government has taken significant steps in the areas of labour, agriculture, digitalisation, etc.
- Infrastructure, healthcare, sustainability, education and defence are five structural areas which will require greater focus for a sustained resurgence of the Indian economy.
- The Government should implement stronger enforcement of contracts, especially at the state level and focus on reviving private investments and creation of jobs for a turbo charged recovery.
- Manufacturing would acquire a significant role in contributing to a US\$ 5 trillion Indian economy by 2025. The manufacturing sector will have to contribute US\$ 1 trillion (from the

current US\$ 400 billion) towards this vision, necessitating an annual growth of 20 per cent for the next five years.

- A new growth paradigm has set in and India should leverage on the decade gained due to the pandemic.
- The digital super-cycle along with the start-up mindset amongst Indians will drive growth in a manner which is democratic, demographic, digital, disruptive, dematerialised, and demonetised.

Detailed Takeaways

- Transformative changes are required to achieve the desired 20 per cent growth in manufacturing. The automotive sector is a success story of Indian manufacturing, having achieved 90 per cent indigenisation and expanding considerably.
- The recent Production Linked Incentive (PLI) scheme, with an outlay of around INR 1.5 trillion is expected to provide a big boost to Indian manufacturing.
- The Government is also focussed on promoting engineering R&D in a big way, to encourage higher value addition in manufacturing.
- A US\$ 5 trillion-dollar economy will require a significant amount of building to be done across different areas such as roads, railways, ports, urban and rural development, etc.
- The focus must be on creating energy efficient infrastructure, future oriented agriculture and food production, solar and renewable energy, e-mobility, electrification of the marine sector and highway machines, among others
- The quality of India's manpower is its gigantic asset. It has showed resilience and flexibility during COVID.
- The development of the Indian telecom sector is a spectacular achievement as it continues to

support people to work from home. Data will transform most industries, and industry needs a combination of both data and engineering skills. India should invest more in creating engineering skills.

- Given the recent developments in the context of China, countries and companies are looking at diversification strategies, and India should take advantage of these opportunities.
- India should look at East Asia plus Australia, as bulk of the global growth will come from East Asia. Australia sees India as an economic and strategic partner and wants to strengthen people to people connect between the two countries.
- The India – France relationship is also at an all-time high, with French companies wanting to not just Make in India, but also export from India.
- India has demonstrated in the past that it can deliver high economic growth rate, especially when it opened itself both internally and externally.
- As growth rates have declined since 2011, India should re-set its economic policy now to make growth the central theme.

- Reforming and strengthening the financial sector will channelize savings and support private investments in the economy.

Actions for Government

- Target investments to fast-track India's transition to a greener economy
- Reduce friction for industry and make it easier to establish and operate businesses in India
- Continue to engage with China on the economic front despite the political tensions
- Reform and strengthen the financial sector to enable India to achieve a sustained and high growth rate
- Strengthen Government at all levels and improve public services to enable private sector to invest and grow

Takeaways for CII

- Conduct dialogues with Government on manufacturing, infrastructure and digital economy
- Target specific countries such as Australia and EU region for intensive activities to leverage current elevated interest in India
- Assist in brand promotion

Developing Financial Markets for Financing Growth

Introduction

Long-term sustainable growth requires an assured fund flow to critical sectors of infrastructure, manufacturing, and social sectors of education, healthcare and inclusiveness. Simultaneously, small and medium enterprises require a constant flow of capital for growth, while households look for productive ways to deploy their savings.

Well-functioning financial markets with deep and strong bond markets can be the differentiator in an economy's path to faster growth. The session examined the best practices among economies for equity markets, foreign exchange markets, bond markets etc., to develop efficient channels that will drive capital to the most important sectors of the economy.

The session also focused on issues inhibiting the development and financing of India's economic growth, including a low credit to GDP ratio, difficulties in raising finance, importance of robust secondary markets, among others.

Speakers

Chair: Dr Janmejaya Sinha, Chairman, CII National Committee on Inclusion and Digitization and Chairman – India, The Boston Consulting Group India Private Limited

Mr Dinesh Kumar Khara, Chairman, State Bank of India

Mr Sanjay Nayar, Chairman, CII National Committee on Private Equity & Venture Capital and Partner & CEO, KKR India

Mr Rajeev Kannan, Managing Executive Officer, Deputy Head, Asia Pacific Division, Sumitomo Mitsui Banking Corporation

Mr Vishal Kampani, Co-Chairman, CII National Committee on Financial Markets and Managing Director, JM Financial Ltd.

Mr Ravi Lambah, Joint Head, Investment Group, Head, Global Direct Investments, Head, India, Temasek International

Key Messages

- There is a need to analyse whether banks are comfortable taking on risks in funding infrastructure and how India should deal with the prevailing challenges and the opportunities available.
- India's investment in infrastructure development of over INR 100 trillion would be possible only if the capital market is opened up further and foreign participation is encouraged.
- It is important for India to significantly accelerate the pace of improvements in financial reporting.
- If India were to have a development finance institution (DFI), the source of its funding should be international. It is impossible to achieve the envisaged economic growth trajectory only through domestic source of funds.
- A lot needs to be done for the development of local corporate debt markets. There is an urgent need to unlock local sources of long-term savings, especially the ones lying with insurance, pensions and some banks.
- It is the right time for India to have a Bad Bank.
- The global economy is heading towards a completely new world, especially in terms of technology bifurcation, supply chain, etc. The only way to try and position India for foreign capital is to enhance competitiveness.
- If India were to reach the \$5 trillion mark, it is important for the economy to have many more well-capitalised banks. The country needs 10 to 15 more banks, which are capitalized enough to be able to move financial savings

into interesting instruments and products, which in turn could fund the country's long-term growth needs.

- Credit has to grow at a much faster rate than the GDP. India could think of a banking vehicle created with different leverage ratios and different parameters, only focused on wholesale banking.
- India has significant opportunity in the field of green capital or green finance. So far, there have not been significant activities relating to green or sustainable financing in the country and it would be interesting to look in that direction.

Detailed Takeaways

- There is a need to have a robust corporate bond market in India.
- It is important to encourage issuers of all kinds, irrespective of the ratings, to access the markets.
- A regulatory framework is required that provides the freedom to investors to be able to invest, particularly institutional investors, and issuers to freely issue paper within the contours of the Bankruptcy Code.
- There is a need to develop Credit Default Swap market.
- The credit needs of the informal sector need to be urgently addressed.
- Continued development of capital markets in terms of new products, such as derivatives and commodities, amongst others is required.
- There is a need to develop carbon exchange.
- A body needs to be created with representatives from various financial regulators vested with an authority to take decisions regarding

innovations in capital markets, to avoid turf tussle and delays in implementation.

- The formation of Bad Banks must be allowed to support the Good Banks and economic growth.
- The governance model of Public Sector Banks (PSBs) needs to be privatized without losing the characteristics of a Public Sector Unit (PSU).
- Differentiated, large NBFCs must be allowed to apply for banking license.
- Long-term liabilities of Insurance and Pension funds must be channelized into capital markets to make them more vibrant, re-looking at investment norms.

Actions for Government

- Facilitate robust corporate bond, debt and credit default swap markets
- Set up a representative body with financial regulators to make innovation decisions regarding capital markets and fast track implementation
- Consider a Bad Bank for addressing balance sheet liabilities
- Expand banking licenses
- Create a Development Finance Institution that can access global financial markets

Takeaways for CII

- Advocate for Bad Bank
- Provide recommendations for DFI
- Provide recommendations for developing corporate bond, debt and credit default swap markets

Session on COVID Impact: Case for Coordinated Monetary Response

Introduction

The session on 'COVID Impact: Case for Coordinated Monetary Response' at the Partnership Summit 2020 focussed on effective and coordinated monetary strategies to mitigate the impact of the COVID-19 outbreak. It was a one-on-one discussion with former RBI Governor, Dr D Subbarao, and elicited insightful views on macroeconomic management of the crisis situation and how this was different from previous economic crises.

Speakers

Dr Duvvuri Subbarao, Former Governor, Reserve Bank of India (RBI).

Dr Shankar Acharya, Co-Chairman, CII Economic Affairs Council and Former Chief Economic Adviser to the Government of India

Key Messages

- All actions of the RBI were driven by the dual objective of achieving financial stability and driving credit to productive sectors of the economy, with regards to the monetary policy response of the RBI to the pandemic
- While the first objective has been met, the second objective has not been met because of the reluctance of the banks, saddled with bad loans, to lend and the unwillingness of the corporates to borrow.
- While managing a crisis has been extremely difficult in real time, RBI has been successful in preserving the financial stability of the economy during the present crisis.
- Greater government spending on MGNREGA, health and education would be beneficial for the economy. However, the Government should lay down a path to fiscal consolidation, from the year after.
- Monetary and fiscal policy go hand-in-hand and monetary policy of a nation has to always

conform with the fiscal policy, not only for India but for all countries of the world.

- In the context of setting up of a global monetary authority for coordinated monetary interventions, monetary policies will always be based on the country-first principle.
- While coordination of monetary action to the extent possible could be pursued, the policies have to be independent.

Detailed Takeaways

- The three key elements of the RBI's monetary policy response constituted the extraordinary injection of liquidity through Open Market Operations (OMO) and CRR and SLR cuts; the easing of financial conditions through the lowering of policy rates, reverse repo rates, targeted Long-Term Repo Operations (TLTRO) for specific sectors; and the regulative forbearance through the introduction and extension of the loan moratorium.
- Under the current crisis, it is appropriate to interpret RBI's extraordinary liquidity injection as supporting Government borrowing, in the absence of which, yields would have spiked so high that it would threaten the financial stability of the country.
- While Governments and central banks around the world are presently operating from the playbook of the Global Financial Crisis in 2008-09, the coronavirus crisis is quite different. Global Financial Crisis was an asset crisis that hit the financial sector first, while the Coronavirus crisis first impacted the real sector. Further, the root of the present crisis lay in science and there is only so much that the Government and the central banks can do, until science finds a solution.
- Going forward, the RBI faces four major short-term challenges – (i) manage the policy dilemma between supporting growth

and managing inflation in the economy; (ii) wind down the excess liquidity in future; (iii) manage the impossible trinity of allowing capital inflows, restraining rupee appreciation and keeping inflation under check; and (iv) manage government debt amidst a rising fiscal deficit.

- The inflation targeting framework is being tested for the first time amidst the crisis since its adoption in 2016, with inflation being consistently above the target range and contracting growth. When the inflation

targeting framework comes up for renewal next year, the RBI needs to work on reformulating the same – especially with regards to understanding the impact of repo rate on inflation.

Actions for Government/ RBI

- Lay down a roadmap for fiscal consolidation, starting in 2022
- Retail inflation targeting, and review the framework in the current context
- Decide when and how to wind down liquidity

Ease of Doing Business in India

Introduction

The session on “Ease of Doing Business in India” focused on highlighting major regulatory reforms undertaken by the Government of India across various indicators of doing business, which paved the way for the nation to achieve the 63rd position in World Bank’s Doing Business Report 2020. It also assessed the on-ground implementation of ease of doing business initiatives from a private sector standpoint.

The panellists identified crucial policy issues requiring redressal and deliberated on a sustainable action plan for further improving the business environment across sectors and states. The discussions also revolved around dissemination of international as well as national best practices.

The session proved to be successful in exploring the measures that need to be introduced in the coming times to provide an even more welcoming business ecosystem while achieving the goal of an Atmanirbhar Bharat on the back of strong industry government partnership.

Speakers

Chair: Mr Soumitra Bhattacharya, Chairman, CII National Committee on MNCs and Regional President of Bosch Group, India and Managing Director, Bosch Limited

H E Mr Yogida Sawmynaden, Minister of Commerce & Consumer Protection, Mauritius

Mr Shailendra Singh, Additional Secretary, Department for Promotion of Industry & Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India

Mr Alok Kumar, Additional Chief Secretary, Government of Uttar Pradesh

Mr Karikal Valaven, Special Chief Secretary - Industries, Government of Andhra Pradesh

Dr Mukesh Aghi, President and CEO, US-India Strategic Partnership Forum (USISPF)

Ms Almut Rössner, Member of the Executive Board, OAV German Asia Pacific Business Association, Germany

Mr Chandrakant Nayak, Country President & CEO, Dow Chemicals, India

Key Messages

- There is a sharp improvement in India’s business environment, as reflected in the global indices. India stands at the 43rd position in the World Competitiveness Index of the Institute for Management Development and was the 9th largest recipient of FDI in 2019 according to UNCTAD’s World Investment Report 2020.
- Measures have been undertaken at the pan India level to promote digitization, rationalize business procedures and to simplify legislation including provision of integrated Risk Management Systems, introduction of the Insolvency and Bankruptcy Code, launch of Online Building Permission System and codification of labour laws.
- Recent and upcoming Government initiatives to improve the investment climate include the National Infrastructure Pipeline, Production Linked Incentive (PLI) Scheme for 10 champion sectors, provision of land details of 14 states through national GIS-enabled land bank system and the launch of the National Single Window.
- The good practices undertaken in Andhra Pradesh including implementation of AutoCAD based software to scrutinize building plans, GIS System with details of land earmarked for areas under APIIC, and digitization of more than 30 years of the land records, among others have enabled the state to attain the 1st position in the DPIIT’s State BRAP, consecutively for the past 3 years.

- Owing to several noteworthy EoDB reforms including availability of 27 types of renewals on auto renewal basis, availability of more than 26 types of inspections based on self certification/3rd party inspection/Central Inspection System, and reduction in more than 160 types of compliances (Acts/Regulations/Rules), the state of Uttar Pradesh has achieved the 2nd rank at the national level.

Detailed Takeaways

- The measures undertaken by the Central and State governments have started yielding results at the ground level. In the last 4 years, US India Strategic Partnership Forum (USISPF) has been successful in bringing US\$ 60 billion worth of investments to India owing to reforms such as introduction of GST, corporate tax rate cuts and FDI reforms.
- The strong Indo-German business relations have helped in providing vocational training to employees, increased investments, and encouraged more German based firms to set up operations in India, especially those from the automobile sector. The establishment of Invest India has been welcomed by German companies.
- It has become easier to start a business in India owing to reforms such as introduction of the Single Window System (SWS), ease of attaining approvals and greater digitization.

Actions for Government

- Introduce measures to provide stimulus to the demand sentiment of the economy
- Develop end to end infrastructure for logistics and manufacturing
- Ensure coherence between Central and State Governments' reform initiatives
- Ensure measures are implemented gradually after extensive stakeholder consultation
- Provide level playing field for foreign firms in terms of registering trademarks and attainment of approvals
- Enter into Free Trade Agreement with the European Union
- Reduce delays in custom procedures

Recommendations for CII

- Undertake sustained policy advocacy and engage in constructive dialogue with the Government and other relevant authorities for facilitating India's overall business environment
- Create a strong communication and stakeholder outreach campaign on reforms undertaken by the Government
- Continue to provide support for government initiatives such as 'Minimizing the Regulatory Compliance Burden on Businesses in India', which aim to identify and do away with the redundant, overlapping, and archaic laws



International Trade

Resetting the Multilateral Trading Order

Introduction

The past few years have witnessed a trend of rising protectionism and de-globalisation. Key large economies have been turning inwards. A major trade war has ensued between the US and China. To add to this, the World Trade Organization (WTO), which has been the cornerstone of the multilateral rules-based global trading system since its inception in 1995 needs urgent reforms in all three of its key functions i.e. providing a negotiation forum to liberalize trade and establish new rules, monitoring trade policies, and resolving disputes between its members. The session on Resetting the Multilateral Trading Order discussed measures that need to be taken to revive the global trading system and ensure that trade remains a growth driver for the world.

Speakers

Chair: Mr. R Seshasayee, Past President, CII and Corporate Director & Advisor, Hinduja Group

Mr Som Parkash, Minister of State for Commerce & Industry, India

Ms Iselin Nybø, Minister for Trade & Industry, Norway

Mrs. Hanneke Schuiling, Deputy Minister for Trade, The Netherlands

Ms Drothy Tembo, Deputy Executive Director, International Trade Centre, Geneva

Dr Robert B. Koopman, Chief Economist and Director of the Economic Research and Statistics Division Chief Economist, WTO, Switzerland

Dr Christian Ewert, CEO, Amfori, Brussels

Dr Heungchong Kim, President, Korea Institute for International Economic Policy, Republic of Korea

Key Messages

- The global community must stand together for a well-functioning multilateral trading system for open, fair, and free trade and investment.

- Resetting the multilateral trading order starts with reforming the WTO.
- Trade is most important to have economic growth post Covid-19, with a focus on digital, green, and social transition.
- WTO Agreements no longer reflect the present context.

Detailed Takeaways

- International trade has become a casualty of Covid-19 with trade declining sharply and complex value chains being negatively impacted. It is time to inject much needed life into the WTO.
- Covid-19's worst impact has been on G-20 countries and the crisis requires a good multilateral policy response for recovery to take place in 2021.
- Trade liberalisation, technical assistance, and South-South cooperation that the WTO has enabled are extremely important and the institution must ensure that members do not resort to protectionism in these trying times.
- Globalisation has not been equally beneficial to all and there is a need for economic restructuring post-pandemic.
- Trade has ensured delivery of essential goods and demand has been created in new sectors such as home office equipment, against a decline in automobile demand, for instance.
- FTAs aside, 80% of international trade still happens at WTO levels. This is not a period of de-globalisation but rather stabilisation and we can expect a reorganisation of globalisation.
- There are four immediate issues being faced by economies – supply chain disruptions, job loss, slow economic recovery, and ensuring sustainable trade. They require a concentrated response, but some countries reversing sustainability and labour standards is regressive.

- Isolation and protectionism are not the way forward.

Actions for Government

There are key areas which require global leadership for reform of WTO. India can play a part in global discussions in this area. All governments must come together to address the issues mentioned below.

- There is widespread lack of compliance with transparency and notification rules of the WTO and stronger commitments are required on the same.
- For WTO reforms to be successful, there is a need to devise a new approach to the Special and Differential Treatment Principle.
- Serious effort to reform the Dispute Settlement Mechanism is urgently required.
- The WTO needs to address contemporary challenges and plan for future reoccurrences of global emergencies like the current pandemic, as the WHO has clearly stated that this will not be the last such pandemic. Urgent action is also needed on climate change. The new WTO negotiations should keep these contemporary issues in mind.
- Greater transparency and predictability in trade rules is required, and SMEs must be at

the centre of policy making for the recovery process, which are severely affected by lack of clarity in trade rules.

- WTO rules on trade restrictions require that they be targeted, transparent, and temporary. While most countries have stuck to this when imposing COVID related restrictions, it is important to keep these principles in mind.
- There are four important areas of reform for the WTO – the negotiation function of the WTO by allowing for the multilateralization of plurilateral agreements, the restoration of the Dispute Settlement Body, checking effective compliance with WTO rules through timely and quality notifications, and political resolve across the membership for necessary reform.
- A greater push is needed on digital transformation and cooperation, especially in pandemic times and moving ahead.

Takeaways for CII

- Remain engaged with WTO and urge for reforms
- Bring together industry bodies to collectively request governments for WTO reforms and modernisation, given the current situation can be replicated at a later date

Role of G-20 in Building Strong Global Partnership for Reviving World Economy

Introduction

It is expected that 2021 will mark the beginning of the turnaround of global economic fortunes. The G20 will need to play a leadership role to nurture this growth impetus. A robust agenda will need to be designed to help shape this recovery. The top economies must work together to help develop a rules-based international system to promote trade, inclusive growth, sustainable development and the realization of the 2030 Agenda. This session highlighted the measures that need to be taken by the G20 to help put the world back on a sustainable growth trajectory.

Speakers

Chair: Ambassador Rajiv Bhatia, Distinguished Fellow, Gateway House and Former Ambassador of India

Mr Suresh Prabhu, India's Sherpa to G20 & G-7, India

Mr. Nicolas Pinaud, G20 & G7 Sherpa, OECD, France

Dr Stormy Annika Mildner, Head of Department, External Economic Policy, Federation of German Industries and B20 Sherpa, Germany

Ms Arlinda Imbang Jaya, Special Advisor to the Minister of Trade for International Relations Affairs, Ministry of Trade of the Republic of Indonesia

Mr Marco Felisati, B20 Sherpa, Italy

Key Messages

- 2021 will bring with it a “tsunami of insolvency”, due to multiple trends brought on by the pandemic like reduction in investments, and the labour market seeing fourteen times the decline it saw during the economic crisis, according to a new OECD report.
- The pandemic has exacerbated a series of negative trends seen in the international sphere in recent times. These include the

multifaceted nature of the crisis brought on by the pandemic – health, economic, income inequality within and amongst countries, jobs, and debt crises.

- There is a need to revisit the objectives of the G20, especially that of policy coordination between members.

Detailed Takeaways

- The grouping considers widespread debt relief measures for developing countries.
- The various crises that the pandemic has brought on - health, economic, income inequality within and amongst countries, jobs, and debt crises - cannot be addressed by a singular policy but need a coordinated response.
- In the next few months, a rebound in economic growth can be expected but we must see how we want to rebuild, whether to go back to the old world or to build better for livelihoods, growth, and caring for the planet.
- The G20 is a great example of coordination and partnership. The theme of lives, livelihood, and growth, that the summit has taken is linked to the current Italian G20 presidency's efforts around “planet, people, and prosperity”.
- The G20 plays two fundamental roles – setting the path for future economic recovery, and responsiveness in times of crisis.
- Sustainability is key to future growth and intrinsically linked to people's livelihoods. One example is the International Solar Alliance, which is not only conscious of creating and increasing the use of a clean energy source, thus reducing emissions, but also impacts job creation.
- While the world has become familiar with crisis over time, we are yet to find an effective crisis management system.

Policy Recommendations

The discussions highlighted efforts that need to be taken by members of the G20 grouping where India can assume a leading role. Collective actions by the member countries should relate to the below issues.

- The G20's role must be to create a strong and coordinated policy response. The fiscal stimulus of US\$ 11 trillion that the G20 came up with at the start of the pandemic is a case in point.
- There is a need for trust building amongst leaders and the engagement partners like the B20 to create a joint narrative.
- The G20 can make more of a difference by ensuring that positive benefits are there for non-members as well.
- The grouping must stay committed to economic and environmental regeneration.
- There is a need for innovation in policy recommendations. An example is the effort of the Italian B20 group where all policy recommendations made to the G20 will be

measured against the SDG goals. Members of the B20 (including CII) must keep this in mind while making sustainability the pole star of all recommendations.

- The G-20 countries must work towards the effective implementation of the 2030 Agenda for Sustainable Development in an integrated manner. As a part of this endeavour, the grouping must realign its working structure to adopt a more science-based direction for sustainable development, boost financial inclusion of women and youth, encourage digitization, and ensure cyber security.

Takeaways for CII

- Drive the B20 agenda and prepare for the chairmanship of India in 2023
- Ensure that B20 recommendations reach the Indian Government
- Work towards greater cooperation by B20 constituents in implementation of 2030 Agenda for Sustainable Development

Ministerial Session with Mr Piyush Goyal, Minister for Commerce & Industry and Railways, Consumer Affairs, Food & Public Distribution, India

Introduction

A special ministerial session with Shri Piyush Goyal, Minister for Commerce & Industry and Railways, Consumer Affairs, Food & Public Distribution, Government of India was held during the Partnership Summit 2020. The session brought together ministers from Bhutan, Brazil, Chile, Maldives and Ukraine.

The session focused on the importance of exploring new areas for building cooperation and partnerships among countries. The session also highlighted the need for greater collaboration across diverse sectors from Governments around the world to combat the challenges posed by the Covid-19 crisis.

Speakers

Mr Piyush Goyal, Minister for Commerce & Industry and Railways, Consumer Affairs, Food & Public Distribution, Government of India

Mr Lyonpo Loknath Sharma, Minister of Economic Affairs, Bhutan

Mr Uz. Fayyaz Ismail, Minister of Economic Development, Maldives

Mr Andres Allamand, Minister of Foreign Affairs, Chile

Mr Dmytro Senik, Deputy Foreign Minister, Ukraine

Mr Caio Mario Paes de Andrade, Special Secretary (Vice Minister) for Debureaucratization, Management and Digital Governance, Ministry of Economy, Brazil

Mr Chandrajit Banerjee, Director General, CII

Key Messages

- The need for exploring newer areas and building partnerships among countries for inviting greater investments is particularly important during the Covid-19 crisis.

- Digitalization and technology plays an important role during current times for delivering governance and bringing people and governments together.
- Information & Communication Technology (ICT) will become the driving force for sustainable growth and economic recovery.
- International trade will be the key to global economic recovery.
- Strengthening bilateral ties, trade and investment partnerships and deepening collaboration in areas including the digital economy, IT, healthcare, cybersecurity, etc. are critical for global recovery.
- Countries must look at strategic diversification of economic portfolio to combat the pandemic.
- India is looking at becoming a global player through greater engagement with the world and identifying areas where it has the best competitive advantage.
- India is uniquely positioned to provide a strategic pathway for linking global value chains.

Detailed Takeaways

- In moving towards the Atmanirbhar Package which translates into a self-reliant economy, India is not closing its doors to engagement with partner countries, but looking at greater engagement with the world - to find where it has the best competitive advantage in becoming a global player in international trade, so that together, all countries can prosper and there is greater equitable development around the world.
- For inviting greater investments to the country and fostering partnerships and cooperation, India has undertaken several reforms including

relaxing of FDI norms, opening up of sectors such as mining, defense and manufacturing, liberalizing agricultural laws, simplification of labour laws and ease of doing business reforms.

- India is uniquely positioned, both in terms of capacity and geographically, to provide a strategic pathway for linking global value chains and becoming a trusted and reliable partner for countries across the world.

Actions for Government

- Explore newer areas for cooperation and build closer partnership with countries in the neighbourhood and across the world
- Continue efforts to make doing business in India even more attractive, easier and simpler

- Take further steps to strengthen bilateral engagement, enhance trade ties and promote bilateral dialogue while also undertaking efforts to foster global value chains
- Strengthen partnerships and cooperation in potential areas including the digital economy, IT, agriculture, transport, green technology, renewable energy, health, defense, and cybersecurity
- Encourage collective cooperation and collaboration in the area of renewable energy

Takeaways for CII

- Provide industry inputs in ease of doing business
- Build the India brand for overseas investors
- Engage with emerging economies to develop new economic partnerships

Fireside Chat with Ambassador Robert Lighthizer, United States Trade Representative (USTR)

Introduction and key messages

In an exclusive fireside chat with the US Trade Representative, Ambassador Robert Lighthizer, who has led US trade policy and negotiations for the past three and a half years, as part of the US Administration under President Trump, shared his perspectives and insights on the US global trade policy as well as the US-India bilateral trade relationship.

Amb Lighthizer acknowledged positively the role of Commerce Minister Piyush Goyal in bringing the two countries closer to a small trade deal. A broader trade agreement would be in mutual interest, but the process is likely to be slowed down by the change in US administration. While there has been impressive growth in bilateral trade, a number of concerns, including the persistent US trade deficit with India, along with the extremely high tariffs remain major concerns.

Speakers

Ambassador Robert Lighthizer, United States Trade Representative (USTR)

Mr T.V. Narendran, President-Designate, Confederation of Indian Industry

Key Takeaways

- US and India are two great democracies with a shared vision and the US-India relationship is an important priority. Both President Trump and Prime Minister Modi have engaged several times and hosted each other in their respective countries.
- The Trump administration has re-oriented trade policy to put the interest of the workers first, listing it as a key achievement. It has also prioritized the need for a rules-based international trading order.
- The US and India have made good headway

in coming closer on trade issues. A small trade deal could still be within reach, but a more comprehensive, broad-based free trade agreement could get delayed by the upcoming change in the US Administration.

- While trade has gone up dramatically in the last five-six years, the persistent US trade deficit with India in the range of USD 29-30 billion is “troubling” and needs to be reduced.
- Among several barriers to trade with India, the biggest issue is tariffs. India has extremely high tariffs, maybe the highest in the world.
- Another impediment to the trade deal with India is agriculture, which remains a political and economic issue in the country. On the other hand, a tough and strong bureaucracy can make the reform process difficult in certain areas.
- Long supply chains have inherent risks and there is a need to reduce that risk by manufacturing more at home. India could be a viable alternative/ competitor for China and Vietnam, when it comes to manufacturing, but more work needs to be done in this area.
- WTO reform is also warranted with no real successful rounds of negotiations. It is becoming increasingly difficult to reach a consensus. The bureaucracy at the WTO has grown and has become inflexible and the Dispute Settlement Body has become a place for litigation rather than negotiation, which needs to change.

Actions for Government

- There is a need to begin work on securing a more comprehensive, broad-based free trade agreement. India should begin the process and strike a trade deal with the US to enhance the bilateral trade volume with the US.
- India should substantially reduce tariffs for the

US in strategically identified areas. This would enable more sales for US in India and that would result in more sales from India to US.

Takeaways for CII

- Build consensus in Indian industry on contentious issues such as tariffs on goods from the US and where they can be lowered
- Strengthen trust in Indian business as a supporter of free and open trade
- Devise strong recommendations that can take forward a trade deal

Structural Shifts in Global Supply Chains

Introduction

Global supply chains are undergoing a radical reconfiguration against the backdrop of the COVID-19 pandemic, rising economic nationalism across the world, and significant geopolitical shifts. The pandemic has highlighted the risks a single-source supply chain carries, as companies across the world have faced disruptions to the flow of materials from China. Geopolitical and trade tensions between the US and China have also simmered in recent months, causing these nations to diversify supply chains. The session took up the value of supply chains and the likely directions they could move.

Speakers

Chair: Mr Sunil Kant Munjal, Past President, CII and Chairman, Hero Enterprise

Ms Manmeet Nanda, Joint Secretary, Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India

Mr Wan Chee Foong, Regional CEO, Middle East, South Asia & Head-Group Business Development, PSA International, Singapore

Prof Peter Draper, Executive Director, Institute for International Trade, The University of Adelaide, Australia

Dr Robert Yap, Executive Chairman, YCH Group, Singapore

Mr M V S Seshagiri Rao, Joint Managing Director & Group CFO, JSW Steel

Key Messages

- Globalized supply chains have many benefits, including lower costs, greater variety and wider access to customers, but building the resilient supply chains of the future means striking a balance between globalized and localized manufacturing.

- They must take advantage of digital manufacturing to fill gaps. For example, 3D printing has proven its immense value as not only a resource during crises, but also a core part of future supply chains.
- Cost optimization can no longer be the only consideration in structuring supply chains. There would be a shift in focus from efficiency and lowest cost drivers to a value framework that assigns greater weight to risk exposure, supply alternatives, tax considerations, and channel complexity.
- As a stable economy with a host of enabling factors for attracting investments, India emerges as a natural choice in filling the supply chain vacuum left by China.
- Regulatory and investment reforms will need to integrate progressive policy changes in land, incentives and infrastructure, with foreign investment norms and tax regimes.

Detailed Takeaways

- As multinational companies seek to relocate their global supply chains, emerging economies, including India and the Philippines, are increasingly seen as attractive sourcing destinations.
- The Indian Government has undertaken numerous initiatives to create a stronger and more competitive domestic industry to cater to domestic demand, become an exporter to the world, and become an active role player in global value chains as a key sourcing partner. India has also been liberalising its FDI policy in recent years and now has a 100% FDI allowance in greenfield projects and 74% in brownfield projects.
- Other initiatives include encouraging manufacturing through public procurement, working on easing constraints to investments such as the non-availability of land and

bringing together steering committees on the advancement of local value addition and exports. The most recent committee has identified 24 key sectors including electronics, ceramics, fisheries and others that can grow substantially in the next 5-7 years.

Actions for Government

- Two of the biggest challenges to overcome to be an attractive investment destination are poor infrastructure and bureaucracy. Overcoming these will also improve productivity, ease of living, economic growth and employment.
- Complex government regulations can be a challenge – for example, manufacturing operations apply under state jurisdictions. India is making progress towards addressing some of these with Central and State governments increasingly aligned and dedicated towards the ease of doing business and transforming India into a global manufacturing hub.
- India also needs a more aggressive approach in reaching out to global companies to expand their business footprint in the country.
- Sustainability will be key in the future. To get the domestic manufacturing industry back on track, more long-term sustainable supply chains will have to be explored, along with what is strategically and non-strategically important for India, a balance with protectionism and

the assessment of comparative advantages.

- India can learn from the ASEAN-BAC's Smart Growth Connect project, which focusses on smart logistics infrastructure. The case of the Vietnam Multimodal Connectivity Hub to support local manufacturing will also be useful to study.
- Compared with gateway terminals it is the meshed hub ports that have helped reach domestic demands within ASEAN and provide solutions to congestion over the past year.

Takeaways for CII

- Businesses that are looking to reconstitute their global production networks will require substantial due diligence in evaluating the suitability of specific geographies. Factors that will play a pivotal role include long-term geopolitical stability, supportive policies, taxation and regulations, and the availability of land, raw material, labour and logistics infrastructure.
- It is crucial for businesses to engage with and learn from key stakeholders like governments, academia and civil society in the broader production system.
- Business leaders, especially those in technology, have an obligation to build the supply chain of the future with an unwavering commitment to human rights and safe practices for all workers.

Post Brexit UK and India

Introduction

According to the 2020 edition of CII's 'India Meets Britain Tracker', there are now a record 850 Indian companies operating in the UK, with combined revenues of £41.2 billion. Together, they paid £461.8 million in corporation tax and employed 110,793 people. This shows the continued importance of the contribution that Indian companies make to the UK economy. Speakers at the session deliberated on the future contours of the economic relationship.

Speakers

Chair: Mr Sanjiv Bajaj, Vice President, Confederation of Indian Industry

Mr Piyush Goyal, Minister for Commerce & Industry and Railways, Consumer Affairs, Food & Public Distribution, Government of India

The Rt Hon Elizabeth Truss MP, Secretary of State for International Trade and President of the Board of Trade, UK

Mr Richard Heald, Group Chair, UKIBC, UK

Lord Karan Bilimoria, President, Confederation of British Industry (CBI)

Lord Jitesh Gadhia, Member of Parliament, UK

Baroness Sandip Verma, Member of Parliament, UK and Member, European Union Parliamentary Committee & Chair, Parliamentary EU Goods Sub Committee, UK

Key Messages

- UK's streamlined economic system has garnered the world's interest and companies are coming up to set up business. Despite travel restrictions in place, much closer virtual engagements have taken place between the two sides.
- In recent months, both sides have actively collaborated in pharma, vaccine and other areas. There are three important factors that

have created opportunities in the current environment - Brexit, post COVID recovery, and climate change.

- For both sides there is huge potential in areas including exports and market access which still needs further development. Both sides have made substantial headway in improving market access, such as enabling Welsh investment.
- The newly launched UK global tariff, which will become active on 1 Jan 2021, will immensely benefit India.
- India wishes to become a trusted partner of UK and companies of both sides, and follow honest, rules-based business ethics. The objective should be to reboot and reset both the economies in the future.
- UK global tariff is the building block for future free trade agreement. It will help both sides to enjoy the low hanging fruits.
- India is aiming to become the net zero emissions country by 2030, with 20GW share from renewable energy.

Detailed Takeaways

- In 2021, UK would be leading the G7. Given India's leadership and democracy, it is an important partner of UK in the current global environment.
- In terms of GDP, the UK services sector contributes 80% to its GDP whereas in India, services contribution to GDP is 50%.
- With Brexit, UK has regained its control on immigration and would be able to attract global talent and remove restrictions.
- Ease of doing business should be the priority for both sides. UK is focussed on increasing business collaboration in the areas of electric vehicles, offshore wind projects and many more.
- Timeliness plays an integral and important role

in driving and executing the initiatives, a very important factor in the area of collaboration. UK would be able to negotiate trade deals by themselves in the Brexit world.

- With India's new education policy, UK universities will now be able to open their branches in India too.
- Focus should be more on removing the existing trade barriers.
- Areas of collaboration are sustainable finance, fintech, tech startups, defence, processed food and agri machinery, chemicals, etc.

Actions for Government

- Explore partnerships in SME sector between the two sides
- Promote new education policy to attract FDI in education sector
- Focus engagement in the area of petroleum, fintech and tech ecosystem

Takeaways for CII

- Work with UK in the area of technical skillset and ways to enhance partnerships
- Undertake a study on outline of bilateral trade agreement and Indian industry's asks

Reviving Services Trade Post-pandemic

Introduction

While the pandemic adversely impacted merchandise trade, services trade was also hampered significantly as a result of restrictions imposed on transport, travel and physical movement during lockdowns. Services trade has immense potential to boost growth and development prospects along with creating ample employment opportunities. Growth of certain services, for example, digital services such as videoconferencing and medical services, surged during the pandemic and is likely to grow further in the future. As services trade has great potential to drive globalization, the session deliberated on strategies and measures that can be undertaken to revive services trade in a post COVID world.

Speakers

Chair: Ms Shobana Kamineni, Past President, CII and Executive Vice Chairperson, Apollo Hospitals Enterprise Limited

Dr Luz María de la Mora Sánchez, Undersecretary of Foreign Trade, Secretariat of Economy, Mexico

Mr Piere Sauve, Senior Private Sector Specialist, World Bank, Geneva Office, Switzerland

Mr Pascal Kerneis, Managing Director, European Services Forum, Belgium

Mr Abdelhamid Mamdouh, Senior Counsel, King & Spalding, USA

Ms Xiaolin Chai, Director, Trade in Services & Investment, World Trade Organisation, Switzerland

Mr Puneet Chhatwal, Managing Director & CEO, Indian Hotels Company Limited

Key Messages

- According to WTO Tismos data, trade in services declined 30% in 2020. Tourism has been especially badly hit. However, there have been some bright spots, especially the growth in digital technology computer software, IT services, and e-commerce.

- It is important to enable fluid cross border data flows and be wary of unnecessary data localisation rules.
- Services have a wide range of possibilities. Coherence between vertical policy frameworks for specific sectors like IT and telecom and the horizontal cross-cutting frameworks are required that impact all services like competition policy and investment policy.
- Trade revival will not happen without cooperation – global problems require global solutions.
- Data consumption is expected to double every 18 months. Digital technology is going to see a lot more innovation and growth.
- Public policy must be an enabler to ensure technology is used to overcome the pandemic, through services facilitation.

Detailed Takeaways

- Agreements like the USMCA help economic integration which reduces risks, especially for SMEs.
- The loss of jobs in travel, tourism, and corollary sectors will have an adverse impact on not just employment but on household incomes and threatens a return to poverty for many. Welfare systems are needed for social protection and financial safety nets for SMEs.
- The ability of countries to provide these protections is also unequal, within and amongst nations. The need for cooperation is urgent now more than ever.
- Countries should be actively participating in international negotiations for digital governance rules.
- International trade in services has saved many lives during the pandemic. Logistics and transport services cannot be digitised but can be made more efficient with digitalisation. There is a need to focus on IT and Telecom infrastructure.

- Common trade disciplines are necessary and not standardised rules for data protection. International trade negotiations on e-commerce can only create trade rules that are least trade restrictive. They cannot make rules on data protection and other issues. It is important to make this clarification to ensure greater participation in negotiations.
- Policy coherence is needed to open borders and revive the hospitality and travel and tourism sector. New stamps and passport clearances are one way to look at it.
- Digital services and capacity building will remain even post pandemic.
- Services are produced and consumed simultaneously and in normal circumstances, requires the movement of factors of production. Post Covid-19, the digital push has leapfrogged but not all services can be digitised.
- Modernised retail through digitally enabled supply chains could potentially reduce inventory by up to 14%.
- Travel and tourism and the corollary sectors like culture, hospitality, and entertainment have all been severely hit, which earlier accounted for 11% of world trade. These are also services where it is harder to replace people with technology. Aviation sector has also been badly hit.
- Livelihoods of people around the globe is at stake.
- Travel and tourism accounts for USD 30 billion of forex earnings in India.

Actions for Government

- Policy makers and leaders need to pay more attention to services trade. Most policy makers still tend to focus on merchandise trade.
- There are various steps for digitalisation to improve local capacities
 - o Addressing the digital divide within and amongst nations
 - o Digital inclusion programmes – in communication and digital technology
 - o Skill development centres to learn programming and coding
 - o Digital inclusion programmes should also address vulnerable communities like indigenous communities or economically backward groups
 - o Internet for all is an important goal
- A balance is needed for regulations on data flows, consumer protection, cyber security.

Takeaways for CII

- Industry bodies are looked to for policy clarity and aid, especially in times of crisis like the pandemic
- Provide inputs on regulations on digital economy
- Strengthen and expand focus on services trade
- Work with governments to encourage dialogue on services trade and increased participation

Fireside Chat with S Iswaran, Minister for Communications and Information & Minister-in-charge of Trade Relations, Republic of Singapore

Introduction and key messages

The current year was a “Digital Watershed”. The changes one thought would take several years to happen, have occurred in the short span of 6-9 months.

Digital transformation and internationalization of economies must be inclusive so that people do not feel disenfranchised. Digitalisation is indeed inclusive for those with connectivity and knowledge or skills to leverage off the internet. Assuring personal data protection and security is one of the dominant themes of digital transformation.

Speakers

H.E. Mr S Iswaran, Minister for Communications and Information & Minister-in-charge of Trade Relations, Republic of Singapore

Mr Kris Gopalakrishnan, Past President CII and Co-Founder, Infosys Limited and Chairman, Axilor Ventures Private Ltd.

Key Takeaways

- The “Digital Economy Agreement” signed between Singapore and Australia is important to bring all the trade agreements into the digital era.
- The need of the hour is to understand the movement of bits and bytes and data along with goods, services and capital in trade agreements, as the economy is undergoing a digital transformation, and should be able to connect digitally with other economies around the world.
- Electronic facilitation of trade is a key component of the digital initiative.
- Personal Data Protection Act of Singapore spells out the obligations of enterprises along

with providing certainty to businesses on use of data for legitimate purposes.

- Singapore’s formulation on ‘Future Economy Council’ worked on twenty-three industry verticals. Each of these verticals addressed not only issues of internationalization and commercialization, but also those of jobs and skills development.
- The pandemic demonstrated that when we work together collaboratively across nations between the public, private and service sectors, we will be able to find creative solutions to address the challenges.
- Singapore managed the pandemic with three effective steps: testing, tracing and treatment.
- India and Singapore are global partners for AI (Artificial intelligence) and will work together on digital flows between countries.
- Collaborative solutions are required for the issues of climate change and sustainable development.
- The current pandemic needs an economic and a social intervention for collaboration in tackling the virus and developing the vaccine.
- Similar cooperation should be considered in overcoming other challenges such as climate change and promoting sustainable development.
- All citizens of the world have a joint stake in a shared future and should work together.

Actions for Government

- Encourage more digital inclusion programmes, especially in communication and digital technology
- Promote skill development centres and programming and coding courses

- Make digital inclusion programmes more inclusive so that they can address vulnerable communities like indigenous communities or economically backward groups
- Facilitate Public Private Partnerships, which is critical for an integrated economy
- Foster international dialogues and conversations to raise awareness, promote mutual understandings and bring resources together and apply them to find solutions
- Cross border electronic facilitation of trade including trade documentation and supply chain management are required

Takeaways for CII

- Work on digital inclusion to expand the space for digital economy and reduce the digital divide
- Suggest inputs on facilitating global e-commerce and cross-border trade
- Work on ease of doing business for digital trade



Investments

India in the Global Investor's Eye

Introduction

According to a recent survey conducted by CII and EY, India has been ranked as one of the top three choices for overseas investments in the next two to three years. Recent reforms such as corporate tax cuts, Ease of Doing Business measures, simplification of labour laws, FDI reforms, and focus on human capital have emerged as the top drivers for fresh investments. Many sectors have emerged as potent investment destinations, being among the fastest growing in the world. This one-on-one session with Mr Paul Hermelin, Chairman of the Board of Directors, Capgemini, France, highlighted the myriad opportunities in India and looked at the areas which are likely to attract leading overseas investors.

Speakers

Mr Paul Hermelin, Chairman of the Board of Directors, Capgemini, France

Dr Anish Shah, Co-Chairman, CII International Council and Deputy Managing Director & Group CFO, Mahindra & Mahindra Ltd

Key Messages

- During past few months India has witnessed healthy amounts of FDI inflows. The top three reasons for increased FDI inflows into India are market potential, skilled workforce and political stability.
- Other factors that contribute to the attractiveness of India include competitive labour availability, policy reforms and availability of raw materials.
- India also benefits from its growing share of global GDP, large population and young demographics that remain a rich source of consumer demand.
- The Indian Government has introduced a number of reforms to make India an attractive destination for FDI.

- India has an impressive IT services sector.
- India seems to have invested heavily in its education sector, which has made it one of the best in the world in IT skills.
- With regard to engineering and R&D, India has a few competitors, notably from the former Soviet countries such as Ukraine and Belarus.
- India is at the forefront of innovation centres for Capgemini in terms of digital skills, cloud initiatives, etc.
- There are no formal obstacles or blocking regulations for investing in India. However, working with the Indian administration does take time and foreign investors should not be discouraged.
- Work from home has increased productivity of the people. The present situation has provided the freedom to allocate a talent to a task, wherever he or she is.
- Many reforms have taken place in India such as GST, softening of the percentage of ownership of foreign companies, etc.
- A financial market to support entrepreneurs is needed. Large markets are also important to entrepreneurs.
- Europe and India need to take learnings from the United States, where there one big market, which is very open to disruptions and very little regulation.

Detailed Takeaways

- The global GDP has contracted by 5% in 2020 versus an expected expansion of 3-4% this year. In contrast, the global economy contracted only by 0.1% during the global financial crisis.
- Many companies are at crossroads, whether to play defence and protect cash, liquidity and claw back core business as demand comes back or play offense, i.e. acquire talent and businesses.

- Globally, there is a significant amount of capital available, that is looking for the right opportunities to invest.
- The geographical reallocation of talent working from home will become prominent.
- Unlike France which is a centralised country, India is a federal country and foreign investors should know what will be dealt with at the Central level and at the local state level.
- Due to India's large size, foreign investors should pick where they want to invest and develop local relationships.
- Due to Covid-19, people now want local production of things that are related to survival and very quick reaction. These will have to be produced closer to the consumer. Fragility of supply chains with alternative sources will also need to be reduced.
- With the online disruption caused by Covid-19, there will be a new normal in education. While there will not be an end to physical campus and periods of physical presence, there will also be periods of learning from home, which will allow for some flexibility.

Actions for Government

- Undertake same investment efforts in engineering colleges as for IT skills
- Invest more in colleges that focus on Biotech
- Publish timings of authorisations for foreign investors to provide investors with some visibility on the decision cycle, time, etc.
- Prepare a guide to show where the responsibility is when people want to implement their plans, such as the roles and responsibilities of municipal authorities, state authorities and central authorities
- Take advantage of the tension between China and the West to push for a global delivery place for exports
- Simplify and make adjustments to regulations, industry by industry

Takeaways for CII

- Draw up guides for investment approvals for foreign investors
- Work with foreign investors to connect with state governments
- Push state governments to bring out timelines for time-bound approvals and clearances and ensure certainty in procedures for foreign investors

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.

Speakers:

Chair: Mr. Atul Punj, Chairman, CII National Committee on Construction and Chairman, Punj Lloyd

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

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 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, automotives, 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. For example, the Oil-Government connect will have to give way to the private sector. More efficient and inclusive financial markets and technology are required as enablers for growth and development of the private sector.
- Covid-19 has pushed private sector companies in the region to invest more on technology than low cost labour. There are also new opportunities on the regulatory front where more people are able to get simple corporate registration and essentially work on their own terms. This will be very important for productivity and for better jobs, going forward.
- 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 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.
- UAE investors in India seek two conditions, i.e. the investors should get the recognized share (i.e. reasonable ownership) and ability to repatriate any profit that he/she achieves, back to Dubai.
- These two conditions are not met at the moment. 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 FDI from GCC countries
- India to look at the option of bilateral Free Trade Agreements with Middle Eastern countries and then the possibility of a GCC level Free Trade Agreement

- Government of India to have discussion with UAE Government regarding their mentioned hurdles in the way of UAE investments into India, which are, investors should get the recognized share (i.e. reasonable ownership) and ability to repatriate any profit that they achieve, back to Dubai. They should also have the option of routing their dividends straight from the bank in India back to Dubai, without having to route it via Mauritius, London, etc.

Takeaways for CII

- Examine the possibility for an India and GCC trade corridor with an Free Trade Agreement, in order to facilitate free flow of trade without tariff barriers
- Prepare a list of issues faced by Gulf companies while investing and doing business with India, in order to discuss them with the Government of India and find solutions

Global Investment Hotspots Post COVID: The Portfolio Investors' Perspective

Introduction

With world economies seeing a two-speed recovery, portfolio investors need to recalibrate their preferred investment slots. Management of Covid-19 and macroeconomic navigation are both critical factors determining equity markets, even as geopolitical considerations impact investment decisions. With volatility a characteristic and with different sectors witnessing different paths to stable growth, the matrix of profitable ventures is constantly in flux. Economies on an accelerated growth trajectory with strong and reliable corporates in the private sector are seeing inward interest from portfolio investors. This session was organized to understand their investment philosophy and how they look at India as an investment destination.

Speakers

Chair: Mr Sanjiv Bajaj, Vice President, Confederation of Indian Industry; and Chairman and Managing Director, Bajaj Finserv. Ltd.

Mr Tarun Bajaj, Secretary, Department of Economic Affairs, Ministry of Finance, Government of India

Mr Mark Machin, President and Chief Executive Officer, Canada Pension Plan Investment Board, Canada

Mr Marc-André Blanchard, Executive Vice-President and Head, CDPQ Global

Mr Ashish Goyal, Senior Managing Director, OMERS Asia Pte Ltd., Singapore

Key Messages

- The lockdown implemented due to the Covid-19 pandemic had dire implications on the financial conditions of the global economy. A recovery of the global economy would largely depend on how each country manages its health crisis, prioritizes fiscal support and

reimagines new normal for at least the next year, if not more.

- There were a few strategic shifts that they were making in the post Covid-19 environment, first of them being geographic and it was mostly to do with increasing allocation to Asia. The second shift was a move from public to private and the last one was the move from low yielding bond portfolios, whether it is government or investment bid bonds, to more high yield and private credit exposures.
- The parameters of the Indian economy are looking positive, including the GST numbers which are expected to be encouraging.
- India's democracy, demography and technology underpin investor view of the country, with technology being the most important of the three.

Detailed Takeaways

- The Indian economy should come back on track and next year, the country shall register good robust growth.
- Covid-19 has taken the sheen away from 2020 and 2021 shall only see the economy crossing 2019-20 figures by a slight margin.
- The production linked incentive scheme was initially declared only for three sectors; now, ten more sectors have been added.
- The Government also took several steps to ensure that the process of investment into the country was smoothened, including a number of reforms that were taken, and would continue to do this in the months to come.
- Asset monetization on all important areas like power, shipping, roads, and warehouses is in the works and the Government shall emphasize greatly on infrastructure in the coming year.

- The Government has done a lot of work towards the bond market. There will be more InvITs in the coming year.
- Covid-19 is expected to continue to be the biggest factor in the global economy even in 2021. In advanced economies, it is expected that there will be a very wide variation in GDP during the recovery period over the next several months, based on three factors viz., the degree to which they can control the spread of the disease, pre-existing structures of their economies, and local policy responses.
- In the post pandemic world, there is a greater role of the institutional investors to align slightly better with sustainable development and to make sure that they are part of solving big issues of the world.
- Digitization has accelerated during the pandemic and there was an acceleration of e-commerce. Entrepreneurship is being seen in a different light and thus, there are plenty of opportunities present.

Country Session: Germany

Introduction

A country session on Germany was organised during the Partnership Summit to highlight the opportunities for collaboration between India and Germany.

Speakers

Ms. Seema Bhardwaj, Director India, Germany Trade and Invest (GTAI)

Mr Bernd Mützelburg, Former German Ambassador to India

Mr Hans Bangert, Senior Advisor & Former MD, Bosch Rexroth India

Ms Andrea Hendrickx, Country Head Germany, Infosys

Mr Robin Trompetter, CEO, Advanced Training Technologies GmbH

Mr Peter Rimmel, Resident Representative India, Konrad Adenauer Stiftung e.V.

Key Messages

- With 2020 coming to an end with severe recessionary conditions, most economies are in the process of managing the economic fallout.
- Substantial stimulus packages have been rolled out to help maintain liquidity and boost demand. Existing supply chains, sources of imports and destinations of exports, and their strengths and weaknesses are being recalibrated to minimize disruptions in economic activity.
- Businesses too, are relooking at their strategic models and seeking to diversify their investments and sourcing requirements to reduce dependence and spread risks.
- Within this scenario, Indian and German enterprises have the opportunity to capitalize on each other's strengths and seek new

opportunities in commercial engagement with each other.

Detailed Takeaways

- The Covid-19 pandemic has put the spotlight on the structural deficits, imbalances and the unsustainability of global economic system.
- In response to this crisis, both India and Germany will have to strengthen socio economic resiliency, reduce inequality, increase efforts fighting climate change, threats to biodiversity, and protect the most vulnerable sectors of our societies.
- Public policy must be an enabler to ensure technology is used to overcome the pandemic.
- Digital services and capacity building will remain even post pandemic
- The world is in transition of a transformation between automated manufacturing and data-based manufacturing.
- Key elements in Industry 4.0 are IoT, cloud computing, big data, cyber physical systems and more.
- The potential for automation in Indian production is very high. Robotic density data shows that installation in Germany is about 100 times higher than in India right now.
- Key sectors for transformation towards Industry 4.0 are automotive; food and packaging; agriculture and services.
- The potential Indian companies possess to collaborate with German companies and create business together is very high.

Actions for Government

- Address the digital divide within and amongst nations
- Expand digital inclusion programmes – in communication and digital technology

- Set up more skill development centres to teach programming and coding
- Ensure outreach of digital inclusion programmes to vulnerable communities like indigenous communities or economically backward groups
- Leverage cooperation between India and Germany in digital transformation and artificial intelligence; smart manufacturing; startups; green mobility; smart city network; food security; renewable energy; telemedicine; students exchange programme, etc
- Develop world class infrastructure and work on Ease of doing Business
- Work with the EU to finalise the India EU FTA as well as reduce the dependence on supply chains from China
- There is a need for India and Germany to work together to develop and adapt the ITI

syllabus. There is a need to customise the German dual vocational training approach with apprenticeship

- Academics should strengthen collaboration between industries and universities and provide industrial internship to students and companies need to work and enhance skills of existing workers, on job training required.

Takeaways for CII

- Continue to highlight opportunities in bilateral engagement
- Expand cooperation with German organisations on vocational training and skill development
- Work on smart manufacturing, green mobility, renewable energy, etc with German industry
- Continue to work with the Government to negotiate the India - EU FTA

Country Session: Australia

Introduction

The country session on Australia highlighted the important relationship both countries share and the significance of giving businesses, and economies in the Indo-Pacific region at large, the maximum opportunities to trade, invest and recover during these times. Ways to look ahead optimistically and focus on liberalization, creation and innovation were discussed. It was mentioned that post-Covid, the rebalancing of the economic order and maritime security have been most important to the bilateral relationship.

Speakers

Chair: Ms Tanya Spisbah, Director, Australia India Institute

Mr Barry O'Farrell AO, Australian High Commissioner to India

Mr Anil Wadhwa, Former Secretary (East), Ministry of External Affairs, Government of India and Distinguished Fellow, Vivekananda International Foundation and Chair, Australia Economic Strategy

Ms Lisa Singh, Deputy Chair, Australia India Council

Mr Ben Way, CEO Macquarie Group Asia, Head of Global Alternatives and Senior Managing Director

Ms Penny Burt, CEO, Asialink

Ms Ravneet Pawha, Deputy Vice President - Global, Deakin University, and President of the Victorian Chapter of the Australia India Business Council

Mr Sanjeev Bajaj, CEO, ANZ India

Key Messages

- In the post pandemic world, there are various opportunities to enhance economic ties between India and Australia, especially in areas such as scientific and health sector, space and defence, critical minerals and related technologies, water resources and management, training and education, waste to wealth, logistics and cyber technology.
- There are great synergies to be found in providing stable and expanding supplies of critical minerals and renewables from Australia to India to boost its mission of self-reliance and to increase use of e-vehicles and renewable energy powering the industry. Initiatives to enhance digital trade and cyber security are also areas of opportunity.
- In the post-Covid world, SMEs may have been the most impacted but large businesses must also engage and trade bilaterally and through the investment route to integrate better into the global value chains. Business associations must bring together stakeholders from both sides for trade and investment, specific matchmaking dialogues and specialized delegation exchanges, leveraging virtual platforms.
- Once the pandemic eases, direct flights to and from major hubs in India and Australia must also be considered to increase people to people contacts, tourism, business and trade.
- While Covid-19 outbreak has led to fractured supply chains, increased unemployment and industry slowdown, especially in sectors that are more globally exposed, the stimulus packages launched in both countries have helped in providing a cushion to the economies.
- Some of the recent economic reforms by the Indian Government that act as an opportunity to the Indian and Australian businesses are agriculture sector reforms that could help boost bilateral investment with private players entering the market; the liberalization of the coal and mining sectors; reduced corporate tax rates; easing tax compliance through digitalization and simplification of national labour laws.
- The New Education Policy (NEP) launched by India is also a way for India and Australia

to build a better foundation in the education, research and skill development sector. India's demographic dividend acts as an advantage providing a pool of human resources for strengthening the bilateral relationship. Public Private Partnerships, funding in building educational institutions, multidisciplinary approach, increased access and equity, research ecosystem, digitization, entrepreneurship, etc. are some of the complementing features of the NEP wherein both nations can work together.

- In the infrastructure sector, India's domestic driven market and appetite for technology and digitalization makes it an attractive destination for Australian investors. Areas of leveraging Australian support include cold supply chains, privatization of construction of toll roads, energy storage, and fibre optic cables in India.
- There is still a lack of business understanding between India and Australia and good governance, corporate social responsibility, ESG and good labour practices can help build better bilateral relations between the business communities from both countries.

Actions for Government

- Australia wants to strengthen its alliance with India in the space sector for commercial opportunities on end-to-end space missions and also in the area of circular economy, moving towards sustainable development
- While the key areas for bilateral cooperation have been identified, India and Australia

need to strongly consider their Free Trade Agreements and negotiations in order to implement the sectoral partnerships

- Both the governments must also form a group cutting across ministries, state and federal levels to regularly monitor the 'Australia Economic Strategy Report' and ensure reduced trade barriers, policy regulations and better trade and investment facilitation between Indian and Australian business communities. An addition of senior business representatives to be a part of the group was also recommended
- A joint innovation and start-up fund along with a humanities and social sciences fund must be formed under the Australia India Strategic Economic Fund with a modest contribution of USD 10 million from both sides for 5 years

Takeaways for CII

- Break down the challenges sector-wise and connect the key players for problem solving to take forward the action plan resulting from the group monitoring the 'Australia Economic Strategy Report'
- Play a critical role in building continuity and curiosity amongst relevant stakeholders in the industry in identified sectors, matchmaking and information dissemination about the opportunities both countries offer
- Undertake a CEOs series wherein industry members could come forward from both countries and share success stories

Country Session: Promoting India Japan Strategic & Economic Cooperation

Introduction

India and Japan represent a strong partnership pole and a stabilizing force not just for the Asian region, but for the world as a whole in the evolving post-Covid geopolitical construct. The industries of the two countries have built and sustained a strong and robust economic relationship over a long period of time. Be it manufacturing, infrastructure, quality, or development assistance, Japan is a key participant across multiple sectors in India. This derives predominantly from the close political engagement over decades that has culminated in the Special Strategic and Global Partnership and has guided economic cooperation.

Speakers

Chair: Mr Vikram Kirloskar, Immediate Past President CII and Vice Chairman, Toyota Kirloskar Motor

Mr. Shigehiro Tanaka, Vice Minister, Ministry of Economy, Trade and Industry (METI), Japan

Mr. Mekapati Goutham Reddy, Minister of Industries, Commerce, IT, Skill Dev and Training and Infrastructure Investment, Government of Andhra Pradesh, India

Dr Guruprasad Mohapatra, Secretary, Department for Promotion of Industry & Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India

Mr Sanjay K Verma, Ambassador of India to Japan

Mr Nakajo Kazuya, Executive Vice President, Japan External Trade Organization (JETRO)

Mr Yoji Taguchi, Chairman & Managing Director, Mitsubishi Corporation India Pvt. Ltd.

Mr Baba Kalyani, Co-chair, India Japan Business Leaders Forum (IJBLF) and Chairman & Managing Director, Bharat Forge Limited

Mr Toshihiko Kurihara, Chief Representative

for South Asia, The Japan Bank for International Cooperation (JBIC)

Key Messages

- India presents itself as a huge market for Japan in trade and investment because of a huge availability of local talent, growing digital literacy, human resources development, diversification of supply chains and the potential for trilateral export promotion.
- In addition to the unprecedented reforms and initiatives that the Indian government has undertaken to attract foreign investments with renewed vigour and confidence, there are three initiatives being pushed by the Japanese Government in the context of India: digital cooperation, which is necessary to accelerate transformation through IoT in medical care and education; industrial competitiveness partnership and human resource development in the manufacturing sector in India, for which Japan has announced cooperation in training 30,000 Indian people over next 10 years in the Japan-India Institute for Manufacturing (JIM); and forming economic trilateral alliances. In this case, the Asia Africa Growth Corridor (AAGC) serves as a cooperation mechanism for India and Japan to jointly drive economic prosperity and sustainable development in the continent.

Detailed Takeaways

- Japan is regarded as a key partner in India's economic transformation; bilateral trade totalled US\$ 17.63 billion between 2018-19 and the relationship has been deepened through bilateral agreements such as the Shinkansen Project, nuclear energy cooperation, and Manufacturing Skill Transfer Promotion Programme, as well as enhanced cooperation in defence and security.

- The India-Japan relationship has also expanded from a G2G relationship based on Japan's overseas development assistance to a B2B relationship very quickly in the defence sector; various frameworks include "2+2" meetings, annual Defense Ministerial Dialogue, and Coast Guard-to-Coast Guard dialogue.
- Both the central and state governments have been working to promote India as a dynamic investment location. As a result, three new greenfield port projects in the state could benefit from Japanese collaboration. Japanese institutions have been strategic partners in the Andhra Pradesh growth journey over the past two years, as is evident from the 25 companies that are based out of the state.
- The AP Investment Promotion and Monitoring Act will ensure support to Japanese industries and investors right from the stage of investment to production, besides offering land, water and electricity at competitive prices to boost the industrial sector.
- It is the combination of India's demographic dividend and Japan's capital and technology that will realise the true potential their bilateral partnership for a prosperous future.
- There is a huge scope for collaboration and foreign investments in defence manufacturing cooperation and technology transfer, clean energy, information and communications technology, biotechnology, and pharmaceuticals.
- Investment opportunities in Andhra Pradesh exist in the construction of ports, industrial clusters, smart city and urban infrastructure, and the development of aqua and agri processing industries.
- Bilateral cooperation must focus on an SME-centric partnership.
- Japan can contribute significantly towards augmenting India's post-harvest facilities such as cold chain and warehousing through its expertise in food processing technologies.
- Japanese companies will have focus on stumbling blocks like knowledge gaps about each other's working cultures and seek collaboration with Indian digital HR and tech-companies in industrial DX and 5G.

Actions for Government

- Both countries should explore opportunities uncovered by emerging technologies, such as medical devices and sensor and financial technologies.
- Offices of Japanese certifying agencies should also be opened in India, as has already been done for the Indian textiles industry that would help in promoting the brand equity of Indian products.
- The India – Japan Comprehensive Economic Partnership Agreement (IJCPEA) signed in mid-2011, is one of the most comprehensive FTAs that India has ever signed. Because of it, Japanese companies have been able to corner a fast-growing market of household products as well as industries like automobile, creating pressures on quality and supply which have been overall advantageous to the Indian economy. This FTA can act as a model for other successful trade agreements.

Takeaways for CII

- Align with Japan's three key priorities of digital cooperation, industrial competitiveness and human resource development and trilateral partnerships

Country Session: Singapore in India: Collaboration, Transformation & Growth

Introduction

Singapore is an early believer in India's immense potential. The session focused on Singapore investments into India and how the two countries can collaborate and harness the true potential of growth. Sectors of potential were elaborated upon and the digital economy was seen as a key source of growth, including Industry 4.0. India as a resilient supply chain was also stressed.

Speakers

Chair: Mr Ho Meng Kit, CEO, Singapore Business Federation, Singapore

Mr Francis Chong, Senior Director, Singapore India Partnership office, Ministry of Trade & Industry, Singapore

Mr Manohar Khiatani, Senior Executive Director, CapitalLand Group, Singapore

Mr Vijay Iyengar, Chairman & Managing Director, Agrocorp International

Mr Lawrence Pek, Secretary General, Singapore Manufacturing Federation

Key Messages

- Despite Covid-19, Singapore was the top source of foreign direct investments into India from April 2020 – September 2020. Taking advantage of e-commerce opportunities, many companies continued their investments into India despite the pandemic.
- Huge opportunities exist in digital space including e-commerce market in India and resilient supply chains, that is, shifting supply chain from one economy to another.
- Collaboration in food sector between the two countries can be looked upon as India has not been the major import destination for Singapore and also collaboration in the healthcare sector can be examined, considering the pandemic.
- Logistics, urban solutions, agritech, startups, pharma, energy and skill development are some of the other sectors that can attract both large and small-scale industries.
- India could be a potential offshore farmland for Singapore through long-term contracts.
- Considering agriculture, both nations can collaborate in areas such as warehousing, cold chains and technologies to enhance storability and shelf life of perishable commodities.
- Difficulty of doing business with India is overstated. Underlying principle of successful collaboration is mutual benefits, adequate resources, dedicated workforce and time. Involvement with India can transform companies owing to the scale with which India allows companies to operate, market size and capabilities of expanding to rest of the world.
- India can be considered as a manufacturing base for Singapore companies.
- Singapore has a strong biotech research base which can partner and collaborate with Indian companies.
- India and Singapore can work together to fully realize the benefits of Industry 4.0.
- Considering Covid-19, companies whether big or small, have no choice but to adopt digitalization. Driven by necessity, adoption of digital technology went up by three times in Singapore.
- It is important to impose digitalization over traditional mechanical processes of manufacturing. Time to embrace Industry 4.0 and use of technology in business operations including Artificial Intelligence, Industrial Internet of Things (IIoTs), and software is ripe in order to obtain data and break down the data for analysis.

- In addition to increasing manufacturing sector efficiency and productivity, Industry 4.0 allows for remote control assessment of work processes as well as customization of manufactured products for target markets.
- Digitalization allows companies to do away with the need to reserve or stock higher number of inventories of raw material and hence greater cash flows.
- With additive manufacturing or 3D printing, production costs and time to market can be reduced significantly.
- Introduction of Cloud manufacturing where companies operate in smart factories and pool their resources and services to manufacture products can be considered for cooperation.

Country Session: Rwanda: Exploring Opportunities and Forging Business Linkages

Introduction

Rwanda is a country with a population of 12.6 million and a GDP per capita of USD 818. The country's literacy rate is 83% and unemployment rate is 15%. It is ranked the 5th safest country to walk at night worldwide. Rwanda has a stable currency, reduced tax rate for exporters, and additional advantages for companies that make the country the headquarters of their operations.

India has become Rwanda's third largest trading partner and second largest in Asia. Indians have invested in a number of sectors in Rwanda. These include real estate, manufacturing, education, health, energy, ICT, agriculture, transport, etc and their investments have seen steady growth over the past 20 years.

Speakers

Mr Oscar Kerketta, High Commissioner of India to Rwanda

Ms Jacqueline Mukangira, High Commissioner of Rwanda to India

Mr Rajiv Wahi, Chief Executive Officer - International Business, Escorts Ltd

Mr Abhilash Puljal, Trade Policy Advisor & Private Sector Development Expert, India

Mr Amit Chawla, Managing Director, Airtel Rwanda

Mr Rudra Chatterjee, Managing Director, Luxmi Tea Company Private Limited

Mr Jonas Munyurangabo, Ag. Chief Technical Advisor, Minister of Trade & Industry, Government of Rwanda

Mr Zephania Niyonkuru, Deputy Chief Executive Officer, Rwanda Development Board, Government of Rwanda

Mr Faustin Karasira, COO, Private Sector Federation (PSF)

Key Messages

- Today, Rwanda is a fast developing, transformed, stable and stronger nation with a zero tolerance for corruption. Over the past decade, Rwanda has implemented an effective business reform agenda to create a favourable and competitive business environment. As a result, Rwanda has jumped more than 100 places in World Bank's Ease of Doing Business Rankings and is currently ranked 38th globally and 2nd in Africa.
- With an outstanding performance Rwanda has the lowest debt ratio in the region, is one of the least corrupt nations in Africa and is becoming one of the best tourist and conference destinations in Africa. Rwanda's tourism sector has seen USD 1.5 billion investment since 2000.
- Rwanda is ready to welcome investors in infrastructure, agriculture, energy, tourism, healthcare, education, manufacturing, ICT, construction, financial services and mining.
- A major advantage of Rwanda lies in its strategic location as the gateway to East and Central Africa.
- Some of the main reasons that make Rwanda an excellent choice for business include low tax rates, good talent, committed work force, good business schools, a well connected and strategic location, and a process driven by patriotism and honesty.
- Being on the Equator and a relatively high altitude make Rwanda ideal for agricultural production (especially tea), all year round.
- The operation of the African Continental Free Trade Area (AFCFTA) commencing in January 2021 will bring 1.3 billion people into a single market and this will provide huge opportunities for business communities.

- Businesses can repatriate their capital, are exempt on capital gains, and get free business registration, which can also be done online.
- Rwanda's economy is mainly dominated by services (49%), followed by agriculture (24%) and other sectors. It is a part of EAC and COMESA, already giving a market access of more than 680 million people.
- Rwanda aims to become a middle-income economy by 2035 and high income country by 2050.
- There are approximately 3000 Indian nationals and PIOs in Rwanda. Rwanda's only sugar refinery, its only modern textile mill as well as a soap and cosmetic factory are PIO-owned. There are more than 130 Indian investors in Rwanda.
- The Government of India, as a part of its plan to open many new missions in Africa, opened its first new African mission in Rwanda.
- The country being landlocked, has to depend on the ports of Mombassa or Dar es Salaam and this opens up a lot of business opportunities in logistics and the construction of roads. In fact, DP World has recently started operations in Kigali. Qatar is also investing in the new Bugesera airport in Rwanda. This will lead to a lot of spin off opportunities. There might even be possibilities for Indian companies to join the construction of the project.
- India has extended USD 547 million of Lines of Credit (LOC) to Rwanda specially in sectors such as hydropower, agriculture, innovation, energy, vocational training centres and Special Economic Zones.
- India has also given Rwanda a number of grants that reinforces the Government of India's political and economic commitment to Rwanda and signals the way for the private sector of India to explore more opportunities in Rwanda.
- Telecommunications in Rwanda has been a big game changer in simplifying the way of doing business. The existence of a policy and regulatory framework and the clarity on what contribution is expected from telecommunication companies has ensured the mobile telephone technologies are affordable and accessible to all. The ICT sector of Rwanda is closely associated with the country's strategy of transformation and their vision 2050 goal. Airtel's investment in Rwanda was a game changer in the telecom industry and it played a big role, especially during the Covid-19 pandemic when many payments had to be done electronically.
- Indian investors feel welcome in Rwanda. They are supported by the people and government of the country.
- Opportunities for business with Rwanda, exist in manufacturing, agro-processing (especially food and beef processing), chemicals and pharmaceuticals, plastic, rubber and foam; textiles, leather and the apparel sector.

Country Session: Ukraine

Introduction

CII in partnership with Ukrainian Institute of Future and Ukrainian Chamber of Commerce organized a country session on Ukraine. The objective of the session was to present investment opportunities for Indian businesses in Ukraine. The session created opportunities for Indian and Ukrainian businesses to connect and interact online with government officials of Ukraine.

Speakers

Chair: Mr Raj Agarwal, CEO & MD Genus Power Infrastructures Ltd

Mr Evgeny Pikalov, Director General of Territorial Development, Ministry of Foreign Affairs, Ukraine

Mr Dmytro Lyvch, Adviser to the Prime Minister of the Ministry of Ukraine on Public Principles

Ms Olga Magaletska, Head of the Office of the National Investment Council, Ukraine

Ms Halyana Yanchenko, The People's Deputy of Ukraine, The Head of the Temporary Special Commission of the Verkhovna Rada on Protecting Investor Rights.

Mr Igor Liski, Chairman of the Board of Directors of Effective Investments, Member of the Board of Directors of the Canadian-Ukrainian Chamber of Commerce, Member of the Coordination Board of the Aspen-Ukraine Association

Mr Gennady Chizhikov, President of the Ukrainian Chamber of Commerce and Industry

Key Messages

- Ukraine has introduced many business friendly reforms such as laws on protection of investor's right in Ukraine, new liberalised rules on contracts and export of services.
- Ukraine has emerged as the preferable investment destination in the region.

- There is a need to create high tech clusters for joint ventures in sectors such as military-industrial complex, mechanical engineering, energy and IT with Indian companies.
- India and Ukraine are time tested friends and efforts to diversify the bilateral trade between the two countries is a testimony to that. Covid-19 pandemic has presented new opportunities for the two nations to collaborate in new sectors like IT, Energy, Pharma, Agro-processing and high-tech clusters for joint ventures projects with Indian companies.
- India is one of the biggest markets for Ukrainian exports especially in the areas of edible oil and pulses.
- There are tremendous opportunities for deeper collaboration in the areas of development of agro-processing plants, machinery and technologies in India under Atmanirbhar Bharat scheme where Ukrainian companies can develop joint projects with local Indian partners in India.

Actions for Government

- Encourage Indian companies to cooperate with Ukrainian counterparts across sectors
- Reach out to Ukrainian institutions to promote partnerships in sectors such as IT, Energy, Pharma, Agro-processing, etc.

Takeaways for CII

- CII in partnership with government of India and its MoU partners in Ukraine should curate opportunities for interactions, business missions and enable the private sectors to forge partnerships in a targeted sector between both countries

Enhancing India Australia Bilateral Economic and Trade Relationship: Australia Economic Strategy Report Launch

Introduction

The strategy report “Enhancing India Australia Bilateral Economic and Trade Relationship”, put together by CII was launched on the sidelines of the CII Partnership Summit 2020.

Speakers

Mr Piyush Goyal, Minister of Commerce & Industry and Railways, Consumer Affairs, Food and Public Distribution, Government of India

Senator the Hon Simon Birmingham, Former Minister for Trade, Tourism and Investment, Government of Australia

Ambassador Reenat Sandhu, Additional Secretary (Indo Pacific, South & Oceania), Ministry of External Affairs, Government of India

Mr A Gitesh Sarma, High Commissioner of India to Australia

Mr Barry O’ Farrell, High Commissioner of Australia to India

Mr Anil Wadhwa, Former Secretary (East), Ministry of External Affairs, Government of India and Distinguished Fellow, Vivekananda International Foundation and Chair, Australia Economic Strategy

Mr Anil Agrawal, Joint Secretary, Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry, Government of India

Mr Rodney Hilton, Deputy High Commissioner of Australia to India

Mr Chandrajit Banerjee, Director General, Confederation of Indian Industry

Mr D D Saxena, Chair, CII IBF Australia

Mr Bhavik Damodar, Office Managing Partner - Mumbai and Partner - Deal Advisory at KPMG India

Mr C Venkat Nageshwar, Deputy Managing Director, International Banking Group, State Bank of India

Professor Iain Martin, President and Vice-Chancellor, Deakin University

Mr Ranjeet Goswami, Global Head- Corporate Affairs, Tata Consultancy Services

Mr Swapan Johri, Corporate Vice President, Asia Pacific & Middle East, HCL Technologies

Mr Praveen Nichani, General Manager, Wipro

Key Messages

- The comprehensive report, which outlines in detail the various opportunities for both India and Australia across all sectors, will expand the Australia-India relationship further. Apart from traditional sectors such as mining and resources, India has made significant forays into newer areas such as gems and jewellery, pharmaceuticals, auto and spare parts, healthcare, agribusiness etc., which have great potential to expand this partnership.
- Changed geopolitical relations offer some great opportunities for both countries and the report which offers detailed recommendations across twenty sectors will be critical for the economic development of both sides.
- In the post-Covid era, the relationship will be further driven by the reforms and incentives undertaken by India to combat the pandemic.
- With India’s exports to Australia still at modest levels, India is engaging in continuous dialogue to bridge this gap for greater engagement with Australian companies so that the Indian trade basket becomes bigger, better (i.e. in terms of value addition) and more balanced.
- India can provide a core pathway for linking supply chains and provide trusted and reliable suppliers to the world, including integrating MSMEs of other countries into the global value chains. At the same time, Australia is

committed to an upward bilateral and trade trajectory with India.

- Australian companies also have tremendous scope in India. Easing of FDI norms and opening up of sectors such as defense and manufacturing, agricultural reforms, and progressive labour laws along with initiatives in the infrastructure sector, such as the launch of the National Infrastructural Pipeline (NIP) will greatly boost Indian engagement with Australian companies.
- Cooperation across diverse and new areas such as technology and cybersecurity, AI, quantum computing and robotics, waste management, etc. will give a further heft to the India-Australia bilateral partnership.
- The two countries have achieved significant progress on cooperation in areas such as water, science and technology and the new strategy

will further unlock new trade, investment and business opportunities for both sides.

Actions for Government

- Initiate more FTAs for exploring the trade and investment route, reviving the CEO's forum, starting a joint innovation and start-up fund and direct flights between both sides, once the pandemic eases, were some of the recommendations to increase trade, investments and tourism between both sides.
- Fast track process for talent to get access to data and operational information residing in Australia without harming confidentiality violations and cyber security through trust and transparent partnerships between Indian and Australian businesses in the IT space was highlighted.

State Session: Jammu and Kashmir

Introduction

A special session of Mr Manoj Sinha, Hon'ble Lieutenant Governor, UT of J&K was organised at the CII Partnership Summit 2020 where he called for unlocking the potential of Jammu Kashmir in a multi-dimensional fashion, through systemic interventions at the individual and community level. The purpose of such interventions is to effectively support and encourage young individuals to achieve their true potential, he said.

Speakers

Mr. Manoj Sinha, Lieutenant Governor, UT of J&K

Mr. Manoj Kumar Dwivedi, Commissioner Secretary, Industries & Commerce, UT of J&K

Mr Farooq Amin, Chairman, CII J&K and CEO, Kanwal Industries Pvt Ltd

Mr Sanjay Puri, Managing Partner, Devi Dass Raj Rani

Key Messages

- Jammu and Kashmir possesses great growth potential having talented young English-speaking population, coupled with established

supply chains, ease of doing business, single-window clearances, competitive regulatory and policy landscapes, assured part insurance covers, and rich natural resources.

- To revive economic growth, there is a need to act innovatively and at a pace faster than pre-Covid era.
- Industry, jobs, skilled workforce, modern villages, and world-class infrastructure need to walk hand-in-hand together to ensure progress in Jammu & Kashmir.
- J&K is expected to announce a new comprehensive and holistic Industrial Policy.

Actions for Government

- J&K Government should explore different avenues for developing J&K and make it competitive at the national and global level.

Takeaways for CII

- Facilitate crucial initiatives for the betterment of the Industry in the UT and for creating a better and friendly environment for the businesses in the future.

State Session: Telangana - Telangana 2.0: Success Stories and Beyond Covid

Introduction

Telangana is a state with infinite opportunities and a growth engine of Indian economy with the presence of world class infrastructure and top-class talent pool. It is an innovation & knowledge hub and the leading state in terms of ease of doing business and also a start-up hub of the country.

Speakers

Chair: Mr Sameer Goel, Vice Chairman, CII Telangana & Managing Director, Coromandel International Ltd

Mr Jayesh Ranjan, IAS Principal Secretary, ITE&C, Industries & Commerce Dept, Government of Telangana

Mr Rudra Jadeja, CEO, Kalyani Rafael Advanced Systems

Dr Rajiv Chhibber, Vice President – External Affairs, Sahajanand Medical Technologies Pvt Ltd

Mr Ravindra Kumar, CFO, Bhagawati Products Ltd (Micromax)

Key Messages

- Covid-19 management track record in Telangana is extremely efficient.
- From 1 May 2020 onwards, industries in Telangana were given permission to start operations.
- The Telangana Government has used technology platforms and Predictive Analytics to make decisions related to announcing relaxations during the lockdown.
- Telangana was among the few States that considered the migrant labour as partners in the State development. 90% of the migrant workers have come back to work.
- Various players have come together to make a ventilator under the aegis of T-Works. The cost of the ventilators was also low.
- The State also used a home-grown app to monitor those in home quarantine.
- Other programs of the State also continued and the State have made rapid progress in advanced technology areas like AI & Big Data.
- The State also launched the Electric Vehicle Policy and received good response.
- State continues to offer large number of online programs.
- Start-ups which were impacted by Covid-19, have guided them to set up new line of activities
- In spite of Covid-19, Telangana has been able to attract investments in the state like the earlier years.
- The State will continue its focus on the sectors of IT/ITeS, Pharma, Defence and Aerospace, Electronics, Textiles and Food Processing
- With Covid-19 posing many challenges to several nations, India has now become the brightest spot for Investment and Manufacturing across the world. Telangana is on the forefront when it comes to providing opportunities and creating value for investors and stakeholders.
- Besides IT& ITeS, Hyderabad is also the Pharma hub, bulk drug and vaccine capital of the country. Telangana is also the home to largest incubator, T-Hub; and women startup incubator, We-Hub and also largest prototyping centre, T-Works.
- Telangana government is extremely supportive to the industries and the State will continue its focus on the sectors of IT/ITeS, Pharma, Defence and Aerospace, Electronics, Textiles and Food Processing.
- Telangana has availability of skilled manpower,

excellent infrastructure facilities and good connectivity which makes it one of the most attractive investment destinations.

Takeaways for CII

- Support in making Telangana the No.1 state among industry and investor-friendly states in the country
- Work together with government for skills training for industry

State session: Puducherry

Puducherry organised a Focus Session on Investment Opportunities in Puducherry to showcase opportunities and attract investments. The session highlighted new policies to encourage investments, the infrastructure available in the state and the emphasis on ease of doing business.

Speakers

Mr V Narayanasamy, Chief Minister, Government of Puducherry

Mr M O H F Shahjahan, Minister for Industries & Commerce, Government of Puducherry

Ms P Priyadarshini, Director, Directorate of Industries & Commerce, Government of Puducherry

Mr M Sankaranarayanan, Chairman, CII Puducherry & Managing Director, The Grand Technologies

Mr S Narasimhan, Past Chairman, CII Puducherry & Vice Chairman, Sattva Logistics Group

Mr Vijay Ganesh K, Vice Chairman, CII Puducherry & Managing Director, Poclain Hydraulics Pvt Ltd

Key Messages

- Puducherry has a glorious past, dynamic present and a promising future. It is an investor-friendly State and has witnessed vibrant industrial growth over the years.
- Puducherry Government is a proactive administration. The state enjoys strengths

in good infrastructure, communication, connectivity, and serene industrial ambience and is well poised to play the leading role in promotion of startups, at par with the pioneers.

- A new start up and innovation policy 2019 has been unveiled by Government to improve the startup environment.
- Puducherry Government will also shortly launch an “Electric Vehicles Policy” for promoting new gen electric vehicles with appropriate incentives.
- The Government has speeded up the process on MSME Technology Development Centre at Puducherry for the benefit of MSMEs in Electronic System Design Manufacturing sector.
- The Government is also coming up with EODB Act which will be released shortly.
- The Government is looking for investments in the areas of food processing, IT /ITES, tourism, healthcare and manufactures of light engineering and auto components.
- Government has created a conducive environment to attract investors to invest in Puducherry. The State has a vast pool of quality and talented manpower.
- It is a power surplus state and has the lowest power tariff among the Southern States.



Technology Disruptions

FinTech: Transforming the world of finance

Introduction

FinTech is set to transform the way the world handles its finances. The increasing penetration of smartphones and growing middle class along with a rise in disposable incomes has ensured a rapid offtake of FinTech across the globe. Countries across the globe including India are adopting FinTech. Given this background, the session explored the latest developments in the global FinTech space as well as a look into the enabling factors to further spur its growth.

Speakers

Chair: Mr Sanjiv Bajaj, Vice President, CII

Mr Anurag Singh Thakur, Minister of State for Finance and Corporate Affairs, Government of India

Mr Sopnendu Mohanty, Chief Fintech Officer, Monetary Authority of Singapore

Ms Daina Kleponė, Managing Director, Enterprise Lithuania

Mr Thomas Krogh Jensen, Chief Executive Officer, Copenhagen Fintech, Denmark

Mr Bartosz Lopinski, Chief Executive Officer, Billennium, Poland

Key Messages

- The Government of India has taken significant steps in moving towards a digital economy.
- Digitization in tandem with the financial services sector has been a game changer for the continuous growth and development of the economy.
- The Government's Digital India program envisions to transform India into a digitally enabled economy, buttressed by the increasing penetration of smartphones and growing middle class as well as rise in disposable incomes.
- India has been one of the leading nations in FinTech adoptions and investment in Indian FinTech sector is possibly the next big opportunity in the internet economy.
- Investors have not missed out on the chance of digitizing and gaining customers in one of the most populated countries in the world as Indian FinTech start-ups have raised almost \$1.7 billion in the first few months of 2020.
- India effectively tackled and revived from the spread of the Coronavirus and the Indian Government chose health as the priority above all other issues.
- Singapore and Thailand are the first ever nations to agree on a cross-border digital payment system wherein payments can be made to their countries directly through a digital bank.
- Singapore is currently working on a similar agreement with India which is likely to come in place by the end of 2021, to allow cross border payments for business entities.

Detailed Takeaways

- FinTech has played an immense role in the recovery of the economy wherein UPI transactions rose to US\$ 2.2 billion in November 2020, with transactions valued at INR 3.90 trillion, that showcased the growth in adoption.
- The use of technology has enabled the Government to connect the banking and financial services sector with over six lakh villages in India.
- FinTech has transformed the way the world handles its finances.
- The FinTech sector in Singapore was supported through funds from various platforms, while investments in the sector increased beyond expectations during the Coronavirus crisis.

- Lithuania is one of the first countries in the European Union to adopt Data Protection, which is primarily done under the General Data Protection Regulation (GDPR) regulations - one of the strictest regulations for Data Protection.
- In order to create or build trust amongst consumer base, it is important to have strict regulations, create transparency, promote understanding and the ability to explain, along with good guiding principles around data usage and privacy.
- Data protection is a global challenge and has to be addressed coherently with other countries.
- Billennium Healthcare is working on an AI based system that helps in diagnosing tumours, which with time and support from other entities can become a revelation.
- Data privacy for such a system becomes critical and ownership of such data requires greater attention.
- Data Privacy needs to be given due prominence with stringent regulations.

Actions for Government

- Bring out clear guidelines on data privacy and ownership of data in order to promote FinTech
- Examine data privacy issues in the regulatory regime for FinTech
- Work with other countries on data protection

Takeaways for CII

- Consider FinTech as a high growth sector and take appropriate measures to promote it
- Look at the needs of industry in the case of data privacy and data ownership in FinTech

Future of Digital Economy

Introduction

Digital economy has a profound influence on the world's growth trajectory and the societal well-being of ordinary citizens and affects everything from resource allocation to income distribution and growth. The unprecedented disruption of Covid-19 has accelerated the trend of digitization. With half a billion - and rapidly increasing - internet users, India has created a huge market for a host of digital services, platforms, applications, content, and solutions.

Speakers

Chair: Mr T V Narendran, President-Designate, Confederation of Indian Industry

Mr Ravi Shankar Prasad, Minister of Law & Justice, Communications & Electronics and Information Technology, Government of India

Mr Anshu Prakash, Chairman DCC & Secretary - Telecommunications, Ministry of Communications, Government of India

Mr Caio Mario Paes de Andrade, Special Secretary for Debureaucratization, Management and Digital Governance, Minister of Economy, Brazil

Mr Amit Sinha, Managing Director & Global Head of Telecom, Media & Technology & India, DBS Bank, Singapore

Mr Dilip Sawhney, Co-Chairman, CII Smart Manufacturing Council and Managing Director, Rockwell Automation India

Key Messages

- The Prime Minister's vision for IT in India could be interpreted as IT (India's Talent) + IT (Information Technology) = IT (India Tomorrow).
- The Production Linked Incentive (PLI) scheme has helped boost electronics manufacturing in the country, from 2 mobile factories in 2014, to 260 mobile factories in 2020.
- Brazil is the 2nd largest user of social media in the world and the movement is towards the one and only relationship platform of Brazil - gov.br - connecting 1 citizen to 1 government.
- Digital connectivity is helping the world to stay connected during the pandemic.
- Digital economy is the future and digital infrastructure is the backbone for livelihood and growth.
- The future of policy framework for nations will be affected by the e-commerce boom.
- Platform and data monetization are important for value creation in the digital economy.
- The role of the manufacturing sector will be critical in building the economy, which will be further enhanced by Industry 4.0.
- Cyber Security helps in building confidence among users for digital transformation.
- Digital transformation is no longer an "option" for nations and organizations but a "compulsion".
- Many more interventions will be required for widening and deepening the ambit of the envisioned "Digital Economy" of India.
- Skilling, reskilling and upskilling of different segments of the population is critical for the economy to not only adopt, but also adapt the digital transformation.

Detailed Takeaways

- India has a huge potential in contributing to and consuming the digital transformation.
- Adapting to digital transformation is very important along with adoption.
- Data connectivity will play a critical role in the future of Digital economy and thus it is important to improve bandwidth.
- Data as a vital resource will play a crucial role

on how it is being stored, transferred, shared, used and interpreted. Thus, it should be an inalienable right.

- AI is going to be most crucial technology of digital transformation.
- More investments are required from industries for AI and other disruptive technologies.
- Greater interventions are required in terms of policy to boost Industry 4.0 in the country.

Actions for Government

- Create/develop programmes for promoting awareness for Industry, for adopting as well as adapting to the digital transformation

- Build digital infrastructure to provide connectivity at high speed to all geographies and sections of society
- Create new data centers for big data analytics and data cleaning purposes
- Create AI standards for meaningful and relevant use of AI in the future

Takeaways for CII

- Work with Government on promoting digital literacy and digital economy
- Take up AI adoption in industry in a big way
- Undertake programs for skilling, reskilling and upskilling for the new digital economy

Digitisation and the Future of Jobs: Learnings from Covid

Introduction

In a rapidly technologically innovative and transformative world, the Covid-19 crisis has only accelerated the pace of innovation and technology. The future of jobs now stands at a crucial juncture with a major revolution underway, as companies have shifted to a digital workspace and the use of advanced tools and technology have rapidly increased to communicate, collaborate and innovate. The session focused on deliberating the opportunities that have arisen in the current context, coupled with the challenges that have emerged for the skilling ecosystem due to the pandemic. The discussion also centred around the impact of the pandemic on the already changing landscape of jobs, and the critical need for skilling and reskilling the workforce for sustaining current and future jobs.

Speakers

Chair: Mr Suhel Seth, Chairman, CII National Committee on Branding and Managing Partner, Counselage India Private Limited

Mr Jayant Krishna, Group Chief Executive Officer, UK India Business Council, UK

Mr Roberto Suárez Santos, Secretary-General, International Organisation of Employers (IOE), Switzerland

Mr Klas Wählberg, Director General, The Association of Swedish Engineering Industries (Teknikföretagen), Sweden

Mr Yohei Shibasaki, Founder and CEO, Fourth Valley Concierge Corporation, Japan

Mr Peter Rhee, Deputy Managing Director and Corporate Vice President, Samsung India Electronics (SIEL), India

Key Messages

- Challenges notwithstanding, the combination of the new normal due to Covid-19 and the

technological revolution led by emerging technologies such as Internet of Things (IoT), Machine Learning, Big Data, Robotics, Artificial Intelligence and 3D printing will definitely result in reskilling and upskilling of the Indian and International workforce.

- Skilling of the workforce needs to be done on a mission mode, without any delay.
- The need of the hour is to skill the workforce particularly on automation related technologies and especially those in services sector who are working from home.
- The workforce would have to develop lifelong learning mode of reskilling and upskilling to stay relevant and advance their career, particularly in emerging technologies.
- This need for reskilling has been accelerated tremendously by the COVID-19 pandemic, wherein the tasks and competencies of the workforce will be redefined.
- The time taken by business leaders to predict new job roles has decreased from before due to digital transformation, but the pandemic has given an indication to understand and learn new skills of the future.
- Industries are now forging partnerships with digital platforms to reach out to their retailers and customers by leveraging technologies.

Detailed Takeaways

- The number of jobs may be affected due to the combined effect of the pandemic and emerging technologies like AI, Machine Learning, Automation etc. but this will also result in creation of new jobs and job roles.
- Sustainability, digitization, cybersecurity, automation, autonomous vehicles and electrification were already emerging trends before Covid-19, and these will occupy leading roles in coming times.

- There is a need to work on sustainable digital transformation, build resilience and reinforce digital security.
- This year has been a year of disruptions, and there is a need to work on action-oriented policies, given that the whole aspect of work culture, especially work timings and places have changed dramatically.
- The companies that have emerged at the forefront during the pandemic, have been able to succeed only because of the increased digitization of their products and processes and focus on digital skilling strategy.
- The human resource policies and regulations will need to undergo tremendous changes, relating to working times, social security regulations, international cooperation and global policies.
- The digital revolution will lead to changes in job roles. With digitization of jobs happening across sectors, there is a need to impart appropriate skilling techniques.
- Post Covid-19, the concept of 'jobtra' i.e. global opportunities shifting from 'people' transfer to 'job' transfer has been reinforced.
- As opposed to traditionally working in a different country, skilled workforce, specifically from the IT sector will have opportunities to work remotely for global organizations from their local locations.

Actions for Government

- Assess the full impact of workforce changes occurring due to technological disruptions, demographic changes and business innovation
- Measure the impact on participation rate, rise of new forms of work, skill gaps, sector obsolescence and sector growth
- Develop a national strategy to enable technology adoption, bring about reforms in the human-capital development system, rethink social protection systems and mobilize society on a future of work road map
- Create and drive a campaign about the criticality of reskilling
- Motivate learning of new skills
- Promote upskilling among Government bodies

Takeaways for CII

- Transform purpose, structures and policies and organisation structure to adjust to remote working
- Carry out extraordinary shifts in nature of employer employee contracts
- Implement new strategies and realign supply chains
- Lead the way in partnering with the stakeholders i.e. industry, Government and civil society and advise in terms of policy formation and implementation and the way forward

Advent of AI - The Future of Manufacturing

Introduction

The manufacturing sector has undergone a big transformation with the advent of 'Industry 4.0' that encompasses emerging technologies such as Artificial Intelligence, Internet of Things (IoT), industrial IoT, machine learning, robotics and cloud computing. The combination of these technologies is reshaping the future of manufacturing into what is now known as 'Smart Manufacturing' that includes the formation of new business models, creation of new value and new opportunities.

The session focused on AI and the future of smart manufacturing as a powerful disruptive force that can help optimize the entire manufacturing landscape and make businesses more efficient.

Speakers

Chair: Mr B Thiagarajan, Deputy Chairman, CII (Western Region) and Managing Director, Blue Star Limited

Mr Ravinder, Joint Secretary, Department for Promotion of Industry and Internal Trade (DPIIT), Govt. of India

Mr Ganesh Padmanabhan, Vice President, Worldwide Business Development & Partnerships, Beyondminds, USA

Dr Saurabh Mishra, PhD, Founder and CEO, Taiyō, Institute for Human-Centered Artificial Intelligence (HAI), Stanford University, USA

Dr Gunjan Bhardwaj, CEO & Founder of Innoplexus AG, Germany

Mr Rainer Brehm, Global CEO, Siemens Factory Automation, Germany

Key Messages

- Industry 4.0 has become more relevant in the post pandemic world and has become a critical pillar for India to attain self-reliance towards the vision of Atmanirbhar Bharat and a US\$ \$5 trillion economy.
- The Government has taken several measures and implemented the PLI scheme to boost the manufacturing industry, which will enable India to become a leader in the field of AI.
- The DPIIT is continuously engaging in various consultations with the NITI Aayog and Ministry of Electronics and Information Technology (MEITY) for handling the subject of digital transformation of the Indian manufacturing sector.
- The Government is providing full support and initiating changes at the policy level for greater and faster transformation of Indian Industries towards digitization.
- The Government has to maintain a balance and equilibrium between Automation vs Employment.
- India has an abundance of manpower, but there is a need for skilling the workforce for adapting to digital jobs and transformation.
- The digital transformation would help organizations to scale up their production and quality.
- The question of data as a resource, its movement and the data centers are still to be explored and answered and the Government is already working towards this goal.
- AI is the largest commercial opportunity of a lifetime for everyone.
- There is a paradigm shift from conventional methods to the new way of living, which the pandemic has further accelerated.
- AI will lead the future of manufacturing and towards Industry 4.0.
- The massive Industrial revolution led by AI will further lead to massive employment opportunities.
- There is a need to be abreast with the changes around the world and what can be learnt from global practices.

- AI today is the new frontier in the digital transformation journey, which enterprises have already embarked upon.
- Structured data coming in from different sources can help predict failure rates, what could be replaced etc.
- Computing capabilities have greatly advanced and are driving AI.
- The advent of AI has promoted economic growth and overall wellbeing of society at large.
- Data will be the biggest resource as large-scale data interpretation and analytics will predict the future and close gaps.
- Semantic intelligence and blockchain is crucial for AI.
- There is a need for leveraging Blockchain and create marketplaces with standards.
- AI and Blockchain will lead the fundamental transformation in the manufacturing sector.
- Industries need to move from Capex to Opex driven models.
- If India could build an “everything as a service” model with an optimal capex, India could become the manufacturing hub for the entire world.
- AI is a collective term that encompasses various technologies, including machine learning, neural networks and natural language processing.
- Technology intervention is highly solicited in the current context, which along with seamless vertical integration will help leapfrog into the next Industrial Revolution i.e. Industry 4.0.
- The amalgamation of AI and IT will play a major role in machine technology.
- India being an IT hub, with software defined flexibility in production line, has great potential in manufacturing.
- India has immense opportunity wherein the smaller and medium sized players can all have access to AI, which will enable them to increase efficiency, reduce costs, become more profitable and scale faster.

Detailed Takeaways

- India has huge potential in AI and Blockchain in terms of both contribution and consumption.
- Data as a vital resource will play a crucial role on how it is being stored, transferred, shared, used and interpreted. It should thus become an inalienable right.
- More investments are required in AI, Blockchain and other disruptive technologies.
- There is a need to nurture more AI specialists to build digital systems and create opportunities.
- Industry stands for inclusive growth and adoption of AI through capacity building and collaboration between Industry, academia and Government is critical.
- It is critical to improve bandwidth as data connectivity will become a building block for a more data driven economy.
- There is a need for academia to focus on domain knowledge and its development.

Actions for Government

- Boost AI and Industry 4.0 in the country through policy level decisions
- Continue to build IT base, to boost Industry 4.0 and growth
- Use data as a resource and incentivize data sharing
- Enable standards for service providers to share data
- Embrace and promote blockchain and create large marketplaces with the help of AI and blockchain
- Make PLI schemes for the AI sector
- Improve bandwidth and connectivity

Takeaways for CII

- Focus strongly on encouraging adoption of AI in manufacturing
- Undertake skilling programs



Sustainability

An Un-plastic World

Countries all over the world are grappling with the enormous challenge of dealing with large amounts of plastic waste in the environment because the requisite infrastructure is not in place. Moreover, mechanisms such as segregation and collection are not geared to facilitate proper management of plastic waste. It is clear that policy measures alone will not solve the problem – these should be supported by appropriate behavioural, social, scientific and economic considerations in a collaborative environment.

In the session, Un-plastic World, experts focused on exploring how the world can come together to tackle the global problem of plastic waste management. They also put forth suggested policies and measures for Governments and businesses along with highlighting the measures that are being currently undertaken.

Speakers

Dr Marianne Olsen, Research Manager Environmental Contaminants, Norwegian Institute for Water Research

Dr Julien Boucher, Founder & Director, EA-Environmental Action, Switzerland

Mr Krishan Balendra, Chairman, John Keells Holdings, Sri Lanka

Dr Anurag Priyadarshi, Director - Sustainability, Tata Consumer Products Limited

Mr Milind Baride, Group Project Control, Contract & Subcontract Management Vice President, Maire Tecnimont S.p.A. Italy

Mr Song Kyung-ho, CEO, The Picker, Republic of Korea

Mr Peter Skelton, Strategic Partnerships Manager, WRAP, UK

Mr Janaka de Silva, Senior Programme Coordinator, IUCN, Switzerland

Key Messages

- A scientific approach and reliable data from research need to be used to inform policymaking and business decisions on plastics management.
- Businesses should commit to plastic pacts with time-bound targets.
- There is a need to look upon plastic as a valuable resource that should not be allowed to go to waste and practise the 3R or 4R principle.
- Upcycling must be put in place, wherever possible - technology is available for chemical recycling back to raw material as feedstock in place of fossil fuels.
- There is a need to build capacity-building at all levels, especially of rag-pickers, which will help build circularity.

Detailed Takeaways

- Businesses should commit to time-bound targets as part of Plastics Pacts which are being implemented in many countries across the world. Such commitments taken up by a few leading businesses may inspire action by a larger set of companies and help realize the value of plastic and prevent littering.
- Policymaking by government and business actions related to plastic waste management should be informed by scientific research, complemented by reliable data collection and analysis.
- Areas where data is unavailable but is required, include quantification and classification of flows of plastic; lost, mismanaged waste ("leakages"), effects and impacts.
- While recycling is good, upcycling is preferred, and technologies are available for this form of plastic management at end-of-life for different resins, especially those which cannot be recycled easily.

- Chemical recycling can obviate the need for using fossil fuel as feedstock for making plastic.
- Capacity-building is necessary in the post-use portions of the value chain, especially of rag-pickers and women who earn their livelihoods from waste. This is necessary to ensure complete collection, segregation, and facilitate a circular economy for plastics.
- Support and endorse signing of plastic pacts by Indian businesses to encourage adoption of a circular economy for plastics

Takeaways for CII

Actions for Government

- Encourage signing plastics pact by companies, in all forums of the organization
- Mainstream circular economy thinking in businesses via capacity-building programmes and alliances/platforms, especially for plastics
- Ensure policy decisions are based on scientifically collected data and supported by adequate research

Reworking the Response to Climate Change: Bringing the World Together

Climate change is a man-made environmental challenge that has unprecedented impact across the globe and will continue to affect current and future generations significantly. While climate change has varying impacts across different regions, it is also seen to become more frequent and intense. The session focused on the future areas for global collaboration to address climate change.

Speakers

Chair: Mr Vikram Kirloskar, Past President, CII and Chairman & Managing Director, Kirloskar Systems Ltd. and Vice Chairman, Toyota Kirloskar Motor

Mr. Prakash Javadekar, Minister for Environment, Forest & Climate Change, Information & Broadcasting and Heavy Industries & Public Enterprises, India

Rt Hon Mr. Alok Sharma, Member of Parliament, Secretary of State for Business, Energy and Industrial Strategy and COP26 President, UK

H.E. Mr. Lyonpo Loknath Sharma, Minister of Economic Affairs, Royal Government of Bhutan

Mr Andrew Steer, President and CEO, World Resources Institute (WRI), USA

Dr Susmita Mohanty, CEO, Earth2Orbit, India

Mr Pushpam Kumar, Chief Economist, UNEP, Kenya

Mr Ben Hamilton, Co-Founder, Village Energy, Australia

Mr Upendra Tripathy, Director General, International Solar Alliance, India

Key Messages

- There is a one in five chance of temporarily exceeding the average global temperature currently at 1.2°C above the pre-industrial (1850-1900) level to 1.5°C by 2024.

- The Emissions Gap Report 2019 has shown that the cuts in global emissions required per year from 2020 to 2030 are close to 3% for a 2°C target and more than 7% per year on average for the 1.5°C goal of the Paris Agreement.
- India has shown more efforts towards climate change action, with a target of reducing emissions by 35% and has already reduced emissions up to 21% from 2005 levels, with the onset of Paris Agreement.
- India has also set an ambitious target of 450GW RE by 2030 and has increased green cover of 5,188 sq. km.

Detailed Takeaways

- It is possible to bridge the emissions gap, but with urgent and concerted action by all countries and across all sectors.
- Looking beyond the 2030 timeframe, new technological solutions and gradual change in consumption patterns are needed at all levels.
- To address climate change, India is also undertaking active efforts to collaborate and build a strong partnership with UK.
- India has taken a leadership role in curating global initiatives like International Solar Alliance and Coalition for Disaster Resilient Infrastructure.
- India also looks forward to global collaborations to address climate change impacts on food systems, water, air pollution and nature conservation.

Actions for Government

- Engage Indian cities to build climate resilience by integrating nature-based solutions along with smart mobility and housing plans
- Develop Net Zero commitment for 2050 to meet the 1.5°C pathway and form collaborations for climate change mitigation

Takeaways for CII

- Lead Indian businesses to adopt Net Zero and Net Positive commitment and incorporate climate change agenda across value chain
- Establish global partnerships engaging businesses to adopt technology and mainstream nature-based solutions for restoring and preserving carbon sinks, and improving ecosystem services

Sustainability and New Business Models

Globally, the quest for sustainability has transformed the competitive landscape, encouraging companies to change the way they think about processes, products and technologies. It has also increased the development and uptake of more radical and systemic eco-innovations approaches.

New business models, with a strong focus on Sustainability & ESG (Environmental, Social and Governance) are currently emerging. With a rapidly growing economy, huge domestic market and an important role in global supply chains, India is at the center of this transformation, playing a leading role in determining the relative success of the Sustainable Development Goals (SDGs).

Speakers

Mr Tejpreet S. Chopra, Co-Chairman, CII National Initiative on Cleaner Air, Better Life and Chief Executive Officer, Bharat Light & Power Private Limited

Mr Alexander Nick, Principal Expert & Head of Sustainability Strategy, BMW, Germany

Prof Arun Sharma, Group Sustainability Lead, Adani Group, India

Mr Giovanni Rocca, Senior Vice President, International Business Promotion, Ferrovie dello Stato Italiane SpA, (Italian Railways), Italy

Dr Anirban Ghosh, Group Chief Sustainability Officer, Mahindra & Mahindra Ltd, India

Key Messages

- Indian companies are leading the movement in corporate climate action and today, India is the developing economy with the greatest number of companies committing towards Science Based Targets Initiatives.
- There are many advantages of science-based target initiatives, setting up of internal departments within organizations that can incorporate CO2 as a decisive factor, and long-term carbon neutrality commitments.
- In coming years, the concept of Circular Economy has a lot to deliver.
- There is a need to encourage ESG along supply chains, that follows diligent processes. However, businesses need to work on maintaining good transparency across different tiers and identification and implementation of appropriate methodology.
- There is a need for businesses to keep themselves aligned with Glasgow commitments.
- There is a need to develop systems where all stakeholders can understand and appreciate each other's contributions and can work in collaboration.
- India's railway system is the fourth largest in the world, and the third largest in terms of electrified railway systems. The system is playing a fundamental role in the country's development, by integrating markets and connecting communities.
- The MoU that was signed in 2017 between Ferrovie dello Stato Italiane SpA, (Italian Railways) and the Ministry of Railways of India focusses on upgrading the safety levels of Indian Railways.
- Economic growth cannot be realized without social and environmental facets. There is a need to build more green buildings as they significantly reduce emissions without adding any extra cost to the systems.
- AI & IoT have accelerated effects on energy efficiency.
- India needs to identify various possible options in terms of sustainable Green Businesses.
- India's scrappage policy is awaited which is expected to have significant impacts on all possible sectors, ranging from climate change to employment generation.

Detailed Takeaways

- New business models, with a strong focus on Sustainability & ESG, are currently evolving. India is at the center of this transformation, playing a lead and crucial role in determining the relative success of the Sustainable Development Goals (SDGs).
- Circular economy is an economic system that is aimed at eliminating waste and the continual use of resources. It is a regenerative approach which has a lot to offer in coming years.
- The Glasgow commitment by subnational governments to tackle the climate emergency through integrated food policies and a call on national governments to act is the need of the hour. Businesses should also ensure that they abide by their commitments in this regard.
- With a rapid change in technology and a shift towards technological era, AI & IoT will have accelerated effects on energy efficiency and a huge role to play in coming years.

- People who are displaced due to economic transitions should be taken care of and efforts must be undertaken for enabling them to contribute positively in the transition towards green businesses.

Actions for Government

- Explore more partnership opportunities with relevant institutions that will encourage sustainable business models
- Promote green infrastructure
- Protect displaced people and enable them to participate and contribute in the green transition process

Takeaways for CII

- Provide support in the development of ESG Frameworks for Indian businesses, with a substantial focus on Indian MSME sector
- Facilitate and endorse partnerships between businesses for supporting innovative financing to drive sustainable business models

Green Financing: Environmental and Social Risk Management

The extent to which the environment and social risks are being addressed within the financial system by global investors shows that there is a growing interest to mainstream green financing. However, supply and demand barriers need to be addressed through close collaboration with policy makers.

Climate-related investments from public and private sources remain limited. There should be a unified approach around taxonomy, green guidelines, financial products, as well as a need to define the roles of private and public sectors, bankers and asset managers.

Speakers

Chair: Mr. Vineet Mittal, Co Chairman, CII National Committee on Environment and Chairman, Avaada Group

Ms Marianne Haahr, Executive Director, Green Digital Finance Alliance (GDFA), Green Finance Platform, Switzerland

Mr. Matthew Jordan-Tank, Director, Sustainable Infrastructure, Policy & Project Preparation, UK

Key Messages

- Concerted efforts are required for a cohesive approach for increasing climate related investments. A collective vision from policymakers, regulators and actors in the financial system is critical.
- Green finance is a systematic program involving multiple stakeholders such as government, financial institutions, and regulatory agencies and it is pertinent to understand the key factors/mobilisers that have been continually encouraging diversified uptake of ESG across the globe, particularly in the Asian region.
- Green finance includes high domestic saving trends shift from principle-based to rule-based

approach, supportive quantum of natural resources and unique platforms like mobile money platforms that inspire green economy transition.

- The assessment of environmental and social risks in financing are becoming the norm as pressure is increasing from peers and voluntary sustainability initiatives as well as investor demands.
- The role of the Task Force on Climate-related Financial Disclosures (TCFD), G20 economies and solidarity responses will become important while moving towards green financing.
- Keeping the green agenda alive and well, is a long-term challenge and businesses need to think on the same.
- Currently EBRD is not operating in Indian markets and not supporting financial projects, but if given the opportunity for collaboration, it would like to work with Indian businesses and policy makers.

Detailed Takeaways

- There is a growing need to sensitize India's financial sector to the importance and benefits of Green Finance. A focused approach towards green financing, forward looking regulatory regime, domestic framework and inclusive incentive mechanism, recalibration of financial sector for green finance will be crucial to the process.
- There is a strong need to have focused direction/guidance on various aspects related to TCFD, amongst all concerned stakeholders.
- With high saving rates in Asian/Indian markets, citizens should also be looped in to fund the green growth agenda.
- Indian businesses need to develop matrices to measure sustainable investment and how to drive the same.

Actions for Government

- Encourage global investors to explore and invest in Indian markets

Takeaways for CII

- Facilitate further discussions with Green Digital Finance Alliance
- Explore opportunities for future collaboration

Energy Choices: Fuelling India's Energy Transition

A Fireside Chat with Mr Patrick Pouyanné, Chairman & CEO, Total, France

India has set ambitious targets towards achieving the dual goals of climate action and sustainable development through its nationally determined contributions and energy access commitments.

In a bid to provide energy access to all in a sustainable manner, Government has taken on a mammoth responsibility by making global climate change commitments to reduce emissions intensity of its GDP by 33 – 35% from 2005 levels. One of the main strategies India is planning to adopt towards achieving this goal is by having 40% electricity generation capacity from non-fossil fuel-based energy resources by 2030.

Speakers

Mr Patrick Pouyanné, Chairman & CEO, Total, France

Mr Banmali Agrawala, President - Infrastructure, Defence & Aerospace and Global Corporate Affairs, Tata Sons Private Limited

Key Messages

- Covid-19 has severely impacted the world and India, posing a huge challenge not only in terms of managing healthcare but also on economic health.
- The Indian Government led by Prime Minister Narendra Modi has demonstrated strong commitment to climate change, after the 2015 Paris Agreement for which India was one of the key anchors.
- The challenge as well as the strategy for the Government of India was dual - "more energy access, less emissions."
- The global thought in terms of achieving clean energy across the world is to provide fuel and access to energy at an affordable cost.
- The world order is moving towards a mix of energy where the dependence on coal has reduced in favour of finding new and renewable sources of energy.
- The idea is not to do away with some sources immediately but to continue to find the sweet spot of fuel mix.
- Biofuels will play a critical role as a part of a world decarbonization strategy.
- Liquid fuels continue to be important and excluding any fuel from the mix will not be a solution.
- As a company, Total will continue to follow a strategy of engaging more and more in Renewable Energy, 30 per cent of which will be liquid fuels.
- Large capex is required for large-scale deployment of Renewable Energy.
- Two major important aspects that investors would look at while investing in India would be the incentives that the Government provides and the streamlining of public policy.
- India, the Union and the states need to be mindful of the sanctity of contracts and terms of power-purchase agreement (PPA).
- PPAs are long-term contracts and, therefore, need to be respected by the investor to feel comfortable to pump in large capex into India for development, whether it is electricity or liquid fuel.
- Cost of energy is another determining factor in the degree to which renewable energy will succeed, as it will impact the delivery of a service like tariff of energy which is evacuated to the last mile. This would also require robust supply chains.
- Creation of new jobs will be important along with sustaining existing ones in terms of deployment of new and renewable energy sources.

Actions for Government

- Ensure sanctity of PPA
- Build robust supply chains for cost efficacy and successful renewable energy generation
- Promote and provide fillip to the indigenous industry



Healthcare

COVID: Economics and Logistics of a Vaccine Response

The global distribution of vaccines is the immediate big challenge facing Governments and policymakers of the world. The equitable distribution of vaccines – which is critical to achieve herd immunity and the global mechanism to administer the same - is also a big challenge, along with its procurement, transport, storage and distribution.

The session focussed around the current challenges in the vaccine logistics and distribution system.

Speakers

Chair: Mr. T V Narendran, President-Designate, Confederation of Indian Industry

Dr Alka Sharma, Scientist G - Department of Biotechnology, Ministry of Science and Technology, Government of India

Mr. Ashok Bajpai, Group Head of Operations and Integration, IHH Healthcare Berhad, Singapore

Mr. Vikrant Shrotriya, Managing Director, Novo Nordisk India Private Limited, India

Mr. Steve J Schommer, Senior Vice President, Eversana, USA

Mr. Amit Chopra, Managing Director & CEO, Thermo Fisher Scientific, India

Ms Annapurna Das, Country Head, Sanofi Pasteur, India

Key Messages

- The Department of Biotechnology (DBT) along with the Drugs Controller General of India (DCGI) have developed a rapid response regulatory framework to expedite regulatory approval for vaccine candidates.
- Unique initiatives are being undertaken under the PACT (Partnership for Advancing Clinical Trials) with DBT and the Ministry of External Affairs (MEA) to strengthen capacity for Phase III for facilitating clinical trials of Indian Covid-19 vaccine in friendly neighbouring countries such

as Afghanistan, Bhutan, Bangladesh, Maldives, Mauritius, Nepal and Sri Lanka.

- There is a need to focus on the huge logistical task that lies ahead, along with the current supply expectation and the existing distribution network for last mile delivery.
- For the mass distribution of the vaccine, varying range of temperature will be required. This is also being done in an environment of great uncertainty, i.e. uncertainty around glass vials, temperature ranges, distribution modes and the availability of the vaccine with respect to a particular geography.
- Three segments that would need focus are the size, policy and logistics.
- In terms of financing, India would require Rs 50,000 – Rs 80,000 crores in terms of GST collection per month, to be dedicated for Covid-19 vaccination.
- Questions on whether the financing will be undertaken by the Central or State Governments, including size, approval and efficacy will need to be addressed.
- There is a chance to turn this chaos and disruption of Covid-19 into an opportunity.
- Key drivers that will make a great difference to this exercise are - data science, having collaboration and not cooperation, communicating and not informing and lastly, the need to build change into the plan.
- Vaccine response should be deployed on the solid foundation of data analytics and evidence. Source of analytics needs to come from the public and the private sector.
- In vaccine production, the lead time building up the demand is significant. Servicing that demand from all over the world is a big challenge. It would be helpful to have a slightly better forecasting, jointly with the private sector and the government.

- There is a need to build a concrete community communication education program to help the community understand what the vaccine would do, what could be the possible reactions and why should they not worry.

Detailed Takeaways

- For every country, including India, there is an urgent need to draw up a detailed plan that can broadly be categorized under four domains: vaccine production and financing, safety and efficacy of each candidate vaccine distributional aspects and equity and accountability.
- The Government has established a committee i.e. the National Expert Group Vaccine Administration for Covid-19 (NEGVAC) to discuss each and every aspect of Covid-19 vaccine, with regulators as key partners of the NEGVAC.
- There is a need to address medico-legal liability issues, which will occur at every step.
- Mass media reach has to go to the non-digital/offline way, so that it touches a very large population base in dispelling myths and beliefs related to vaccination.
- A strong education mechanism is required for people who report back from the community.
- Technology in the vaccination process is available, but there is a need to set up a strong network.
- Today, all cold chain products produced are cloud connected. There is a need to create end-to-end solutions to track and deliver vaccines across the cold chain, with the help of advanced technology tools including IoT, software development, artificial intelligence and machine learning.
- There is a need to have a solid Adverse Event Following Immunisation (AEFI) monitoring mechanism.
- Good distribution practices and warehouses are required, along with a robust and resilient transportation and distribution logistics network.

- Innovation and research are required to develop a practical distribution model that can handle the mass distribution of vaccines.
- Air freight will be the preferred option for distribution but would require special pallets or UNDs (Union Node Devices). Availability of UNDs is going to be a limiting factor.
- Accuracy regarding location specific number of doses, determining pack sizes for each distribution centre is required.
- Continuous feedback loop to the suppliers is required on amount of consumption at the point of administration.
- Some of the main areas of concern are cold chain logistics and loss of efficacy of vaccine during distribution to the heartland of the country, where there is relatively poor infrastructure.
- Cold storage capabilities are required in district and regional headquarters. Thus, there is a need for creating temporary facilities and an efficient method to re-distribute the doses to neighbouring areas as and when required.
- There is a need for resilient and robust post pandemic transportation, distribution and logistics systems.
- Efficient co-ordination is required between the pharmaceuticals and logistics industry.

Actions for Government

- Facilitate information, education and communication
- Build a concrete community education program which would facilitate better understanding about the uses of vaccines along with the possible reactions
- Focus on prevention of vaccine wastage - ramp up systems for vaccine wastage management.
- Learn from best practices from around the world
- Build a strong AEFI (Adverse Event Following Immunisation) monitoring mechanism

Takeaways for CII

- Ensure private sector can work with the Government for an end-to-end planning process
- Help in setting up an IT platform that will update the emerging demand at the point of administration.

Future of Medical Technology

2020 has transformed the world, and the medical technology industry needs to change quickly to serve the healthcare needs across the world. The Medical Technology sector in India is recognized as a sunrise sector with a potential to reach USD 50 billion by 2025-26. The Indian med-tech segment is extremely import dependant, with almost 85%, dependant on imports. This shows that the domestic manufacturing capabilities are not being able to keep pace with domestic demand. This is a matter of great concern and trigger for immediate action.

As the pandemic disrupted global supply chains across the world, India saw the growth of partnerships with technology being shared for companies to skill up. The way innovation or digital transformation is poised today in the healthcare industry, digital technology can be a game changer, with smart-care, virtual-care, remote-care, connected-care etc.

India has reached the threshold where we are able and capable of leveraging technology. The future of med-tech will be driven by data and the digital environment that we all live in.

Speakers

Chair: Mr Himanshu Baid, Chairman, CII National Medical Technology Forum & Managing and Director, Poly Medicure Limited

Ms S Aparna, Secretary - Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers

Mr Probir Das, Chairman & Managing Director, Terumo Asia Holdings Pte. Ltd., Singapore

Mr Amit Mohan, Chief Operating Officer, GE Healthcare India

Mr Jörg Mayer, Chief Executive Officer, SPECTARIS - German Association for Medical Technology, Germany

Dr Christian Garbe, Chief Executive Officer, Frankfurt Innovation Center, Germany

Mr Wojtek Dołkowski, Chief Executive Officer, MEDtube, Poland

Mr Maksim Leshkin, Imbian Labs, Russia

Dr Lais Suarez, Professor of the Department of Ayurveda Medicine & Secretary of Institutional Relations of the Inter-American Open University, Argentina

Key Messages

- The med-tech industry in India is a sunrise sector, however, it is extremely dependant on imports. It is imperative that balanced attention to the trinity of investment, innovation and institutions be brought under a common platform in tandem.
- The regulatory roadmap has changed the med-tech industry, with the policies issued in the last two years allowing companies to participate in this sector.
- The med-tech industry is transforming with technology as its central piece, with remote treatment monitoring diagnosis becoming more important in the current scheme of things.
- The way innovation or digital transformation is poised today in the healthcare industry in India, it is no longer necessary to follow the contemporary route of building the whole healthcare infrastructure as developed economies have.
- Germany wants to become an enabler and not only an exporter while wanting to diversify its supply chains.
- The pandemic has demonstrated the need to expand the structure of suppliers and not become overly dependent on a single source of suppliers and providers.
- Medical technology turns logical material into

data. This is the most important aspect, which will see a lot of development in the coming years.

- Medical education technology and serial investors will play an important role in shaping the industry.
- There is significant potential for Indian and Russian collaborations in innovative systems for diagnostic kits.
- Tele-medicine and big data are acquiring greater prominence and will transform the med-tech industry.

Detailed Takeaways

- The Indian Government recognizes that the med-tech sector is inter-disciplinary, and the policies will require inter-departmental and inter-sectoral coordination, dialogue and design.
- The regulatory fragmentation that persists in the industry needs to be addressed, as the med tech sector at the Government level is serviced by Department for Promotion of Industry and Internal Trade (DPIIT), Department of Commerce, Department of Pharmaceuticals, Ministry of Electronics and Information Technology and Ministry of Health and Family Welfare.
- The present regulations in the industry are at par with the developed world as the standards prepared by Bureau of Indian Standards (BIS) are harmonized with global standards.
- Digital technology can be a huge leveller with the advent of smart-care, virtual care, remote-care, connected care, etc. and India is able and capable of leveraging this technology.

- Germany sees a lot of potential in India in the sub-segments such as lab medical devices, disposables, services, devices/equipment, implants and instruments.
- Training and education are most important aspects for building a robust sector and with the exchange of people from Germany and India, it is imperative to start working on projects. The future is exploiting data, which requires educated individuals in maths and informatics. India has strong capabilities in this area.
- The role of small investors/serial investors and the know-how in med-tech areas is essential. The investors bring in capital along with the know-how and the ability of possessing smart money. Specific focus is required on capital gap, which is difficult in the med-tech sector, as it has a long gestation period.
- As big data is the way forward, building collaboration between countries is necessary to develop more information and more technology.

Actions for Government

- Bring about balanced attention to the trinity of investment, innovation and institutions. All three will have to be developed on a common platform in tandem
- Ensure that the regulatory fragmentation that persists in the industry is addressed, as the med-tech sector at the government level is serviced by DPIIT, DoC, DoP, MEITY and MoHFW

Takeaways for CII

- Submit policies and inputs to be incorporated in the R&D report being created by the Government

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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.

For 125 years, CII has been working on shaping India's development journey and, this year, more than ever before, it will continue to proactively transform Indian industry's engagement in national development.

CII is a non-government, not-for-profit, industry-led and industry-managed organization, with about 9100 members from the private as well as public sectors, including SMEs and MNCs, and an indirect membership of over 300,000 enterprises from 288 national and regional sectoral industry bodies.

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.

With the Theme for 2020-21 as Building India for a New World: Lives, Livelihood, Growth, CII will work with Government and industry to bring back growth to the economy and mitigate the enormous human cost of the pandemic by protecting jobs and livelihoods.

With 68 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.

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