

ECONOMIQUITY

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India Navigates Trade Challenges, Eyes Global Partnerships

India appears to have made peace with the so-called “Trump Trouble” for now. Instead of retaliating against trade tensions, India is looking for new avenues to mitigate losses and expand its global trade footprint. On that note, CUTS International, in collaboration with the Australian Institute of International Affairs (AIIA), Victoria, convened a high-level hybrid discussion titled ‘Are We Setting Sail Without Checking the Weather?’ This event explored the strategic and economic implications of the Australia-India Free Trade Agreement (FTA) amid a shifting global trade environment.

In the meantime, the long-anticipated FTA between India and the European Union is expected to be finalised by the end of this year. This deal would unlock opportunities for both sides in trade, investment, technology transfer, and deeper economic engagement. Simultaneously, a Joint Statement on the Roadmap for the Comprehensive Strategic Partnership between India and Singapore on this occasion has been delivered to deepen bilateral trade and access to markets, including the Comprehensive Economic Cooperation Agreement (CECA), and taking into consideration both countries’ trade priorities.

On the other side, India has a crucial role to play in reviving multilateralism. It must respond to the call of the times and show greater flexibility in its stance toward plurilateral initiatives. India can not deny its share of responsibility in stalling WTO reforms quite a few times in the past, eventually undermining its relevance. Now more than ever, India can emerge as the voice of the Global South and champion a fair, rule-based trading order.

On the global front, Kenya’s Deputy President Kithure Kindiki showcased Kenya’s strategic investments in cross-border connectivity and digital infrastructure. He also cited the Lamu Port and LAPSSET Corridor initiative, which creates vital links between Kenya, Ethiopia, and South Sudan. The Intra-African Trade Fair’s success reaffirms its pivotal role in advancing the AfCFTA vision of integrated continental trade, with Kenya positioned at the forefront of this transformation.

This edition of *Economiquity* captures these stories, along with other prominent developments shaping the global trade landscape.

International Trade		
1.	<i>CUTS International & AIIA Discuss Implications of Australia-India FTA Under Trump 2.0</i> KNN September 15, 2025	According to CUTS & AIIA experts, the Australia- India FTA could serve as a “hedge and anchor of resilience” for India, especially given volatility in relations with the U.S. under a renewed Trump administration. Key sectors under discussion include agriculture, clean tech, digital trade, and regulation harmonisation to pre-empt protectionism. The dialogue emphasised the need for India to pair trade negotiations with strong domestic reforms, industry consultations, and inclusion.
2.	<i>Strengthening Economic Ties Through CECA and Strategic Partnerships</i> PIB September 4, 2025	On the occasion of official visit of Singapore PM, Mr. Lawrence Wong, India and Singapore agreed to deepen bilateral trade by advancing the Comprehensive Economic Cooperation Agreement (CECA) and initiating its third review. They also committed to enhancing semiconductor industry collaboration, developing sustainable industrial parks, and improving capital market connectivity through initiatives like the NSE-IFSC-SGX GIFT Connect.
3.	<i>India-EU Trade Deal Could Unlock Major Gains</i> Reuters September 12, 2025	India and the EU have entered a crucial stage in negotiations, aiming to finalise the free trade agreement by the end of 2025. The EU Trade Commissioner said the pact could “unlock investment, reduce barriers, expand market access, and enhance supply chains,” benefitting both sides.
4.	<i>Trade in Turmoil: Policy Uncertainty Hits Record</i> The Economic Times September 03, 2025	UNCTAD reports that the World Trade Policy Uncertainty Index hit record highs in Q1 2025, rising multiple-fold over last year. This unpredictability is hiking costs, unsettling markets, and hitting small firms and low-income countries hardest. Businesses are front-loading shipments and paying higher transport costs, while countries with diverse exports and strong trade agreements fare better. Others with narrow trade bases remain highly vulnerable.
5.	<i>India Reaffirms Commitment to WTO - Centred, FairTrade System at SCO Trade Ministers’ Meeting</i> PIB September 07, 2025	At the SCO Trade Ministers’ Meeting in Vladivostok, India emphasised a fair, inclusive, WTO- centred trading system. Proposals included a permanent solution on Public Stockholding (PSH), effective Special & Differential Treatment (S&DT) for developing countries, and restoring a functional two-tier WTO dispute settlement. India also highlighted opportunities for India-Russia FTA (IRF) to facilitate smoother cross-border transactions, reduce MSME costs.

Regional Trade		
1.	<i>The ASEAN Express: new rail link set to transform regional trade</i> The Nation September 15, 2025	The ASEAN Express, a new freight rail service linking Malaysia, Thailand, Laos and China, cuts transit time from 14 - 21 days by sea to just nine days. It is expected to enhance trade efficiency, reduce logistics costs by about 30%, and open fresh markets in the region. The project's scale promises cheaper and more sustainable trade.
2.	<i>Geopolitics Turns Into Opportunity as Intra-Asia Trade Rises</i> HDFC SKY September 12, 2025	Asia's trade dynamics are evolving in a new direction, due to increase in US tariffs, and the rift between the United States and China. These shifts are tightening regional ties among neighbouring countries and boosting intra-Asia commerce amid global uncertainty. As a result, Asian economies are leaning more on one another.
3.	<i>Latin America's Digital Payment Boom and Its Impact on Regional Trade</i> Merco Press September 13th 2025	Countries like Mexico, Brazil, and Argentina are leading this digital payment movement with many fintech companies that offer simpler and cheaper alternatives to traditional banks. Not only do they change the way people shop, but they also influence how trade happens between businesses both locally and abroad.
4.	<i>From Lamu to Lagos: Kenya's Continental Pitch</i> KBC Digital September 09, 2025	At the Intra-African Trade Fair 2025 in Algiers, Kenya showcased bold investments in ports, railways, fibre optics, and one-stop border posts, aligning its national projects with AfCFTA's vision of seamless regional trade. Deputy President Kindiki highlighted initiatives like the LAPSET Corridor, Standard Gauge Railway extensions, and digital infrastructure to position Kenya as a continental trade hub
5.	<i>CKU Railway: A New Artery for Regional Trade</i> The Times of Central Asia September 08, 2025	The Eurasian Development Bank estimates that 12 major projects linking Central Asia with China will cost around \$9 billion by 2035. These projects aim to boost trade flows and enhance China's role as both a trading partner and a transit hub. Together, they could significantly reshape regional connectivity and strengthen Central Asia's position in global trade.

National Trade		
1.	<i>India must lead WTO revival to protect global trade order</i> The Economic Times September 15, 2025	With the multilateral trading order under stress, the article stresses India's responsibility to revive WTO negotiations. By engaging constructively on digital trade, climate rules, and dispute settlement, India can position itself as a defender of developing country interests. Leading WTO reform could cement India's role as a stabiliser of global trade governance.
2.	<i>Why is so much of India's outward investment routed through tax havens?</i> The Hindu September 14, 2025	RBI data shows - 56% of India's outward FDI in 2023-24 was sent via low-tax jurisdictions like Singapore, Mauritius, and the UAE. Key reasons would be that these jurisdictions offer tax advantages, more flexible fund transfers, and act as strategic platforms for investment into third countries.
3.	<i>Why open societies foster golden ages</i> The Indian Express September 12, 2025	Shashi Tharoor stresses that golden ages flourished where markets were open and cross-border commerce thrived. With protectionism and isolationism rising today, sustaining prosperity depends on keeping trade and the flow of ideas unrestricted. From Athens and Rome to the Guptas, Cholas, and Mughals, thriving trade networks and openness to goods, people, and ideas built prosperous eras. Whenever societies turned inward and restricted trade or foreign exchange, decline quickly followed.
4.	<i>Can trade embargo force dialogue over border policies?</i> The Hindu September 09, 2025	The United Naga Council enforced a trade embargo in Naga-dominated areas of Manipur, protesting India-Myanmar border fencing and the scrapping of the Free Movement Regime. While goods movement resumed, deeper political and economic tensions remain unresolved.
5.	<i>Is the global trading system under strain?</i> News on Air September 8, 2025	Addressing the BRICS leaders summit, India's External Affairs Minister Dr Jaishankar emphasised the need for constructive and cooperative approaches to promote sustainable trade. Jaishankar urges BRICS nations to work cooperatively to stabilise the global economy, mitigate the impacts of ongoing conflicts on the Global South, and reform multilateral trade institutions



D-217, Bhaskar Marg, Bani Park, Jaipur 302 016, India.
 Ph: +91.141.228 2821 Fx: +91.141.228 2485,
 E-mail: citee@cuts.org, Web: www.cuts-international.org.

Also at Delhi, Calcutta and Chittorgarh (India); Lusaka (Zambia); Nairobi (Kenya); Accra (Ghana); Hanoi (Vietnam); Geneva (Switzerland); and Washington DC (USA).