

ECONOMIQUITY

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Global Trade Showing Strategic Adaptation

The global trade regime is becoming more and more complex. Whether it is divergences of views/opinions on major issues being dealt at the World Trade Organisation (WTO), the formation of new regional trade blocs or changes in domestic trade policies, countries are increasingly looking at trade from the lens of economic security.

However, the significance of the multilateral trading regime is not getting undermined. The fact that the head of the World Trade Organisation, Ngozi Okonjo-Iweala, encourages Japan and other member states to be active players in the reform of global trade rules is clear evidence of this reality. Indeed, given the increasing demand for flexible regimes by many WTO members, it can be predicted that such an approach may become even more popular when reaching full consensus between all involved parties turns out to be hugely challenging.

At the same time, on issues, which require multilateral actions, the WTO members are repeatedly stressing the need for urgent measures. For example, while negotiating fishery subsidies, they are pointing out that any further delay will continue to be a danger to sustainability of the oceans and coastal areas.

On the other hand, the rise of bilateral/regional trade agreements is indicating that this established trend of trade diversification is gaining further prominence. For instance, India's seafood exports are looking for new markets in Europe and Southeast Asian countries with which it has free trade agreements as against depending heavily on the US market.

From these developments it can be inferred that international trade is moving into an era of strategic adaptation. Countries are showing prudent and pragmatic strategies to deal with risk and uncertainty so that they are better placed to address their economic security needs. Despite many differences among them, not only do they continue their engagement with trade through bilateral/regional/multilateral initiatives but also in a strategic manner signifies that cooperation despite challenges, not conflicts, is an imperative for stability.

International Trade

1.	<p><i>India blocks China's WTO panel bid over solar support measure, dispute set for next stage</i></p> <p>Times of India</p> <p>May 22, 2026</p>	<p>India blocked China's first request at the WTO to establish a dispute panel over India's solar and IT support measures. China alleged discriminatory treatment against Chinese imports, while India exercised its procedural right, delaying formal adjudication until the next WTO meeting.</p>
2.	<p><i>DDG Nordquist calls for urgent action on fisheries subsidies at Monaco Blue Initiative</i></p> <p>World Trade Organization</p> <p>May 27, 2026</p>	<p>Deputy Director-General DJ Nordquist called for urgent action by WTO members to complete the acceptance and implementation of the Agreement on Fisheries Subsidies and to advance negotiations on additional disciplines targeting overcapacity and overfishing. She delivered her remarks on 27 May at the Monaco Blue Initiative in Monaco. DDG Nordquist stressed that harmful fisheries subsidies continue to undermine ocean sustainability, economic resilience, and coastal livelihoods, while emphasizing that sustainable fisheries are essential for jobs, food security, and long-term prosperity.</p>
3.	<p><i>China is negotiating with EU over its steel trade measures, Chinese commerce ministry says</i></p> <p>Reuters</p> <p>May 28, 2026</p>	<p>India closely tracked escalating trade tensions between the EU and China over import restrictions and tariffs. Analysts noted that prolonged disputes may reshape global supply chains and create export opportunities for Indian manufacturers in sectors such as chemicals, metals, and engineering goods.</p>
4.	<p><i>WTO chief urges Japan to lead the charge in reforming its rules</i></p> <p>The Japan Times</p> <p>May 20, 2026</p>	<p>WTO Director-General Ngozi Okonjo-Iweala urged Japan to take a leading role in reforming WTO rules to better address contemporary trade challenges. Among the growing difficulty of achieving consensus among all WTO members, plurilateral agreements are becoming an increasingly important tool for advancing trade rules. Rising oil prices linked to the Iran conflict could disrupt global trade and severely affect energy-importing countries such as Japan. Amidst these ongoing tensions, strong demand for AI-related goods and pre-tariff purchasing helped sustain growth in global trade.</p>
5.	<p>Bhutan's WTO Path: Learning From The Global South – Op Ed</p> <p>EURASIA REVIEW</p> <p>May 26, 2026</p>	<p>Bhutan's renewed WTO accession process reflects its efforts to strengthen competitiveness, attract investment, and integrate more deeply into the global economy after graduating from LDC status. The article discusses how support from ESCAP and Indian trade experts helped Bhutan build capacity for complex WTO negotiations. Peer learning and regional cooperation can help developing countries navigate economic transitions and global trade uncertainties more effectively.</p>

Regional Trade

1.	<p><i>EU, Vietnam push Indian seafood exports to record amid shift away from US</i></p> <p>Livemint</p> <p>May 28, 2026</p>	<p>India's seafood exports reached a record high in FY26 as exporters successfully diversified beyond the US market. Strong demand from Vietnam, the European Union, China, Russia, and Japan offset declining shipments to the US. Vietnam emerged as a key destination and processing hub, while improved market access in Europe and growing demand across Asia strengthened export performance, enhancing the sector's resilience and global competitiveness.</p>
2.	<p><i>India-Korea start 12th round talks for CEPA upgrade</i></p> <p>Financial Express</p> <p>May 25, 2026</p>	<p>India and South Korea resumed the 12th round of negotiations to upgrade their Comprehensive Economic Partnership Agreement. Discussions focus on reducing tariff imbalances, expanding market access for Indian pharmaceuticals and engineering goods, and strengthening bilateral regional supply-chain integration.</p>
3.	<p><i>Strategic sectors driving the next stage of India–Russia economic cooperation</i></p> <p>Economic Times</p> <p>May 28, 2026</p>	<p>India and Russia are forging new paths in economic partnership. Key areas include energy cooperation, trade, industrial ventures, and critical minerals. Recent high-level meetings focused on strengthening these ties. Discussions covered fossil fuels, LNG, civil nuclear energy, investments, and joint projects. Cooperation in mining and value addition for critical minerals was also highlighted.</p>
4.	<p><i>Asean defence ministers reaffirm commitment to free flow of trade through international corridors</i></p> <p>The Business Times</p> <p>May 30, 2026</p>	<p>At the Shangri-La Dialogue in Singapore, ASEAN defence ministers emphasized safeguarding key maritime trade routes, including the Strait of Malacca. The development is significant for India, whose regional trade with Southeast Asia relies heavily on these shipping corridors.</p>
5.	<p><i>Assam CM Himanta Biswa Sarma meets Jaishankar, discusses Act East Policy and regional trade opportunities</i></p> <p>Economic Times</p> <p>May 31, 2026</p>	<p>Assam Chief Minister Himanta Biswa Sarma met External Affairs Minister S. Jaishankar to discuss strengthening the Act East Policy. Talks focused on enhancing trade connectivity with Southeast Asia and leveraging Assam's role as a gateway for regional commerce.</p>

National Trade

<p>1. <i>Oil drives April exports to highest in 4 years; imports up 10%, trade deficit at 3-month high</i></p> <p>Times of India</p> <p>May 16, 2026</p>	<p>India's exports rose 13.8% to \$43.6 billion in April 2026, the highest in four years, driven by petroleum and engineering shipments. Imports also grew, widening the trade deficit to \$28.3 billion, reflecting stronger domestic demand and global price pressures.</p>
<p>2. <i>India's trade deficit pressures could persist through 2026 as electronics imports surge, export outlook stays fragile</i></p> <p>Economic Times</p> <p>May 17, 2026</p>	<p>Research reports indicated India's trade deficit may remain elevated through 2026 due to rising electronics imports, crude oil prices, and global demand uncertainty. Export growth remains uneven, with services and select manufacturing sectors supporting overall resilience.</p>
<p>3. <i>Exclusive: India cancels soymeal export deals, turns to African soybean imports, sources say</i></p> <p>Reuters</p> <p>May 26, 2026</p>	<p>India cancelled around 25,000 tonnes of soymeal export contracts due to rising domestic prices and shifted toward importing soybeans from Africa. This reversal reflects volatility in agricultural trade flows and growing domestic demand pressures in livestock feed markets.</p>
<p>4. <i>India scraps cotton import duty for five months to aid textile exporters</i></p> <p>Reuters</p> <p>May 30, 2026</p>	<p>The Government of India suspended the 11% customs duty on cotton imports until 30 October 2026 to support textile exporters facing rising input costs and strong export demand. The move is expected to improve access to contamination-free cotton and strengthen export competitiveness.</p>
<p>5. <i>India, Oman trade pact to come into force from June 1; Check what's inside</i></p> <p>Economic Times</p> <p>May 31, 2026</p>	<p>India and Oman announced the implementation of their Comprehensive Economic Partnership Agreement (CEPA) from 1 June. The agreement offers wider market access, tariff concessions, and new opportunities for Indian services, agriculture, and manufacturing exports.</p>



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