

**Daily Economic News Summary: 5 March 2019**

**1. Driven By Its Cuisine, Japanese Food Exports To India Jumped 40 Per Cent In 2018**

**Source: The Economic Times ([Link](#))**

Indicative of the growing popularity of Japanese cuisine in India, food exports from the East Asian nation jumped 40 per cent in 2018. Even as it is working with various entities to further bump this up and has bestowed a government-authenticated tag on 36 fine diners. The Japanese government is currently working on increasing exports of agricultural products and foods to India and is engaged in discussions with Indian government agencies including the Food Safety and Standards Authority of India (FSSAI), Ministry of Agriculture & Farmers Welfare (MoAFW) and Ministry of Food Processing Industries (MoFPI), he said.

**2. In Rare Concession, India To Hike Saudi Flying Rights By 40%**

**Source The Economic Times ([Link](#))**

Saudi Arabia is set to become the biggest and only beneficiary of India's tightly managed foreign flying rights regime with the Centre giving the oil-rich nation a 40% hike in quota from April 1. Saudi Arabia had announced plans to invest \$100 billion in India's infrastructure sector during the crown prince's visit. The kingdom also backed India against Pakistan at the recent Organisation of Islamic Cooperation meet. It is also believed to have played a key role in defusing tensions between the neighbours and ensuring the return of Indian Air Force pilot Abhinandan Varthaman, whose aircraft was shot down in Pakistan. Saudi Arabia had announced plans to invest \$100 billion in India's infrastructure sector during the crown prince's visit. The kingdom also backed India against Pakistan at the recent Organisation of Islamic Cooperation meet. It is also believed to have played a key role in defusing tensions between the neighbours and ensuring the return of Indian Air Force pilot Abhinandan Varthaman, whose aircraft was shot down in Pakistan.

### **3. Walmart Disappointed With Changes In FDI Policy For E-Commerce; Says Has Made 'Adjustments' And Moving Forward**

**Source: Livemint ([Link](#))**

The world's largest retailer Walmart said it was disappointed with the changes in FDI policy for e-commerce in India but it has made "adjustments" and is moving forward. Despite such changes, India represents a great opportunity for the Bentonville-based retailing major, Walmart Executive Vice President and Chief Financial Officer Brett Biggs said in a conference call. Tightening norms for e-commerce firms having foreign investment, the government last month barred online marketplaces like Flipkart and Amazon from selling products of companies where they hold stakes and banned exclusive marketing arrangements that could influence product prices.

### **4. GSP Benefit Withdrawal: India Unlikely To Review FDI Rules To Placate US**

**Source: Financial Express ([Link](#))**

The government has no plan to review the latest foreign direct investment (FDI) guidelines in e-commerce to placate the US, an official source told FE. The new FDI rules expected to hit Amazon and Walmart-backed Flipkart are said to be the one of the immediate triggers for the Trump administration's decision this week to withdraw duty benefits on annual exports worth \$5.6 billion from India under the so-called Generalised System of Preferences (GSP) by May. The government is also unlikely to soften its stance on its drive to force global card payments companies such as Mastercard and Visa to move their data relating to Indian customers to India, another sticky issue with the US, said another source.

### **5. Boost For Rural Economy: World Bank To Provide \$250 Million Loan To India**

**Source: Financial Express ([Link](#))**

The World Bank will provide a USD 250-million loan for the National Rural Economic Transformation Project (NRETP) to help women in rural households develop viable enterprises for farm and non-farm products. An agreement in this regard was signed between the World Bank and the Government of India on Monday. "A key focus of the project will be to promote women-owned and women-led farm and non-farm enterprises across value chains; enable them to build businesses that help them access finance, markets and networks; and generate employment," World Bank said in a statement. NRETP is an additional financing to the USD

500-million National Rural Livelihoods Project (NRLP) approved by the World Bank in July 2011.

#### **6. Commerce Ministry Weighing Options Of Not Postponing Retaliatory Duties On US**

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

The US decision to withdraw the tariff concessions made available to India under the Generalised System of Preferences (GSP) has prompted the Commerce Ministry to deliberate upon whether it should finally impose retaliatory duties on US goods that it had announced in June 2018 but deferred several times. Although India was the largest beneficiary of the scheme designed for developing countries with about \$5.6 billion of its exports getting covered in 2017-18, the government said the actual benefit was much lower at about \$190 million. The withdrawal will take effect in 60 days.

#### **7. Agriculture Minister Seeks Stakeholders' Views To Improve Farm Sector**

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

Agriculture Minister Radha Mohan Singh on 6 March kickstarted an initiative 'Kisan Ki Mann Ki Baat' to take suggestions from farmers to improve the farm sector in the next five years. The first round of dialogue was held with farmers of six states including Uttar Pradesh in the national capital. The participating farmers and agri-institutes have given their written suggestions. A similar dialogue will be held with farmers of other states as well. Farmers across the country have been asked to send their suggestions to the Agriculture Ministry. The suggestions will be collated by March 10 and incorporated in the election manifesto of the BJP, he said.