

ECONOMIQUITY

News Wrap – #1/January, 2026



New Year Signals a Strategic Turn in Trade

The opening weeks of 2026 underscore how profoundly global trade has become entangled with geopolitics, technology and strategic rivalry. The World Trade Organisation, though widely criticised and weakened by US unilateralism and tariff weaponisation, remains indispensable as the backbone of global trade. While reform efforts seek to modernise the WTO for the age of artificial intelligence, digital commerce and SME participation, Washington’s turn towards coercive bilateralism and punitive tariffs highlights the erosion of rule-based norms and the growing uncertainty confronting global supply chains.

Against this unsettled backdrop, India is recalibrating its trade strategy with notable pragmatism. New Delhi continues to defend multilateralism by pressing issues such as technology transfer, environmentally sound technologies and fair treatment of developing countries within the WTO framework. At the same time, it is hedging risks through a growing web of bilateral trade agreements. Recent pacts with Oman and New Zealand illustrate that these deals are driven less by expectations of large export surges and more by geopolitical signalling, investor protection and deeper integration in services, labour mobility and regulation.

Regionally, India’s trade diplomacy is widening in scope and ambition. The review of the ASEAN-India trade agreement and the proposed Digital Economy Framework reflect efforts to correct implementation gaps and align trade with digital growth. Engagement with Europe is accelerating through FTA negotiations and high-level political outreach, positioning Europe as a stabilising partner amid global churn. In Africa, long-term connectivity visions such as India-Africa-Europe trade corridors signal an infrastructure-led approach to future trade integration.

Domestically, the government has begun the year with active trade management: easing export finance, streamlining procedures, strengthening shipbuilding through targeted schemes, and deploying safeguard and anti-dumping duties. Together, these measures reveal strategic realism. In a fragmenting global order, India is seeking flexibility by balancing multilateral commitments, selective partnerships and domestic competitiveness within a broader geopolitical framework.

We are pleased to share that CUTS is curating a compilation of op-ed pieces in *The Economic Times* under a “Trade-Off” column, covering select priority trade policy topics. These pieces, which are being published by trade and policy experts over the past few months, are intended to generate actionable and implementable insights for the Government of India to bolster India’s trade policy, enhance competitiveness, and navigate the ongoing turbulence in global trade. The [first story in the National Trade section](#) is this edition’s *Trade-Off* story, which urges India to steer an expanded bloc toward economic substance and financial innovation while positioning BRICS as a constructive bridge, not an anti-west alternative, in a fractured global order.

International Trade

1.	<p><i>The world still needs the WTO - and it's being reformed for the age of AI</i></p> <p>World Economic Forum</p> <p>January 14, 2026</p>	<p>Despite criticism, the WTO remains the backbone of global trade and is undergoing major reform. Its modernization covering AI, digital trade, SME integration, and open markets aims to reduce fragmentation, anchor multilateral rules, and provide regulatory certainty essential for businesses navigating geopolitics, technology shifts and global supply chains.</p>
2.	<p><i>The World Trade Organization is on life support. Will Trump's new rules finish it off?</i></p> <p>Thw Conversation</p> <p>January 13, 2026</p>	<p>The US retreat from multilateralism and its push to remake WTO rules reflects a deeper collapse of the post-war global trade order. By weaponizing tariffs and sidelining core WTO principles, Washington favours coercive bilateralism, leaving weaker countries exposed and raising existential questions about the WTO's future and the viability of rule-based global trade.</p>
3.	<p><i>Trump greenlights Bill proposing 500% tariff over Russia oil trade</i></p> <p>The Indian Express</p> <p>January 09, 2026</p>	<p>India faces renewed trade pressure as a proposed US law could impose 500% tariffs on countries buying Russian oil. Backed by Trump, the bill targets India, China and Brazil, potentially hurting India's exports and weakening its trade negotiations, especially amid ongoing talks with multiple partners and the absence of a US trade deal.</p>
4.	<p><i>Tech transfer for trade: India wants issue in focus at WTO Ministerial in Cameroon</i></p> <p>Business Line</p> <p>January 06, 2026</p>	<p>India has urged WTO members to strengthen technology transfer especially environmentally sound technologies to help developing countries realise trade gains. Ahead of the WTO's MC14 in 2026, New Delhi proposed a draft declaration calling on developed countries to honour TRIPS commitments, support the Working Group on Trade and Transfer of Technology, and address new trade barriers such as the EU's CBAM.</p>
5.	<p><i>US abdicates global leadership: Will India fill the void, or will chaos reign?</i></p> <p>ET Contributors</p> <p>January 08, 2026</p>	<p>The U.S. retreat from international engagements disrupts existing frameworks, leading to increased complexity in global cooperation on critical challenges, especially environmental ones. In this shifting landscape, India has a golden opportunity to evolve into a proactive player, crafting rules that not only enhance climate strategies but also ensure that global governance aligns with the contemporary developmental landscape.</p>

Regional Trade

1.	<p><i>China in Africa: Lessons for Delhi from Beijing's Long Game in the Global South</i></p> <p>Firstpost</p> <p>January 15, 2026</p>	<p>China's long-standing, consistent engagement with Africa through diplomacy, trade, and adaptive financing has deepened mutual ties despite controversies. The experience highlights lessons for India: sustained high-level engagement, outcome-focused diplomacy, rethinking financing tools, and investing in deeper Africa-focused research to strengthen its strategic partnership.</p>
2.	<p><i>Spain, Germany, Belgium, Poland emerging as key export destinations for India within EU</i></p> <p>The Economic Times</p> <p>January 11, 2026</p>	<p>India's exports to European Union are showing strong growth. Spain is a standout market with significant export increases. Germany continues to be a stable destination for Indian products. Belgium and Poland also show positive export trends. These developments are occurring as India and the EU negotiate a free trade agreement, promising further bilateral trade growth.</p>
3.	<p><i>India–Africa–Europe Trade Corridors Are Bringing New Economic Hope to Africa</i></p> <p>The Times of Israel</p> <p>January 12, 2026</p>	<p>Israel's recognition of Somaliland may enable a transformative India-Africa-Europe trade corridor by linking Somaliland's Berbera port to the AU-backed VICMED Nile route. This would integrate Africa's fragmented transport networks, reduce trade costs, enhance regional stability, unlock economic growth across Africa, and align with India's SAGAR doctrine while reshaping geopolitics in the Horn of Africa and the Mediterranean.</p>
4.	<p><i>Review of ASEAN-India trade pact expected to improve market access for companies</i></p> <p>thehindubusinessline.com/</p> <p>January 08, 2026</p>	<p>India and ASEAN are reviewing their trade agreement to improve market access, address implementation gaps, and align with current economic realities. The pact could unlock greater value across the region. Trade stood at \$123 billion in 2024–25, while a forthcoming Digital Economy Framework aims to boost integration, lower costs, and promote inclusive, technology-driven growth.</p>
5.	<p><i>Onion imports from India halted through Hili land port</i></p> <p>dhakatribune.com</p> <p>January 08, 2026</p>	<p>The Bangladesh government has halted new onion import permits from India through Hili land port to protect domestic farmers, while allowing imports under existing permits until January 30. Importers warn the move could disrupt supply and push prices up, reversing recent stabilisation achieved through resumed imports.</p>

National Trade

<p>1. <i>BRICS must cement its global role</i></p> <p>The Economic Times</p> <p>January 07, 2026</p> 	<p>India takes over BRICS leadership in 2026. The group faces global shifts and differing views. BRICS+ has expanded, increasing its economic influence. India's presidency aims to boost BRICS' economic plans and connect with the G7 and G20. The group will focus on trade in local currencies and new financial systems. BRICS seeks to reform global governance and foster collaboration.</p>
<p>2. <i>Sergio Gor's arrival signals that a reset of India-US ties is within reach</i></p> <p>Indian Express</p> <p>January 15, 2026</p>	<p>Shashi Tharoor argues that new US Ambassador Sergio Gor must reset strained India-US ties amid punitive tariffs, trade disputes, and geopolitical frictions. With direct access to President Trump, Gor should act as a "chief restructuring officer," secure tariff relief, revive the Quad, deepen tech cooperation, and restore the partnership through a comprehensive trade deal.</p>
<p>3. <i>India relations with Europe poised to grow to the next level: Jaishankar</i></p> <p>Hindustan Times</p> <p>January 08, 2026</p>	<p>External affairs minister S Jaishankar said India-Europe ties are poised for major growth amid global churn, with scope to enhance stability in global politics and the economy. Talks with France, Germany and Poland highlighted cooperation on an India-EU FTA, technology, defence and the Indo-Pacific, alongside high-level visits and deepening strategic engagement.</p>
<p>4. <i>India's rush to sign a web of bilateral trade agreements: Driven by good economics or smart geopolitics?</i></p> <p>Mint</p> <p>January 05, 2026</p>	<p>India's recent surge in trade agreements reflects geopolitical strategy rather than pure trade gains. With tariffs already low, such pacts formalise existing ties, hedge risks, protect investors, and strengthen strategic partnerships, especially in services, amid a fragmenting global order and rising trade uncertainty.</p>
<p>5. <i>Strong start to year but deregulation holds key to competitiveness</i></p> <p>Business Standard</p> <p>January 04, 2026</p>	<p>The government opened the year with multiple trade measures easing export finance, procedures and market access, boosting shipbuilding through targeted schemes, and deploying trade-defence tools such as safeguard and anti-dumping duties. Together, these moves signal a focus on export facilitation, strategic manufacturing, revenue mobilisation, and closer alignment with global trade practices.</p>