

**Trade-Technology E-Zine-3**  
(Centre for International Trade in Technology)

### **Hyundai to make H'bad R&D hub**

Hyundai has set up a new R&D centre at Hyderabad where critical parts of its new \$4,000-5000 small car is being developed. It has ambitious plans to develop Hyderabad into a major R&D hub for the Asia-Pacific. Hyundai is now world's fastest-growing car company after Toyota, General Motors and Volkswagen. Its new range of products are quite a range in most competitive markets like the US and Europe.

*(The Economic Times, 9 January 2010)*

### **Nissan to source components from India by 2012**

Japanese auto maker Nissan said it would source auto components worth \$40 million (around Rs 185 crore) from India by 2012. "There is a plan to utilise Nissan's Chennai facility for supplying components to its global operations such as in Thailand, China and Japan by 2012.

*(Business Standard, 7 January 2010)*

### **Automatic FDI route to close for 10 sectors**

The government plans to slap new entry route restrictions on FDI beyond 49% in eight specified "sensitive" sectors, including airports, seaports, pharma, petroleum refining and gas pipelines. In all these sectors, 100% FDI through the automatic route is permitted now.

#### **On approval route**

##### *FDI beyond 49%*

- Drugs & pharma • Airports • Helicopter • Courier • Refining • Seaports
- Gas pipelines • Waterways

##### *100% Approval*

- Hazardous chems • Industrial explosives

Once a stricter policy is in place, proposals to expand FDI beyond 49% in these sectors would have to be vetted by the Foreign Investment Promotion Board (FIPB). In addition, foreign investment in sectors like hazardous chemicals and industrial explosives would be entirely on the approval route.

*(The Financial Express, 7 January 2010)*

### **Need For Re-Orientation of TUFs**

Thiru Maran said that Indian Textiles Industry particularly spinning sector has been the major beneficiary of Technology Upgradation Fund Scheme (TUFs). This year, we had allocated Rs. 3,140 crore for TUFs and for the first time Rs. 2,546 crore of subsidy was released in a single tranche and the amount was credited to the bank accounts of beneficiaries in record time of three working days. The Minister said that the Finance Ministry has been approached to provide an additional Rs. 1,500 crore for TUFs during

fiscal 2009-10. The Minister stressed that there is a need to have a re-look into the working of TUFs and the scheme should be orientated to facilitate induction of the state-of-the-art technologies in the Textiles Sector. The emphasis of the Scheme should be to technologically upgrade Powerloom Sector which caters to 80% of domestic demands and 60% to export markets.

([www.pib.nic.in](http://www.pib.nic.in), 6 January 2010)

### FDI flows into power, auto sectors zoom in April-October 2009

The attractive sectors			
	(\$ in mn)		
	2008-09 April- October' 08	2009-10 April- October' 09	% change
Services Sector	3355	3121	-6.9
Computer Software and hardware	1525	495	-67.5
Telecommunications	1990	2109	5.9
Housing and real estate	1826	2056	12.5
Construction activities	1742	1565	-10.1
Power	585	1207	106.3
Automobile industry	607	922	51.8
Metallurgical Industries	798	278	-65.1
Petroleum and Natural Gas	211	214	1.4
Chemicals	428	192	-55.1

Source: DIPP

(*The Hindu Business Line*, 5 January 2010)

### Ireland donates EUR200,000 for food, animal and plant health

Ireland donated EUR200,000 (approximately CHF300,000) to the Standards and Trade Development Facility (STDF), a programme set up to help developing countries improve their expertise and capacity to analyze and implement international standards on food safety and animal and plant health. The STDF is a joint initiative of the WTO the World Health Organizations, the World Bank, the World Organization for Animal Health, and the Food and Agriculture Organization.

The WTO Director General Pascal Lamy said that “Compliance with international standards, especially in the SPS area which is technically and scientifically complicated, is often an obstacle for developing countries to fully participate in the multilateral trading system”.

([www.wto.org](http://www.wto.org))