

Government response to An India Economic Strategy to 2035

Factsheet

Sector	Government action	
Implementation framework		
Government architecture	Focusing economic diplomacy efforts in the report's 10 sectors and 10 Indian states	<p>The core of the report is a 'sectors and states' framework that recognises India's diverse federation and maps out sectors and regions where Australian businesses are more likely to succeed.</p> <p>Accordingly, the Australian Government will prioritise economic diplomacy efforts in India around the following ten sectors: education, agribusiness, resources and tourism as the four lead sectors, and energy, health, financial services, infrastructure, sport and science and innovation as sectors with significant promise.</p> <p>Similarly, the following ten Indian states will be prioritised: Maharashtra, Gujarat, Karnataka, Tamil Nadu, Andhra Pradesh, Telangana, West Bengal, Punjab, the National Capital Region of Delhi and Uttar Pradesh.</p>
Government architecture	Appointing Ministerial champions for the four lead sectors in the report	<p>The Minister for Education, the Minister for Agriculture and Water Resources, the Minister for Resources and Northern Australia and the Minister for Trade, Tourism and Investment will be appointed as champions for the report's four lead sectors of education, agribusiness, resources and tourism respectively.</p> <p>Ministerial champions will ensure the report continues to receive high level political leadership and attention. Greater engagement with Indian counterparts forms an important part of the champion role. This will provide additional avenues to advocate on matters of interest for Australian business and demonstrate to the Indian Government the benefits of greater economic engagement with Australia.</p> <p>The Minister for Trade, Tourism and Investment will chair a committee of ministerial champions, convening once a year to report on implementation and whether the time is right to adopt further recommendations.</p>
Implementation framework	Committing to consulting broadly to build a partnership model for approaching India	<p>Australian Government agencies with policy responsibility for the report's ten sectors will seek stakeholder input to assess whether more recommendations should be adopted over time. The Australian Government will also consider co-investment opportunities, in partnership with state governments, industry and India.</p>
Marking the Australian Government's strategic investment in India		
Government architecture	Proposing a Strategic Economic Dialogue to India (recommendation 82)	<p>Establishing a Strategic Economic Dialogue will create a mechanism to address cross-cutting economic issues jointly with India. The Australian Government will propose to India, that the Dialogue initially bring together senior Commonwealth Government treasury and trade representatives, with leadership from the Productivity Commission and the National Institute for Transforming India. Over time, the dialogue could be expanded to include representation from other Commonwealth agencies involved in driving the domestic economic agenda, such as the Department of Industry, Innovation and Science and Department of Jobs and Small Business.</p>
Government architecture	Consulate-General in Kolkata (recommendation 74)	<p>In recognition of the report's increased focus on Indian states and cities, the Australian Government will expand its diplomatic presence in India by opening a new Consulate-General in Kolkata in 2019. The mission in Kolkata represents a strategic investment to access</p>

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		opportunities in India's resource-rich eastern states and the emerging north-eastern states.
Business architecture	Inviting the Business Council of Australia to lead the Australia-India CEO Forum (recommendation 4)	<p>Closer and sustained interaction between Australian and Indian industry groups provides a powerful platform for business to advocate for the standards and policy settings important to commercial success.</p> <p>The Australia-India CEO Forum is the formal mechanism for business leaders to advise Prime Ministers on how to advance the bilateral economic relationship. Establishing an Australian secretariat within the Business Council of Australia (BCA) will give the CEO Forum more heft, and would allow the broader BCA membership to influence the Forum's intercessional agenda. It will also help the BCA to strengthen ties with the Forum's Indian secretariat and the BCA's counterpart, the Confederation of Indian Industry.</p>
Investment	Bridging knowledge and expectation gaps regarding investment prospects (recommendation 1)	<p>Familiarisation visits enable Australian investors and Indian officials to build mutual understanding about opportunities in India and business models for enhancing reward and reducing risk.</p> <p>The Australian Government facilitated such a visit to India by Australian institutional investors in September 2018. We will continue to support Australian investors seeking to form a balanced view of India's economic prospects and relay priorities and expectations directly to the Indian system. Another Australian investor delegation to India is planned for late November 2018. We are pleased that India's National Investment and Infrastructure Fund has become a regular visitor to Australia.</p>
Investment	Austrade-Invest India MoU to promote bilateral investment flows (recommendation 3)	<p>To help Australian businesses tap into India's economic potential, Austrade and Invest India have entered into a cooperation agreement to promote stronger two-way investment and in-market business support. This Memorandum of Understanding agrees to create a one stop shop for business considering investing in respective markets, including insights on local market conditions, approvals processes and assistance to establish networks.</p>
Investment	Commissioning statistical publication of Australian outward investment flows (recommendation 4)	<p>In India and Asia more broadly, where relationships often proceed commercial transactions, an on-the-ground presence can improve business success rates. There is currently limited data on the experience and sectoral successes of Australian investors abroad.</p> <p>The Australian Bureau of Statistics will publish more statistics on outward foreign investment to provide business with data that can inform market entry and expansion decisions.</p>
Multiple	Improving the India literacy of Australian companies (recommendation 75)	<p>Success in India requires a clear-eyed understanding of the business environment and differences in business culture. The Australia-India Council board members will continue to meet with CEOs of large Australian companies to champion the benefits of India literacy and encourage corporate Australia to harness its diversity, including workforce expertise in Indian and other markets.</p>
Multiple	Working towards a Trade Enabling Program with India (recommendation 78)	<p>Enhanced standards cooperation, coordination and information sharing can boost trade by addressing behind the border issues. A new Standards Market Potential report can help identify opportunities, challenges and technical gaps on a sector by sector basis. This will help to understand economic alignments between Australia and India and complement the Government's Trade Modernisation and Single Window for Trade agenda.</p>

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Multiple	Support Indian membership of Asia-Pacific Economic Cooperation (recommendation 78)	Consistent with longstanding policy, Australia will continue to seek opportunities to advocate for Indian membership of the Asia-Pacific Economic Cooperation.
Multiple	Mutual Recognition Arrangements (MRA) with India under the Australian Trusted Trader program (recommendation 78)	An MRA with India would facilitate increased trade flows by streamlining customs clearances for trusted Australian and Indian businesses. We will commence MRA negotiations with India in 2019.
Multiple	Engaging India through the Regional Comprehensive Economic Partnership (recommendation 81)	Regional Comprehensive Economic Partnership (RCEP) is important for Australia and India's economic integration. No other active trade negotiation brings together parties with the collective economic weight of India, China, ASEAN, Japan and Australia. Australia will prioritise the RCEP agreement negotiations with India and consider returning to bilateral trade negotiations once an RCEP deal is concluded.
Multiple	Successful projects under the India Window of the Business Partnership Platform	Business can bring fresh perspectives to difficult public policy issues. Four projects will be launched under the India Window of the Business Partnerships Platform (BPP), focusing on the delivery of social impact and commercial returns in the IES priority sectors of agribusiness, energy and health sectors. The BPP is an initiative to leverage both public and private sector strengths to create shared value.
Multiple	Next Australia Business Week in India (ABWI)	The ABWI trade missions connect Australian firms to relevant contacts in India, allowing them to develop personal relationships and take forward new commercial ventures. ABWI also allows businesses to gain a firsthand experience of the market and build their understanding of cultural business practices. The next ABWI will be held in 2019, rolled out across key Indian cities and sectors.

A first round of sectoral measures

Education	Setting up a digital education hub for Indian students (recommendation 6)	<p>Education offers huge potential for commercial and community links with India. Australia's future growth and prosperity will be driven by our ability to generate and attract the best and brightest minds. Getting education right is critical for India to maximise the potential of its young population.</p> <p>The Australian Government will continue to work with education and training institutions to lift the profile of Australian offerings in India. Digital communications platforms will be designed to deliver cohesive, consistent and fit-for-purpose information to Indian students considering studying in Australia.</p>
Education	Developing an India Market Action Plan to 2035 (recommendation 6)	<p>India is Australia's second largest partner in international education and offers large-scale potential in the commercialisation of offshore training models.</p> <p>Austrade will develop a new Market Action Plan to make India a priority for the global refresh of Australia's education brand, in line with the National Strategy for International Education 2025 and Austrade's International Education 2025 initiatives. It will also help to improve coordination of on-the-ground activities across jurisdictions, peak bodies and education providers.</p>

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Education	Supporting the establishment of research connection hubs in India (recommendation 6)	Academic exchanges between institutions can be a precursor for attracting top international students to pursue postgraduate and doctoral degrees in Australia. In collaboration with universities, the Australia India Institute will develop a hub to support greater researcher and academic mobility, and exchange with India.
Education	Conducting an International Education Forum in India (recommendation 6)	The Australian Government will showcase the quality of Australia's education system at a forum in India in the first half of 2019. This event will bring together providers with government and industry groups to promote trust and confidence in Australian education institutions.
Education	Convening a states education forum on India (recommendation 6)	A forum for Australian state governments will be convened in 2019 to discuss shared approaches to the Indian market, avoid duplication in effort, and coordinate messaging.
Education	Inviting Indian delegates to participate in Australian curriculum projects (recommendation 6)	The Australian Curriculum Assessment and Reporting Authority will engage with Indian officials to showcase Australia's strengths in curriculum design. This will contribute to increased Indian awareness of Australian schooling and higher education options and, over time, alignment to the Australian curriculum.
Education	Introducing an elite scholarships program for Indian students (recommendation 9)	A new scholarships program for high performing Indian students will commence in 2019. The program will help to build links to the talented next generation of Indian business and community leaders.
Education	Developing a roadmap for qualifications recognition (recommendation 13)	The Australian Government will develop a roadmap for understanding and collaborating with India on qualifications recognition. Improved qualifications recognition will raise the perceived quality of Australian qualifications that Indian alumni bring home.
Education	Strengthening linkages between Australian and Indian universities (recommendation 15)	There is an opportunity for Australian universities to utilise regulation provisions which allow for the establishment of twinning programs between Indian and foreign institutions. Expanding the number of twinning programs will support efforts to encourage more Indian students to undertake postgraduate studies in Australia.
Resources	Extending Geoscience Australia's collaboration with India (recommendation 25)	As India becomes more urbanised, and demand for mineral resources grows, understanding regional geology, and being able to predict the potential for undiscovered mineral deposits, will become increasingly important. Through a Memorandum of Understanding, Geoscience Australia will build the capacity and technological capability of the Geological Survey of India to assess the potential for minerals deep underground.
Resources	Expanding the Australia-India Mining Partnership at the Indian School of Mines (recommendation 27)	The Australia-India Mining Partnership is an arrangement with the Indian School of Mines at the Indian Institute of Technology (IIT-ISM) in Jharkhand for the delivery of joint training, research and development engagement in mining services. Established in 2014, the partnership highlights the adaptability of Australia's mining equipment, technology and services (METS) to Indian conditions. The new Consulate-General in Kolkata opening in 2019 will enhance linkages between Indian partners at the IIT-ISM and the growing cluster of Australian METs companies based in West Bengal.

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Agribusiness	Improve forecasting data flows to inform planting decisions (recommendation 29)	India can provide a new source of growth for Australia's agribusiness sector. Despite India's focus on domestic production, the gap between demand and supply will grow out to 2035. Greater visibility of fluctuations in Indian demand for agricultural commodities imported from Australia can help Australian farmers make more informed planting decisions. The Australia-India Council will fund Pulse Australia to develop a pilot system for collecting and disseminating information on Indian crop production to Australian farmers.
Agribusiness	Additional Australian Agricultural Counsellor for India (recommendation 31)	A second Australian Agriculture Counsellor will be placed in India to foster deeper institutional ties and strengthen advocacy of Australian agricultural trade to India at federal and state levels. The placement is expected to commence in early 2019, subject to India's accreditation of the additional position.
Agribusiness	Training to support the export and import of agricultural goods (recommendation 31)	The Australian Government will provide training on biosecurity treatments for the flow of agricultural goods. Our 'train the trainer' programs will assist India develop its workforce capabilities in this area.
Agribusiness	Working towards the establishment of an Australia-India Food Partnership (recommendation 32)	An Australia-India Food Partnership would provide a framework to strengthen engagement between food industries, open opportunities for Australian agri-tech and services, and underscore Australia's reputation as a reliable partner in agriculture. Industry and academia will be consulted to design the scope of this partnership and test interest for co-investment.
Tourism	Unlimited aviation access between six airports in Australia and India (recommendation 37)	By 2035, the number of Indian tourists to Australia is expected to grow four-fold, from 300,000 in 2017 to nearly 1.2 million. This puts India on track to go from being Australia's eighth largest tourism market today to our fourth. New arrangements made under the existing Australia-India Air Services Agreement in June 2018 lays the groundwork for airlines to increase direct flights across six Indian and Australian capital cities.
Tourism	UnDiscover Australia campaign rolled out and targeting Indian tourists (recommendation 38)	Tourism Australia has launched 'UnDiscover Australia', a bespoke promotional initiative across India, Singapore, Malaysia and Indonesia. The campaign seeks to challenge perceptions and stereotypes of Australia as a one-dimensional tourism destination. Tourism Australia will leverage the current Indian men's cricket tour of Australia to underscore messaging to a key target audience. The campaign will be supported by an 'airline marketplace', an initiative which brings together a number of airlines to offer discounted fares.
Tourism	Scoping the development of 'India ready' workforce training (recommendation 41)	Equipping Australian industry to better meet India's subnational cultural tastes and preferences will enhance our reputation as a welcoming holiday and business destination. The Australian Government will liaise with tourism industry stakeholders to discuss the development and roll out digital toolkits on India literacy.
Energy	Support India's leadership of the International Solar Alliance and its engagement in global energy institutions (recommendation 45)	India's energy demand is forecast to double by 2040. Its energy choices will clearly impact global technology take-up trends and regional infrastructure choices. Australia is a founding member of the India and France-led International Solar Alliance (ISA), which aims to promote solar technologies and investment, create financing mechanisms and increase the use of solar energy. An Australian expert has been seconded to the ISA Secretariat and an Australian industry working group will be established to support commercial participation in ISA projects. Australia will continue to

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		advocate for India's full membership in the International Energy Agency.
Energy	Commissioning a study on India's east coast gas market (recommendation 48)	Brookings Institution India has been commissioned to examine India's changing gas policy landscape and draw out the implications of proposed reforms for international suppliers. The study will provide an evidence base for Australian Government and industry stakeholders considering gas export and investment cooperation with India.
Health	Therapeutic goods regulatory collaboration (recommendation 49)	The Therapeutic Goods Administration will explore options to work with India and its Central Drug Standard Control Organisation to foster greater understanding of regulatory frameworks, leading to improved collaboration and information sharing. Collaboration is likely to focus on ensuring earlier access to medicines and medical devices, improving regional public health and lowering costs for industry.
Health	Working with industry to establish Australian International Health Alliance (recommendation 51)	Australia and India have complementary interests in the health sector and can work together to confront the twin challenges of communicable and non-communicable disease. We will establish an industry-led Australian International Health Alliance to position and deliver Australian health expertise, training, education, digital health, technology, standards, and accreditation across Asia, including India.
Health	Supporting India host the next International Digital Health Symposium (recommendation 53)	Australia is committed to being a strong partner with India on the global stage. Australia hosted the inaugural Global Digital Health Partnership (GDHP) Summit in Canberra, February 2018 which was attended by the Minister of Health and Family Welfare, Government of India. Australia will continue to work with India on the GDHP ahead of the fourth summit in New Delhi in February 2019.
Infrastructure	Supporting the Andhra Pradesh Government improve urban water management (recommendation 54)	Population growth, pollution and water distribution management are contributing to the depletion of India's water reserves. Many of India's large cities already face water shortages on a daily basis. The Commonwealth Government will fund the Cooperative Research Centre for Water Sensitive Cities to apply Australia's urban management expertise in the design of urban infrastructure for the new capital of the state of Andhra Pradesh.
Science and Innovation	Extending the Australia-India Strategic Research Fund (recommendation 67)	Collaboration in science and innovation will help facilitate deeper engagement across all sectors of the economy. The AISRF has been the centrepiece of the bilateral science and innovation relationship, having supported over 300 joint activities since its inception in 2006. Applications for round 11 of the AISRF will open on 28 November 2018.