

न्यू यूके ग्लोबल टॅरिफमुळे भारतीय निर्यातीला फायदा

■ मुंबई : न्यू यूके ग्लोबल टॅरिफ (यूकेजीटी) ब्रिटनने ३१ डिसेंबर २०२० नंतर आयातीवर अर्ज करण्याचा प्रस्ताव दिला आहे. यामुळे भारतीय निर्यातदारांना फायदा होणार आहे. कारण ३२ अब्ज डॉलर्स किमतीच्या ५०% वस्तु शुल्कमुक्त आयात करता येऊ शकणार आहेत. एमव्हीआयआरडीसी वर्ल्ड ट्रेड सेंटर मुंबईच्या अभ्यासानुसार, जरी यूके बाजाराची हिस्सेदारी मर्यादित असली तरी भारत या वस्तूंची निर्यात करू शकणार आहे.



यूकेजीटीअंतर्गत, यूके सरकारने या वस्तूंच्या शुल्काशिवाय आयातीस परवानगी देऊन ९०% पेक्षा जास्त वस्तूंची आयात स्वतंत्र केली आहे. त्यापैकी भारत ५४% दशलक्ष डॉलर्स किमतीच्या ५०% वस्तूंची निर्यात करतो. तथापि, यूकेकडून या वस्तूंची वार्षिक आयात ३२ अब्ज डॉलर्स आहे, ज्यामुळे भारतीय निर्यातीस शून्य शुल्काचा फायदा घेऊन त्या देशातील बाजारपेठेत प्रवेश वाढू शकणार आहे. ३१ जानेवारी २०२० रोजी यूकेने युरोपियन युनियनमधून बाहेर पडण्याचा औपचारिक निर्णय घेतला आहे. ईयू आणि इतर देशांशी व्यापार संबंध बोलण्यासाठी ३१ डिसेंबर २०२० पर्यंत ११ महिन्यांचा संक्रमण कालावधी निवडला आहे. या संक्रमणाच्या कालावधीची अंतिम मुदत जवळ येताच, यूके सरकारने स्वतःचे शुल्क आकारण्याचे वेळापत्रक सादर केले आहे,

ज्याला यूके ग्लोबल टॅरिफ (यूकेजीटी) म्हणून ओळखले जाते, जे ईयूचे सामान्य बाह्य दर बदलण्यासाठी ३१ डिसेंबर २०२० पर्यंत लागू होते. यूके सरकारने हे नवीन शुल्क वेळापत्रक आपल्या संसदेसमोर मान्यतेसाठी ठेवले आहे. नुकत्याच झालेल्या उद्योग कार्यक्रमात, यूकेच्या आंतरराष्ट्रीय व्यापार राज्य सचिव सुश्री एलझाबेथ ट्रस म्हणाले की, न्यू यूके ग्लोबल टॅरिफ ईयूच्या विद्यमान नियमापेक्षा भारतीय निर्यातीसाठी दुप्पट फायदेशीर ठरेल. अशा प्रकारे, यूके भारताशी व्यापार करारावर स्वाक्षरी करेपर्यंत हे नवे दर अनुसूची भारतातून निर्यात केलेल्या वस्तूंना लागू होणार आहे.

नवीन शुल्काचे वेळापत्रक काही सेंद्रिय आणि अजैविक रसायनांवरील आयात शुल्क ६-७ टक्क्यांपासून काढून टाकते, जे सामान्य

बाह्य दर (सीईटी) अंतर्गत लागू होते. चक्रीय अल्कोहोलसारख्या सेंद्रिय रसायनांमध्ये, यूकेच्या एकूण आयातीमध्ये भारताचा ५४ टक्के वाटा आहे. ऑलिव्होइडमध्ये (जे आणखी एक सेंद्रिय रसायन आहे), ब्रिटनच्या एकूण आयातीमध्ये भारताचा ७२ टक्के वाटा आहे. त्याचप्रमाणे, सूती धागा, फॅब्रिक, ग्रॅनाइट, फेरो मिश्र, मशीन टूल्सचे काही भाग, तांबे उत्पादने, चामड्याचे लेख आणि विशिष्ट प्रकारच्या भाज्यांवरील शुल्क हटवण्याचा यूकेचा प्रस्ताव आहे. या सर्व उत्पादनांमध्ये, यूकेच्या आयातीमध्ये भारताचा २५ टक्क्यांपेक्षा जास्त वाटा आहे, जरी त्या देशातील भारतीय निर्यातीचे मूल्य सुमारे काही दशलक्ष यूएस डॉलर आहे. सरकारने १ जानेवारी २०२१ पासून तांदळावरील दरही कमी केला, जिथे भारताला प्रतिस्पर्धी फायदा होणार आहे.

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New UK Global Tariff may benefit Indian exports to the extent of USD 32 billion

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India can enhance exports in high value goods to the extent of USD 21 billion

The new UK Global Tariff (UKGT), which Britain has proposed to apply on imports after December 31, 2020, may benefit Indian exporters as it allows duty-free import of 507 goods (at HS Code 6 digit) worth USD 32 billion. According to a study by MVRDC World Trade Center Mumbai, India has export potential in these goods as it is already exporting them to the UK, although its market share in that country is limited.

Under UKGT, the UK government liberalized import of more than 901 goods (at HS 6 digit tariff lines) by allowing duty-free import of these goods. Of these, India exports 507 goods worth USD 547 million. However, the annual import of these 507 goods by UK is USD 32.03 billion, which leaves huge scope for Indian exporters to enhance market access in that country by taking advantage of the zero duty.

On January 31, 2020, the UK formally decided to exit the European Union and chose a transition period of 11 months upto December 31, 2020 for negotiating its trading relationship with the EU and other countries.

With the deadline of this transition period nearing, the UK government has introduced its own tariff schedule, known as UK Global Tariff (UKGT) to replace the EU's Common External Tariff, which applies only till December 31, 2020. The UK government has placed this new tariff schedule before its Parliament for approval. Once it is approved, the new tariff schedule will be applicable to the goods imported by the UK from any country (except the countries with which it has signed free trade agreements).

Thus, until the UK signs a trade agreement with India, this new tariff schedule will be applicable to goods exported from India. At a recent industry event, the UK Secretary of State for International Trade Ms. Elizabeth Truss said, "The new UK Global Tariff will be twice as beneficial for Indian exports as the EU's existing rules."

The new tariff schedule eliminates import duty on certain organic and inorganic chemicals from 6-7%, which was applicable under the EU's Common External Tariff (CET). In some of the organic chemicals such as cyclic alcohols, India has 54% share in UK's total imports. In aldehydes, (which is another organic chemical), India has a share of 72% in total imports of the UK. Similarly, UK proposes to eliminate duty on cotton yarn, fabric, granite, ferro alloys, certain parts of machine tools, copper products, leather articles and certain types of vegetables. In all these products, India's share in UK's imports is more than 25%, although the value of Indian exports to that country is around a few million US dollars. The government also reduced tariff on rice, where India has competitive advantage, from € 175/tonne (under the current European Union regime) to £ 121/tonne from January 1, 2021.

High value Items

These 507 goods also includes high value goods such as industrial machineries, parts used in spacecraft and aircrafts, parts used in mechanical pumps, electric generating sets, articles of base metals, glass used in vehicles, lenses, mechanical seals etc. However, India hardly meets 0-3% of the total import demand of UK in these products. Among these high value products, it is only in household articles of stainless steel where India has a maximum share of 8% in annual imports of UK. In all other products, India has a miniscule share of 0-3% in total imports of Britain. With the country eliminating tariffs on these products, India can explore further export opportunities for these goods. The following table provides a list of 28 items, where UK has eliminated tariff and hence India stands a chance to increase its low share in the import of that country. The annual import of these 28 high value goods by UK is USD 21.18 billion, of which India's exports is hardly USD 284 million.

Trade agreement

While the UK has eliminated tariffs on 507 goods, there are many other goods where UK proposes to retain its tariff at the current level. For instance, UK chose to retain tariffs on marine products (around 12%), fruit juices (12-16%), agrochemicals (6%), articles of wood (6-10%), carpets (8%), motor cars (around 10% etc. When India negotiates free trade agreement with UK, we may seek tariff reduction or elimination in these categories, where we have competitive advantage. Media reports suggest that India and UK have expedited negotiation for a free trade deal and an 'Enhanced Trade Partnership' may be announced when British Prime Minister visits India as Chief Guest for the Republic Day Celebration next month.

Automobile and auto-components is one category where we can seek elimination of tariff. Under the new tariff regime, UK has eliminated tariffs for commercial vehicles such as concrete-mixer vehicles, crane lorries and fire-fighting vehicles. It also reduced tariffs on certain cargo vehicles and semi-trailers, but not eliminated duty completely to zero. For instance, it reduced tariff from 22% to 10% on motor vehicles used for carrying goods. Similarly, it reduced tariff from 16% to 10% for semi-trailers. However, India may not benefit substantially from these tariff reductions as it is not a major exporter of these goods. Similarly, UK imposes tariff of 2-45 on articles of jewellery and imitation jewellery, where India has competitive advantage.

Bilateral trade

Currently, European Union (EU) is the largest trade partner of UK, as the trade bloc has a share of 51% in the total import of UK from the world. Apart from EU, other major sources of imports are USA, China, Switzerland, Norway, Canada, Russia and Japan. India is the 11 largest source of import for UK.

Currently, India has a trade surplus with UK as it exports USD 8-9 billion worth of goods, while importing USD 6-7 billion worth of goods. Majority of our exports to the UK are industrial machineries, apparel, gems & jewellery, pharmaceuticals, footwear, automobiles, chemicals etc. From January 1, 2021, UK cannot take advantage of all the trade agreements signed by European Union with other countries. Therefore, UK government has prioritized to negotiate trade agreements with its major trade partners to mitigate the adverse impact of Brexit on its supply chain. UK has already negotiated trade agreement with Canada, Singapore, South Korea, Vietnam and other small countries. It is negotiating similar agreement with USA, Australia and New Zealand. UK is negotiating trade agreement with EU, which is its major trade partner as it accounts for 51% of UK's total imports. If a trade deal is not struck before December 31, 2020, then UK's new tariff regime will be applicable for goods imported from the EU.

Under this situation, India can benefit from significant market access opportunity if it strikes a trade deal with the UK before the latter finalises its trade agreement with the EU. If India signs a trade agreement with the UK, it can increase its exports of automobiles and pharmaceuticals, for which UK depends on the EU to meet 84% of its imports. India can also gain significant market access in iron and steel products and articles of plastics, where UK's dependence on the EU is more than 60%. The following table lists top 12 product categories and the share of various countries or trade blocs in UK's total imports of these products.

Speaking about the future trade potential between India and the UK, Ms. Rupa Naik, Senior Director, MVRDC World Trade Center Mumbai said, "The UK and India are respectively the sixth and fifth largest economies in the world and the current level of bilateral trade does not reflect the true potential. India should explore trade opportunities with UK in auto-components, metals, furniture, home furnishings, plastics, footwear and electronic goods, where there is untapped potential. India needs to expedite its trade talks with the UK as countries such as Vietnam have already concluded trade pact."

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"The UK government has placed this new tariff schedule before its Parliament for approval. Once it is approved, the new tariff schedule will be applicable to the goods imported by the UK from any country (except the countries with which it has signed free trade agreements)," said a statement.

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December 23, 2020

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The new tariff schedule eliminates import duty on certain organic and inorganic chemicals from 6-7 per cent, which was applicable under the EU's Common External Tariff (CET). In some of the organic chemicals such as cyclic alcohols, India has 54 per cent share in UK's total imports. In aldehydes, (which is another organic chemical), India has a share of 72 per cent in total imports of the UK.

Similarly, UK proposes to eliminate duty on cotton yarn, fabric, granite, ferro alloys, certain parts of machine tools, copper products, leather articles and certain types of vegetables. In all these products, India's share in UK's imports is more than 25 per cent, although the value of Indian exports to that country is around a few million US dollars. The government also reduced tariff on rice, where India has competitive advantage, from € 175/tonne (under the current European Union regime) to £ 121/tonne from January 1, 2021.

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फाइनेंस में देगा सहयोग - अब होगा तांडव ! है बहुप्रतीक्षित, प्राइम वीडियो पेश कर रहा | अमेज़ॅन ओरिजिनल सीरीज़ "तांडव" के ट्रेलर

New UK Global Tariff may benefit Indian exports to the extent of USD 32 billion, India can enhance exports in high value goods to the extent of USD 21 billion

POSTED BY: SUMANT DECEMBER 21, 2020

Mumbai, 21st December 2020 (GNI): The new UK Global Tariff (UKGT), which Britain has proposed to apply on imports after December 31, 2020, may benefit Indian exporters as it allows duty-free import of 507 goods (at HS Code 6 digit) worth USD 32 billion. According to a study by MVRDC World Trade Center Mumbai, India has export potential in these goods as it is already exporting them to the UK, although its market share in that country is limited.

Under UKGT, the UK government liberalized import of more than 901 goods (at HS 6 digit tariff lines) by allowing duty-free import of these goods. Of these, India exports 507 goods worth USD 547 million. However, the annual import of these 507 goods by UK is USD 32.03 billion, which leaves huge scope for Indian exporters to enhance market access in that country by taking advantage of the zero duty.

On January 31, 2020, the UK formally decided to exit the European Union and chose a transition period of 11 months upto December 31, 2020 for negotiating its trading relationship with the EU and other countries.

With the deadline of this transition period nearing, the UK government has introduced its own tariff schedule, known as UK Global Tariff (UKGT) to replace the EU's Common External Tariff, which applies only till December 31, 2020. The UK government has placed this new tariff schedule before its Parliament for approval. Once it is approved, the new tariff schedule will be applicable to the goods imported by the UK from any country (except the countries with which it has signed free trade agreements).

Thus, until the UK signs a trade agreement with India, this new tariff schedule will be applicable to goods exported from India. At a recent industry event, the UK Secretary of State for International Trade Ms. Elizabeth Truss said, "The new UK Global Tariff will be twice as beneficial for Indian exports as the EU's existing rules."

The new tariff schedule eliminates import duty on certain organic and inorganic chemicals from 6-7%, which was applicable under the EU's Common External Tariff (CET). In some of the organic chemicals such as cyclic alcohols, India has 54% share in UK's total imports. In aldehydes, (which is another organic chemical), India has a share of 72% in total imports of the UK. Similarly, UK proposes to eliminate duty on cotton yarn, fabric, granite, ferro alloys, certain parts of machine tools, copper products, leather articles and certain types of vegetables. In all these products, India's share in UK's imports is more than 25%, although the value of Indian exports to that country is around a few million US dollars. The government also reduced tariff on rice, where India has competitive advantage, from € 175/tonne (under the current European Union regime) to £ 121/tonne from January 1, 2021.

High value Items: These 507 goods also includes high value goods such as industrial machineries, parts used in spacecraft and aircrafts, parts used in mechanical pumps, electric generating sets, articles of base metals, glass used in vehicles, lenses, mechanical seals etc. However, India hardly meets 0-3% of the total import demand of UK in these products. Among these high value products, it is only in household articles of stainless steel where India has a maximum share of 8% in annual imports of UK. In all other products, India has a miniscule share of 0-3% in total imports of Britain. With the country eliminating tariffs on these products, India can explore further export opportunities for these goods. The following table provides a list of 28 items, where UK has eliminated tariff and hence India stands a chance to increase its low share in the import of that country. The annual import of these 28 high value goods by UK is USD 21.18 billion, of which India's exports is hardly USD 284 million.

Trade agreement: While the UK has eliminated tariffs on 507 goods, there are many other goods where UK proposes to retain its tariff at the current level. For instance, UK chose to retain tariffs on marine products (around 12%), fruit juices (12-16%), agrochemicals (6%), articles of wood (6-10%), carpets (8%), motor cars (around 10% etc. When India negotiates free trade agreement with UK, we may seek tariff reduction or elimination in these categories, where we have competitive advantage. Media reports suggest that India and UK have expedited negotiation for a free trade deal and an 'Enhanced Trade Partnership' may be announced when British Prime Minister visits India as Chief Guest for the Republic Day Celebration next month.

Automobile and auto-components is one category where we can seek elimination of tariff. Under the new tariff regime, UK has eliminated tariffs for commercial vehicles such as concrete-mixer vehicles, crane lorries and fire-fighting vehicles. It also reduced tariffs on certain cargo vehicles and semi-trailers, but not eliminated duty completely to zero. For instance, it reduced tariff from 22% to 10% on motor vehicles used for carrying goods. Similarly, it reduced tariff from 16% to 10% for semi-trailers. However, India may not benefit substantially from these tariff reductions as it is not a major exporter of these goods. Similarly, UK imposes tariff of 2-45 on articles of jewellery and imitation jewellery, where India has competitive advantage.

Bilateral trade: Currently, European Union (EU) is the largest trade partner of UK, as the trade bloc has a share of 51% in the total import of UK from the world. Apart from EU, other major sources of imports are USA, China, Switzerland, Norway, Canada, Russia and Japan. India is the 11 largest source of import for UK.

Currently, India has a trade surplus with UK as it exports USD 8-9 billion worth of goods, while importing USD 6-7 billion worth of goods. Majority of our exports to the UK are industrial machineries, apparel, gems & jewellery, pharmaceuticals, footwear, automobiles, chemicals etc. From January 1, 2021, UK cannot take advantage of all the trade agreements signed by European Union with other countries. Therefore, UK government has prioritized to negotiate trade agreements with its major trade partners to mitigate the adverse impact of Brexit on its supply chain. UK has already negotiated trade agreement with Canada, Singapore, South Korea, Vietnam and other small countries. It is negotiating similar agreement with USA, Australia and New Zealand. UK is negotiating trade agreement with EU, which is its major trade partner as it accounts for 51% of UK's total imports. If a trade deal is not struck before December 31, 2020, then UK's new tariff regime will be applicable for goods imported from the EU.

Under this situation, India can benefit from significant market access opportunity if it strikes a trade deal with the UK before the latter finalises its trade agreement with the EU. If India signs a trade agreement with the UK, it can increase its exports of automobiles and pharmaceuticals, for which UK depends on the EU to meet 84% of its imports. India can also gain significant market access in iron and steel products and articles of plastics, where UK's dependence on the EU is more than 60%. The following table lists top 12 product categories and the share of various countries or trade blocs in UK's total imports of these products.

Speaking about the future trade potential between India and the UK, Ms. Rupa Naik, Senior Director, MVRDC World Trade Center Mumbai said, "The UK and India are respectively the sixth and fifth largest economies in the world and the current level of bilateral trade does not reflect the true potential. India should explore trade opportunities with UK in auto-components, metals, furniture, home furnishings, plastics, footwear and electronic goods, where there is untapped potential. India needs to expedite its trade talks with the UK as countries such as Vietnam have already concluded trade pact," stated in the press release.ends