

## **Press Communiqué**

MCCI organized an Interactive Session with **Dr. Craig Hall, Consul General, Consulate General of the United States of America in Kolkata** on the theme '**U.S.-India Trade and Investment**' at the Chamber today. **Mr. Jonathan Ward, Principal Commercial Officer**, Consulate General of the United States of America in Kolkata was also present and spoke on the occasion.

**Dr. Craig Hall** said that bilateral trade which was only USD 20 billion in 2001 that has grown to USD 126 billion which is still relatively small given the large size of the economies. The US is India's largest export destination while from the US perspective, India is its 18<sup>th</sup> largest market. The US has a deficit of USD 28 billion which will be unsustainable as trade between the two countries will continue to grow and so the US deficit will balloon.

The US is concerned about India's restrictions in the agriculture sector, namely dairy products and pork. Also, India restricts poultry products with a 100 p.c. tariff. Similarly, India has closed its legal system to foreign law firms. Dr. Hall mentioned restrictions in the education sector and added that the 30 p.c. domestic content requirement in retail restricts foreign participation. The US is also concerned about weak copyrights in India and challenges to patents in agriculture and pharma. In pharma, Government of India is setting price ceiling on drugs, which is a violation of IPR.

The US is concerned about unfair trade in steel and China has contributed to excess capacity in steel. Overcapacity in steel is a threat to the US steel industry. President Trump has announced a tariff of 25 p.c. on steel imports.

India received USD 5.6 billion under Generalised System of Preferences (GSP). The US dairy industry which suffers from restrictions in India has questioned India's benefits under GSP.

Dr. Hall said that the US imposes an average tariff of 3.4 p.c. which is 9.9 p.c. in the case of China and 13.4 p.c. in the case of India.

Dr. Hall highlighted several success stories of Indo – US collaboration such as Tata Boeing Aerospace, General Electric and Sikorsky. Honeywell has developed a system to test smart grid technologies. There are huge opportunities in all fields of energy.

With regard to H-1B visas, Dr. Hall said that it is a classic domestic debate between labour and business. The debate never had a link with India. It so happens that Indians capture 70 p.c. of the visas.

Dr. Hall ended by saying that 'America First' and 'Make in India' are not incompatible.

According to **Mr. Jonathan Ward**, The Foreign Direct Investment (FDI) from India to the USA stood at USD 12.1 billion in 2016. The top six sectors for investment in the USA (in declining order of importance) were **Software and IT services** followed by **Business Services** then **Pharmaceuticals, Industrial Machinery, Plastics** and lastly, **Metals**. India is one of the fastest growing sources of FDI in the US. The Foreign Direct Investment (FDI) from USA to India stood at USD 32.9 billion in 2016.

The 2018 SelectUSA Investment Summit is 'the pre-eminent United States investment event, highlighting inbound investment opportunities throughout the United States,' said Mr. Jonathan Ward. H. E. Mr. Kenneth I. Juster, Ambassador of the United States of America in India will lead the Indian delegation to 2018 SelectUSA Investment Summit. Registration is open for the 2018 SelectUSA Investment Summit, which will be held from 20 June to 22 June 2018 at the Gaylord National Resort and Convention Centre near Washington, D.C. The cost to attend is USD 850. For more information, visit [www.selectusa.gov](http://www.selectusa.gov). For registration and information regarding the 2018 SelectUSA Investment Summit, go to [www.selectusasummit.us](http://www.selectusasummit.us) or contact Mr. Jonathan Ward at [jonathan.ward@trade.gov](mailto:jonathan.ward@trade.gov).

Earlier **Mr. Ramesh Agarwal, President, MCCI** in his welcome address said that India and US ties have developed into a 'global strategic partnership', based on shared democratic values and increasing convergence of interests. He expressed concern over the H4 visa restriction on employment of spouses and hoped that the US Administration will sympathetically look into this issue.

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