

## Recent Economic Developments - July 2024

- 1. G20 Labour and Employment Ministers' meeting finalizes the text of the Labour and Employment track.*
- 2. Commerce Secretary participates in the 14th BRICS Trade Ministers' meeting*
- 3. India- Saudi Arabia hold first meeting of the High-Level Task Force on Investments*
- 4. Hon'ble Prime Minister chairs 9th Governing Council Meeting of NITI Aayog*

### **1. G20 Labour and Employment Ministers' meeting finalizes the text of the Labour and Employment track.**

The G20 Labour and Employment Ministers' (LEMM) assembled in Fortaleza, Brazil have approved the Labour and Employment Ministerial declaration on 26th July, 2024. The final text was approved after the conclusion of the two-day long Labour & Employment Ministers' meeting (LEMM) on 25-26 July, under the Presidency of Brazil. Indian delegation was led by Minister of State for Labour & Employment Smt. Shobha Karandlaje. Brazil along with India and South Africa, the previous and the next host of the G20, were members of troika.

During the two-day Labour & Employment ministers made interventions on key focus areas of the Labour & Employment track, viz.

- 1. Just Transition:** The declaration emphasizes the need for governments to develop and support active inclusion policies aimed at fostering strong, sustainable, balanced and inclusive economic growth.
- 2. The creation of quality jobs and the promotion of decent work to ensure social inclusion and eliminate poverty and hunger:** It recognizes that creating formal jobs and promoting decent work are the most effective social tools for achieving a fairer and more equitable income distribution.

During the intervention in her session on 'Creation of Quality Jobs and the Promotion of Decent Work Jobs to Ensure Social Inclusion and Eliminate Poverty and Hunger', Smt. Karandlaje informed that India has generated over 80 million employment opportunities from 2017-18 to 2021-22, averaging over 20 million jobs per year and the youth unemployment rate has dropped from 17.8% in 2017-18 to 10% in 2022-23, with increased youth participation in the labour force.

**3. Gender Equality and the promotion of diversity in the World of work** : The declaration also stresses the need to create and promote decent work and deliver effective labour market policies, such as skills development, access to training and lifelong learning and job matching, aligned with the skills needs and demands of the economy and in consultation with social partners.

During the intervention on 'Gender Equality and Promotion of Diversity in the World of Work', Union Minister said that India has made significant strides in promoting gender equality at workplace through robust legislative measures. "The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, outlines strict procedures ensuring a safer work environment for women.

**4. The use of technologies as a means of improving everyone's quality of life**: During the session on 'The Use of Technologies as a Means of Improving Everyone's Quality of Life', Smt Karandlaje said that India has leveraged digital platforms through 'Digital India Mission' to open up new avenues for entrepreneurship and employment. "Government of India launched e-Shram portal in 2021 with the objective to create a national database of all unorganised workers including Construction Workers, Gig and Platform workers, Street Vendors, Domestic Workers, Migrant workers etc., seeded with unique identification number i.e. Aadhaar.

## **2. Hon'ble Commerce Secretary participates in the 14th BRICS Trade Ministers' meeting**

Hon'ble Commerce Secretary Shri Sunil Barthwal attended the 14th BRICS Trade Ministers' Meeting held on 26 July 2024 under the BRICS Presidency of Russian Federation. The theme of BRICS this year is "*Strengthening Multilateralism for Just Global Development*". While congratulating the Russian Presidency for the bringing in proposal on contemporary issues, Shri Sunil Barthwal, welcomed the new members of BRICS (Iran, Egypt, Ethiopia and UAE) and congratulated them on their fruitful participation in discussions, this year.

The Commerce Secretary expressed the need for strengthening the multilateral trading system with WTO at its core, effective functioning of Joint Value Chains, expanding interaction among MSMEs, India's successful story on Digitalization and e-commerce and the relevance of cooperation among Special Economic Zones.

On strengthening Multilateralism, he reiterated on the urgent need for resolving the issues

including the permanent solution to Public Stock Holding, constitution of two-tier Dispute Settlement system, WTO Reform to be based on the principles & objectives of WTO, leading to more responsive to development requirements of emerging economies, invigorating the WTO through “30 for 30” bringing in at least 30 operational improvements to the WTO before the organization completes 30 years in 2025.

He stressed upon strengthening the resilience of the supply chain through decentralization and diversification, furthering co-operation in value chains through the G20 generic Mapping framework for GVCs and by enunciating guiding principles for collaboration. In this context, as an initial step towards digitalization, he stressed on paperless trade including digitalization of documents like the Bill of lading.

He laid emphasis on collaboration for making access to affordable emerging technologies critical for green transition and climate resilience. He also underscored the urgency of accelerating inclusive digital transformation. While referring to India’s success story of building up an open source India Stack of Critical Digital Public infrastructure as part of its digital industrialization following the core principles of open access, transparency, trust and respect for data protection and privacy, expressed India’s willingness to share its experience with the BRICS countries on the e-revolution in the domains of payments, e-commerce, national identity, banking, education etc.

On the Russian presidency’s initiative on cooperation in Special Economic Zones (SEZs), Commerce Secretary acknowledged the transformative impact of SEZs in providing employment, state of art technologies, boosting exports. He underscored the importance of exchanging information and best practices regarding the same.

Further, on the sidelines of BRICS TMM, Commerce secretary had bilateral meetings with the Minister for Economic development Maxim Reshetnikov, Member of the Board (Minister) of Trade, Eurasian Economic Commission Andrey Slepnev, Deputy Minister of Industry and Trade Alexey Gruzdev, and Head of FSVPS, Sergei Dankvert of the Russian Federation as well as with the Deputy Minister for the Department of Trade, Industry & Competition, South Africa, Zuko Godlimpi and the Minister of State for foreign Trade, UAE, Thani Bin Ahmed Al Zeyoudi, wherein bilateral trade issues were discussed in brief for their early resolution.

### **3. India- Saudi Arabia hold first meeting of the High-Level Task Force on Investments**

The first meeting of the India-Saudi Arabia High Level Task Force on Investments, co-chaired by the Principal Secretary to the Prime Minister H.E. Dr. P.K. Mishra and the Saudi Energy Minister His Royal Highness Prince Abdulaziz bin Salman bin Abdulaziz Al Saud was held on 28th July 2024. The two sides reviewed the discussions held between the technical teams of the Task force.

Discussions were held on various opportunities for bilateral investments in diverse areas in public and private sector, including refining and petrochemical plants, new and renewable energy, power, telecom, innovation, among others. The two sides had a detailed review of the measures aimed at promoting two-way investments in a mutually beneficial manner.

Principal Secretary to PM reiterated the firm intention of the Government of India to provide active support to Saudi investments of the order of US\$ 100 billion that were committed during the visit of the Crown Prince and PM of Saudi Arabia. The two sides agreed to regular consultations between technical teams on both sides to take forward the discussions and reach an agreement on specific investments.

#### **4. Hon'ble Prime Minister chairs 9th Governing Council Meeting of NITI Aayog**

Hon'ble Prime Minister Shri Narendra Modi chaired the 9th Governing Council Meeting of NITI Aayog. The Meeting was held at the Rashtrapati Bhavan Cultural Centre, New Delhi. It was attended by Chief Ministers/Lt.Governors representing 20 States and 6 UTs.

Hon'ble Prime Minister observed that India has achieved steady growth in the past ten years. Indian economy, which was ranked 10th largest economy in the world in 2014, has risen to become the 5th largest economy by 2024. He added that now the collective aim of the government and all citizens is to become the third largest economy in the world.

He observed that the vision of Viksit Bharat can be realized through Viksit States, and that the aspiration of Viksit Bharat should reach the grassroot level i.e. to each district, block, and village. For this, each State and District should create a vision for 2047 so as to realise Viksit Bharat @ 2047.

He encouraged States to provide an investor-friendly environment. He also directed NITI Aayog to prepare an 'Investment-friendly Charter' of parameters which would include policies, programmes and processes to be put in place for attracting investments. The States may be monitored on the achievement in these parameters to promote healthy competition among them for attracting investments.

Chief Minister/Lt. Governors gave various suggestions for the vision of Viksit Bharat @ 2047 and also discussed steps being taken in their States. Some of the key suggestions and best practices highlighted were in the field of agriculture, education and skill development, entrepreneurship, drinking water, reducing compliances, governance, digitalisation, women empowerment, cyber security, etc. Several States also shared their endeavours to create a State Vision for 2047.

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Warm regards,

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