



*6th Meeting of the BRICS Trade Ministers
13 October, 2016 at New Delhi*

TRADE MINISTERS COMMUNIQUE

1. *The 6th meeting of the BRICS Trade Ministers was held on 13 October, 2016 in New Delhi on the threshold of the 8th BRICS Summit on 15-16 October, 2016 in Goa, India. The Meeting was preceded by the 13th meeting of the BRICS Contact Group on Economic and Trade Issues (CGETI) which was held from 11-12 October, 2016. The Trade Ministers meeting made an assessment of the BRICS economic scenario in relation to areas of cooperation on trade and investment. The Ministers appreciated the work carried out by BRICS Members during 2016 and urged that this momentum be sustained.*

Global Economic Development

2. *The global economic order in 2016 has been shaped by a number of key economic developments such as continued slowdown in global growth and depressed global demand, low commodity and oil prices; new shocks to the global economy, including BREXIT; volatility in the equity and currency markets; strains on the banking sector; political turmoil in some parts of the globe etc. Given this scenario, the Ministers noted that the October, 2016 World Economic Outlook Update of the International Monetary Fund projected the global economic growth forecasts for 2016 and 2017 at 3.1% and 3.4% respectively. The Ministers are of the view that the projected growth rates for 2017 in the Outlook for BRICS countries augurs well when compared with 2016.*

3 *Ministers recognized the importance of preserving policy space to promote industrialization, industrial upgrading and value addition as a core pillar for structural transformation and sustainable development and BRICS countries integration into the global economy. They agreed to enhance cooperation in this regard.*

The Strategy for BRICS Economic Partnership

4 *The Ministers appreciated the progress in the realization of the Strategy for BRICS Economic Partnership. They directed the CGETI to put forth initiatives and proposals towards the implementation of the Trade and Investment section of the Strategy at the earliest. The Ministers agreed that close cooperation among the CGETI, the BRICS Business Council and New Development Bank is useful for implementing and bringing the BRICS Economic Cooperation to a new high quality level.*

Micro Small and Medium Enterprises (MSMEs)

5. *The Ministers recognised the importance of the Micro, Small and Medium Enterprises (MSME) to the balanced economic development of the BRICS countries. The Ministers acknowledge the role of MSMEs as the engines of export led growth and employment generation given the highest rate of employment per unit of investment in MSMEs; and their crucial role in addressing regional disparity and poverty alleviation. The MSME sector in many of the BRICS economies contribute directly or indirectly to nearly half of their exports, manufacturing output and GDP.*

6. *The Ministers were cognisant of the impediments faced by MSMEs and the need for cooperation among the BRICS countries to effectively address the barriers to trade and investment amongst the MSMEs.*

7. *With a view to ensuring greater business engagement amongst MSMEs in the BRICS region, the Ministers emphasised the importance of developing cooperation among MSMEs in the crucial areas of trade and investment. This cooperation can be in the form of exchange of information on the regulatory framework, rules, regulations and good regulatory practises governing MSMEs; interface among the major chambers of commerce and industry of the MSMEs; and participation of MSME stakeholders in BRICS economic events such as trade fairs, conferences, seminars etc.*

8. *The Ministers welcome continued efforts to foster cooperation and facilitate exchange of experiences between BRICS countries on MSMEs. In this regard, They welcome the “BRICS Micro Small and Medium Enterprises (MSME) Cooperation Framework” which encourages MSMEs in BRICS to strengthen mutually beneficial commercial relationship. The Framework sets the agenda of cooperation on SMEs by the BRICS countries. The Ministers look forward to constructive engagement on the elements of the cooperation framework by all BRICS Members in the future.*

BRICS Business Council and economic cooperation

9. *BRICS Trade Ministers considered the continuing role of the BRICS Business Council (BBC) and emphasised the need for the Council to focus on the development and realization of joint projects which would on a mutually*

beneficial basis contribute to the economic development objectives of BRICS Members. To this end, Trade Ministers urged the BBC to speed up the development of the BRICS Roadmap for Trade, Economic and Investment Cooperation while identifying and implementing suitable projects. In addition, the Council is encouraged to advance key projects as presented by all Member countries. In order to coordinate and advance the BRICS agenda on economic issues, regular engagement by the BBC with BRICS Trade Ministers, as well as the Contact Group on Trade and Economic Issues (CGETI) was requested.

Non-tariff measures (NTM)

10. The Ministers emphasized that the increase in NTMs constrain the participation of developing countries in global trade. The Ministers commended the CGETI for developing a working document on ‘BRICS Mechanism for NTM Resolution. The Ministers agreed in principle to the concepts in the Mechanism and urged the CGETI to advance this work including on the issue of scope.

Standards

11. The Ministers endorsed the “Framework for Cooperation on Standardisation that was agreed to by the CGETI. The Ministers urged the CGETI to work on the elements of the Framework with a view to ensuring that the cooperation leads to a better understanding of each other standards. The Framework aims to promote a better understanding and an open dialogue among BRICS countries in this area.

Services:

12. *The Ministers recognised that the Services sector remains important and contributes to more than half of the GDP of many BRICS countries. Since the services sector is of interest for BRICS economies, it is important for the group to cooperate with the aim of promoting complementarities on services trade. The Ministers highlighted the importance of facilitating expansion of trade in services by addressing existing barriers. The Ministers endorsed the “Framework for Cooperation on Trade in Services”.*

Trade Promotion

13. *The Ministers expressed their appreciation that India is holding the 1st BRICS Trade Fair from 12-14 October, 2016 in New Delhi. This Fair is an opportunity for stakeholders in the BRICS region to explore and expand business opportunities and networks. The theme of the Fair namely “Building Responsive, Inclusive and Collective Solutions” is apt in ensuring that the BRICS region as a whole benefits from such events. The focus areas and the showcasing of technologies are important in the context of ensuring a commercially meaningful participation in the Fair. The Ministers welcome the idea of CGETI discussing the possibility of holding BRICS Trade Fairs on a regular basis.*

14. *The Ministers noted that the BRICS Trade Promotion Working Group would create a forum for the Trade Promotion Agencies in the BRICS region to interface towards the promotion of value added trade which would also support integration into global value chains. It is vital that these agencies co-ordinate in other trade and investment events so that the BRICS value added products and services can be showcased more effectively. The Ministers instructed the*

working group to effectively coordinate activities so as to ensure that the BRICS stakeholders can benefit from the participation in such events.

Single Window

15. The Ministers noted that Article 10.4 of the WTO Agreement on Trade Facilitation instructs that WTO Members shall endeavour to establish or maintain a single window. They also appreciated the work being carried out in the BRICS countries for development of national single windows. These would facilitate both exporters and importers who would then need a single point interface for all their clearances.

16. The Ministers endorsed the “Framework for BRICS Single Window Cooperation” and underlined the importance of closer cooperation among the BRICS countries in the development of their national single windows. They emphasised the need for BRICS countries to operationalize the Framework based on the Guiding Principles, Objectives and Priorities for Cooperation.

IPR Cooperation

17. The Ministers highlighted the importance of cooperation on intellectual property rights (IPR) towards the development of a BRICS perspective that will be informed by their national priorities. In this context, they appreciate the formation of and endorse the BRICS IPR Cooperation Mechanism (IPRCM). They also took note of the existing cooperation mechanism at the level of Heads of Intellectual Property Offices (HIPO). The Ministers urge both the HIPO and IPRCM to co-ordinate and avoid duplication of their work. They instruct the IPRCM to commence their work on the terms of reference decided upon and

endeavor to advance cooperation in a more systematic and coordinated manner.

E-commerce

18. The Ministers reiterated the importance of strengthening intra-BRICS cooperation on E-commerce and appreciated the progress achieved since the adoption of the Framework for BRICS E-commerce Cooperation in 2015. The Ministers have emphasized the need for cooperation to boost [e-commerce development in the BRICS countries, enhance capacity building and promote cooperation on infrastructure

19. The Ministers emphasized that the development potential of e-commerce is not fully realized and in this regard they directed the CGETI to implement all areas of the Framework and explore cooperation in areas of common interests. The Ministers took note of the proposal to conduct a joint study to promote areas of common interest in e-commerce and stressed the importance of enhancing the BRICS countries understanding on e-commerce.

BRICS cooperation in the WTO

20. The Ministers reiterated the support for the multilateral trading system and the centrality of the WTO in providing a rules based, transparent, non-discriminatory and inclusive global trading system. The Ministers emphasized the importance of implementing the decisions taken at the Bali and Nairobi Ministerial Conferences. They stressed the need to advance negotiations on the remaining DDA issues as a matter of priority. They called on all WTO members to work together with a sense of urgency and solidarity to ensure a strong development oriented outcome for MC 11 and beyond.

BRICS and the G-20

21. The Ministers commended the work done by China in its current Presidency of the G20. They emphasized the importance of BRICS Members' coordination in the G-20. They welcomed the outcomes of G20 Hangzhou Summit and emphasized the importance of continued efforts to implement those outcomes. They also underlined the importance of the G20 Trade and Investment Working Group (TIWG) in addressing various issues confronting the G20 economies and the call for further collaboration under this framework.