

Daily Economic News Summary: 10 December 2019
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1. India moves from 130 to 129 in human development index: UNDP report

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

India climbed one spot to 129 among 189 countries in the 2019 human development index, according to a report by the United Nations Development Programme (UNDP). In India, 27.1 crore people were lifted out of poverty from 2005-06 to 2015-16, UNDP India resident representative Shoko Noda said. India ranked 130 last year. The steady progress was due to nearly three decades of rapid development, which had seen a dramatic reduction in absolute poverty, along with gains in life expectancy education, and access to health care, she said. As per the HDI, no other region had experienced such rapid human development progress.

2. Piyush Goyal demands reciprocal access for Indian companies abroad

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

Commerce and industry minister Piyush Goyal said the government will stop other countries from participating in local contracts unless Indian firms are given a similar opportunity. “Unless we get reciprocal access to those markets, the government has decided that we will stop giving them an opportunity to participate in contracts in India. That is a part of the policy of the Narendra Modi government,” Goyal said at an event organised by Exim Bank on 9 December. “Today, it is in our policy that if our companies are not allowed to do business or opportunities emerging in any country, I can assure you that we will not allow them to participate here.” This policy had been introduced two years ago and is “fair by all global standards”, he said.

3. US, Chile big winners as Kashmir walnuts lose crunch

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

Uncertainty in Kashmir has made the cross-continental journey of walnuts and apples from the US or Chile a better deal for many traders despite sky-high tariffs because militants in the valley have attacked fruit-laden trucks, while restrictions on the Internet have made buyer-seller communication difficult. This is great news for US suppliers, who feared losing business as India imposed retaliatory tariffs on several commodities including walnuts and almonds after the Trump administration withdrew trade concessions for the country.

4. Japanese Trade Minister to discuss RCEP pact with Goyal

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

Japanese Trade Minister Hiroshi Kajiyama will meet his Indian counterpart Piyush Goyal on Tuesday to discuss the conditions under which New Delhi could get back into the trade negotiations for the proposed Regional Cooperation for Economic Partnership (RCEP) pact between 16 countries. "The two Trade Ministers are likely to discuss in details the problems India had with the current framework of the RCEP pact. The way ahead may also be discussed," an official told BusinessLine. New Delhi had decided to exit the RCEP being negotiated by the 10-member ASEAN, China, India, South Korea, Japan, New Zealand and Australia at the Leaders Summit last month. It's main concerns, mostly related to opening up markets for its key competitor China, remained unaddressed.

5. India, Australia inch closer to logistics support pact

Source: The Indian Express ([Link](#))

Ahead of Australian Prime Minister Scott Morrison's visit next month, India and Australia moved closer to the Logistics Support Agreement (LSA) on 9 December as Foreign and Defence secretaries from both sides met in New Delhi. The Indian Express has learnt that Morrison is visiting India from January 13 to 16, and will travel to Delhi, Mumbai and Bengaluru during his visit. He will address the Raisina Dialogue during the visit. The two sides are working hard on negotiating the LSA, which will allow the countries to use each other's military bases for logistical support. This will be one of the key items on the agenda during Morrison's visit, and they would want to conclude the agreement in time for the Australian PM's visit next month. On 9 December, the two sides carried out a comprehensive review of their strategic engagement and the regional security scenario during the defence and foreign secretarial-level talks. The Defence Ministry said the two sides deliberated on prevailing regional security concerns and explored ways for cooperation in field of defence industry and technology.

6. Piyush Goyal says tit for tat to countries discriminating against Indian companies; says that's fair by global standards

Source: Firstpost ([Link](#))

Any country discriminating against Indian companies in the award of contracts would not be allowed to participate in public procurement contracts, Commerce and Industry Minister Piyush Goyal said on 9 December. "Free and equal access" is the policy adopted by this government two years ago, he said at an event organised by EXIM Bank in New Delhi. "When we took the stand

not to be a part of RCEP, one of the major stumbling blocks was also the fact that our businesses in the areas of our strength do not get an equal and fair opportunity when it comes to engaging with contracts or businesses in other geographies," he said. The minister said he had not heard that China ever opens up any of their government contracts. "They are never opened up for international competition in the garb of being public procurement. And a country like China will be largely public procurement. Many other ASEAN countries, even Japan and Korea, the kind of conditionalities that are put, don't allow too many of our Indian companies to participate in tenders in those countries," he said.

7. Govt weighs ordinance to expand RBI's control over co-op banks

Source: Livemint ([Link](#))

The Centre is considering introducing an ordinance to amend the Banking Regulation Act, 1949, in order to give more power to the Reserve Bank of India (RBI) to regulate cooperative banks in the wake of the alleged fraud at Punjab and Maharashtra Cooperative (PMC) Bank Ltd. The proposed amendments in the law could get the Cabinet's approval as early as this week, two senior government officials said, requesting anonymity. "The finance ministry has received inputs from the RBI and has finalised the amendments to the law," the first official said. In September, the RBI had superseded the scam-hit PMC Bank's board for six months after finding under-reporting of loans. Currently, cooperative banks are governed by dual regulations—state cooperative bodies and the RBI. While financial supervision comes under the ambit of the banking regulator, appointments are mostly looked after by the state bodies.

8. Vietjet begins direct flights connecting Delhi to Ho Chi Minh City, Hanoi

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

Vietjet, the Vietnamese low-cost carrier that hogged limelight in 2011 with an ad featuring the crew in bikinis, has begun two direct flights to New Delhi from Ho Chi Minh City and Hanoi. With these two flights, Vietjet becomes the first airline from that country to connect the two biggest tourist centers of the Southeast Asian nation with New Delhi, the airline said in a statement on 9 December. The Hanoi-headquartered airline had announced these flights in August and had been planning to connect India first in 2017 and then in 2018. The airline operated the first of the four-days a week flight to New Delhi from Ho Chi Minh City on December 6. The airline will connect these cities on Mondays, Wednesdays, Fridays and Sundays. The flight would depart New Delhi at 2350 hrs and reach Ho Chi Minh City at 0610

hrs local time, while the return flight would leave at 1900 hrs and to arrive in New Delhi at 2250 hrs.

9. Vistara signs codeshare agreement with Lufthansa, 6th with overseas airline

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

Vistara has entered into a codeshare pact with German airline Lufthansa, the sixth such agreement with an international airline as the domestic full service carrier seeks to expand its overseas network. As part of the agreement, Lufthansa will add its 'LH' designator code to nearly 18 Vistara-operated flights every day covering ten Indian cities, including Delhi, Mumbai and Chennai. The two carriers already have an interline partnership. Vistara is the second airline after Air India to have a codeshare agreement with Lufthansa. In a release on 9 December, Vistara said the two airlines are planning to soon expand scope of the agreement, enabling frequent fliers of both airlines to earn miles/ points when travelling on each other's networks and enjoy other benefits.

10. Hurun's list: Mukesh Ambani may soon break into top 5

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

Riding the digital wave, Mukesh Ambani, the first Indian to break into the global top 10 rich list, would emerge as one of the five richest people in the world in the next two or three years. The Chairman of Reliance Industries would be the only Indian to feature in Hurun's Global Rich List in this time frame. However, a surprise contender for the top position would be French multinational luxury goods conglomerate Louis Vuitton SE group head, Bernard Arnault, who is in a neck-to-neck race with Amazon's founder, Jeff Bezos. "The next millions for Ambani would come in from telecom and retail and all the things he is building around it. So, it would come from broadband, the Internet and the entire eco-system, and his plans to integrate kirana stores with the telecom infrastructure, among others," Rupert Hoogewerf, founder and Chairman of Hurun Report, which compiles the rich list of many countries, told BusinessLine.