

DAILY NEWS MONITOR: 24 MAY 2022

1. India joins US-led Indo-Pacific economic bloc aimed at countering China

Source: Business Standard ([Link](#))

Prime Minister Narendra Modi on 23 May formalised India's entry into the Indo-Pacific Economic Framework (IPEF), along with 12 other countries, including the US, to strengthen economic cooperation as a geostrategic counter to China's growing clout in the region. The other countries that joined the IPEF ahead of the QUAD leaders' summit in Tokyo are Australia, Brunei Darussalam, Indonesia, Japan, South Korea, Malaysia, New Zealand, the Philippines, Singapore, Thailand, and Vietnam. But the Biden administration that conceptualised the IPEF diluted the language of the joint statement to allow more countries to participate in the initiative. The joint statement does not call for launching negotiations for a trade pact. It only promises to begin "collective discussions towards future negotiations" with an ambitious wish list.

2. India seeks easing of WTO food export rule

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

India will impress upon the World Trade Organisation (WTO) to permit exports of grains from official reserves through government-to-government deals to cater to help countries tide over a food shortage and for humanitarian purposes, senior commerce ministry officials said on 23 May. At present, WTO rules make it difficult for a country to export grains from official granaries if these have been procured from producers at a fixed price (minimum support price, in India's case), instead of market rates.

3. India, US sign pact to facilitate \$4-bn investment

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

India and the US on 23 May signed an investment incentive agreement, which will supersede an earlier agreement and enable the US International Development Finance Corporation (DFC) to continue with its investments in this country. The DFC, a development finance agency of the US government, is currently considering investment proposals worth \$4 billion for India, according to a finance ministry statement. The DFC or their predecessor agencies are active in India since 1974 and have so far provided investment support worth \$5.8 billion, of which \$2.9 billion is still outstanding.

4. Modi proposes 'Japan Week' to celebrate Japanese contribution to India's development journey

Source: Money Control ([Link](#))

Seeking greater investments in India, Prime Minister Narendra Modi on 23 May proposed celebrating Japan's contribution to the country's development journey in the form of a Japan Week'. Modi chaired a roundtable with Japanese business leaders here in which top executives and CEOs of 34 Japanese companies participated. Majority of these companies have investments and operations in India. The companies represented diverse sectors, including automobiles, electronics, semiconductors, steel, technology, trading and banking and finance, an official statement said. Stressing that India and Japan are natural partners, the Prime Minister lauded the business community as brand ambassadors of the immense potential of India-Japan ties. The Prime Minister recalled that during the visit of Prime Minister Kishida to India in March 2022, both the countries had set an ambitious target of investment of Japanese Yen 5 trillion over the next five years.

5. Tata Power, Tata Motors to develop 7MWp solar rooftop

Source: Money Control ([Link](#))

Tata Power and Tata Motors have collaborated to develop a 7 MWp solar rooftop project at the latter's passenger vehicle plant in Chikhali, Pune. This is the third phase of a joint 17 MWp on-site solar project developed by the two companies, of which 10 MWp has already been installed, a company statement said. The two companies have recently inked a Power Purchase Agreement (PPA) for this solar project. The rooftop installation is collectively expected to generate 23 million units of electricity, mitigating 5.23 lakh tonnes of carbon dioxide. This will be equivalent to planting 8.36 lakh trees over a lifetime. Rajesh Khatri, Vice President, Operations, Tata Motors Passenger Vehicles Ltd, said, with the new installation, Tata Power will move closer to its goal of 100 percent renewable energy. "Post commissioning of this capacity, we will become the largest on-site solar installation in India," he added.

6. FDI equity inflows marginally down at \$58.77 bn in 2021-22: DPIIT data

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

FDI equity inflows into India contracted marginally by 1 per cent to USD 58.77 billion during 2021-22, according to official data. The FDI equity inflows stood at USD 59.63 billion during 2020-21, the data from the Department for Promotion of Industry and Internal Trade (DPIIT) showed. However, total foreign direct investment into India rose by 2 per cent

to the “highest ever” USD 83.57 billion in 2021-22. Total FDI inflows include equity inflows, reinvested earnings and other capital.