

## JETCO OVERVIEW

The annual JETCO Ministerial meeting took place on Tuesday 4<sup>th</sup> February 2010 at Lancaster House in London. There were four business to business work groups: education and skills, FMCG and supply chain, Infrastructure PPP and Manufacturing and Innovation. All working groups have agreed action plans to build business between the two countries. Rapporteurs from each group reported their action plans to the Plenary.

**LORD MANDELSON** stressed the importance of encouraging more UK SMEs into the Indian market. He also drew attention to the great increase in opportunities in India's emerging cities. Lord Mandelson also urged the EU and India to finalise their Free Trade Agreement. He also highlighted the infrastructure opportunities in India where \$500 billion will be invested, and stressed the UK's finance and expertise. The UK has a role in providing finance and expertise. There has been significant progress on the accountancy agenda with mutual recognition of qualifications.

In the energy sector there is a role to provide low carbon solutions, including nuclear. Lord Mandelson stated that he hoped that the Civil Nuclear Cooperation Agreement would be signed soon. In retail, the UK has significant experience of supply chain management and cold storage.

**SHRI ANAND SHARMA**, Minister for Commerce and Industry asserted that the UK and India are strategic partners in education, innovation and energy. He was delighted that the two countries respond to regional and global challenges together, and cited the handling of the global financial crisis. Mr Sharma felt that the State has a role in ameliorating the worst effects of the economic crisis, but there must be balance and not over regulation.

The impact of the economic crisis on India has been economic growth dropped from 9 to 6.7%. However, India is determined to accelerate back to 9% so as to raise income levels and build inclusive growth. Indian exports had reduced but have rebounded strongly over the year to Q3 2009. Mr Sharma highlighted India's young population. As a result of this, in the future, India will provide quality human resources to the world. In two decades, India will become the third largest economy in real terms. India will work with UK partners to realise the dreams of its population. Skills provision is a priority area and the opportunities in infrastructure are almost unlimited.

Mr Sharma reassured the audience that there have been improvements in IPR and corporate governance, which should put investors' minds at rest. In the case of Satyam, the Government acted quickly, within three weeks there was a new Board in place and 30,000 jobs were saved.

Mr Sharma stressed that India was outward looking. India will not erect barriers and will look outside to grow businesses and work with partners. There will be more FTA's in the future.

Closing the JETCO plenary, UKIBC Chair, **The Rt Hon PATRICIA HEWITT MP** said:

"As the global economic recovery gains momentum, today has shown that, once again, the UK and India are enthusiastic and committed to working together. These

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joint trade and investment efforts, alongside our work in the G20 and other fora, will reinforce recovery for the good of both countries."

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