

Daily Economic News Summary: 10 March 2017

1. India and Belgium sign Protocol to amend DTAA

Source: The Hindu: Business Line ([Link](#))

India and Belgium on Thursday signed a Protocol to amend the existing Double Taxation Avoidance Agreement (DTAA) between the two countries. This Protocol was signed by Sushil Chandra, Chairman, Central Board of Direct Taxes (CBDT) on behalf of India and Jan Luykx, Ambassador of Belgium to India, on behalf of Belgium. The Protocol seeks to broaden the scope of the existing framework of exchange of tax related information. This in turn will help curb tax evasion and tax avoidance between the two countries and will also enable mutual assistance in collection of taxes, an official release said.

2. RCEP: Ministry awaits political nod for more tariff cuts

Source: The Hindu: Business Line ([Link](#))

The Commerce Ministry is under pressure to expedite a political decision on the market openings offer to members of the proposed regional comprehensive economic partnership (RCEP), particularly China, the country largely responsible for India's indecisiveness. In last week's negotiating round in Kobe, Japan, there was a broad agreement between the 16 participating countries that efforts would be made to submit revised and concrete offers in May, when members meet for the next round of negotiations in the Philippines, and to try and wrap up the negotiations before the end of this year, a government official told *BusinessLine*. "There was considerable progress made in last week's talks. There is a sense of urgency amongst members to wrap up the negotiations after the failure of the Trans Pacific Partnership. We have to get a political nod very soon on improved offers so that we have something substantial to submit in May," the official said. The RCEP, which includes the 10-member ASEAN countries, India, China, Japan, Australia and New Zealand, is aiming for free trade in goods and services and freer flow of investments between members. Once concluded, it could be the largest free trading bloc in the world accounting for 45 per cent of the world population and over \$22 trillion of gross domestic product (about 30 per cent of world GDP). New Delhi has also been stressing that matching offers by all members need to be made in the area of services, especially mode 4 which relates to freer movement of professionals.

3. PM hopes for a breakthrough in GST

Source: The Hindu: Business Line ([Link](#))

As the second leg of the Budget session commenced on Thursday, Prime Minister Narendra Modi said he expects a breakthrough on Goods and Services Tax (GST) before the session concludes next month. Modi was talking to reporters at Parliament House just before the commencement of proceedings in both the Houses. GST is billed as the biggest-ever tax reform undertaken by the country and is expected to add at least one percentage point to its GDP growth. The Centre is widely expected to introduce the Bills on Central GST and iGST during the second leg of Budget session. **CGST, IGST nod:** It may be recalled that the GST Council had few days back given its formal approval to the Central GST (CGST) and Inter-State GST (IGST) laws, with the Compensation Law already having been approved during the previous meeting on February 18.

4. How far has India come in its digitization journey?

Source: Live Mint ([Link](#))

How is India becoming digital? This was the question that eight technology experts addressed on the first day of EmTech India 2017—an emerging technology conference organized by *Mint* and *MIT Technology Review*. R. Chandrashekhar, president of software industry group Nasscom, said while the journey to digitization has begun, it is a matter of accelerating the pace at which it is happening. “There is a World Bank report which says that a 10% increase in broadband penetration (in India) can lead to a 1.4% increase in GDP (gross domestic product), making Internet important for enhancing the growth of the economy.” However, this won’t be possible without government participation. “Regulation is not a driving force for growth, but it can be a roadblock. So, government plays a critical role for creating appropriate policy framework and provide infrastructure and enable a secure and safe environment for digital transactions to take place,” he said.

5. EmTech India 2017: Innovators underscore India's role as centre of innovation

Source: Live Mint ([Link](#))

Top innovators across industries underscored India's role as a centre of innovation and the next growth market at EmTech India 2017, *Mint's* flagship technology conference, hosted in partnership with *MIT Technology Review*. The first day of the two-day conference saw leaders from consumer technology, energy, financial services and Internet media sectors laud India's progress in areas of Internet connectivity, mobility and policy, and discussed the future of disruptive technologies. Experts discussed how technology such as artificial intelligence, virtual reality and machine learning have become a reality and are changing and transforming lives. Some of the key innovations are happening in these areas and experts felt this decade will be looked back upon as the most transformational decade of this century.