

India, US to work on regulatory info exchange

New Delhi piqued by sudden curbs on agri, pharma exports

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New Delhi, October 8

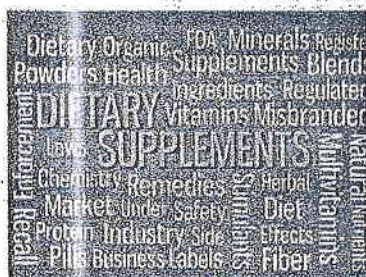
India and the US will work on establishing a channel of communication between the regulatory bodies of the two countries.

The aim is to minimise restrictions imposed on exports of agricultural products and pharmaceuticals.

At the recent India-US Strategic and Commercial Dialogue in Washington, it was decided that the working group on standards—one of the six groups established to strengthen bilateral ties—will work on a mechanism for regular exchanges between the regulators of both sides.

India keener

"We are keener than the US on the matter, as our agricultural and other products, such as pharmaceuticals, are subjected to all kinds of restrictions in the US. A channel of communication, with the USFDA (US Food and Drugs Authority) and the USDA (US Department of Agriculture) will reassure our exporters that there wouldn't be a sudden



A channel of communication with the USDA and USFDA is expected to reassure Indian exporters that there wouldn't be a sudden blocking of their shipments.

blocking of their shipments," a Commerce Ministry official told *BusinessLine*.

Indian exports of farm products such as Basmati rice, shrimps, spices and fruits have, in the past, faced sudden curbs due to reports of higher-than-allowed levels of contaminants found in shipments.

"Sudden curbs cause a lot of disruption, as there is no clarity on how the shipments already sent would be treated and what would happen to orders in the pipeline."

"If regulatory bodies are in constant touch, such situations can be avoided," the official said. Pharmaceuticals is another ar-

ea that has taken a hit due to sudden restrictions imposed by the USDA on Indian companies, more often on procedural matters than quality issues.'

Domestic majors such as Sun Pharma and Emcure Pharmaceuticals have been at the receiving end of USFDA action for allegedly violating standard manufacturing practices.

Minor hiccups

Although the US is not as badly hit by Indian restrictions, some small regulatory curbs put in place by the Food Safety and Standards Authority of India, such as specific labelling requirements, have created minor hiccups from time to time.

It was decided at the Strategic and Commercial Dialogue — co-chaired by External Affairs Minister Sushma Swaraj and Commerce Minister Nirmala Sitharaman from the Indian side and Secretary of State John Kerry and Secretary of Commerce Penny Pritzker from the US side — that the working group on standards will start work immediately on the exchange.

"We have to now propose what kind of exchange it should be, the frequency of such exchanges, the items to be covered and the bodies that should interact," the official said.

Regulatory