

India plans to increase scrutiny on copper, aluminium imports with an eye on China

India is planning to raise surveillance of copper and aluminium imports while developing policies to curb shipments from China and other Asian nations to protect domestic producers.

Officials in New Delhi are expected to soon ask importers to register with authorities as a first step towards tighter controls that would require permits for individual shipments of the two metals, government sources said. The sources declined to be identified due to the sensitive nature of the discussions.

The move for greater screening is aimed at pushing economic self-reliance, the federal mines ministry said in a letter to the commerce ministry late last month. The letter reviewed by Reuters refers to Prime Minister Narendra Modi's push to reduce imports and increase exports of value-added products.

Government sources said the aim of the tighter surveillance would be to move copper and aluminium imports onto a restricted items list, which would require importers to get a government-issued license for every shipment.

India's federal mines and commerce ministries did not respond to requests for comment. "The screening will help us devise policies like adding one or both the metals to the restricted list of goods as we will have enough data to see what is being dumped into the country," one government official said.

China, Japan, Malaysia, Vietnam and Thailand are among the major exporters of copper, accounting for 45% of India's \$5 billion in copper imports for 2019/20, government data showed.

Since April, about 58% of India's aluminium demand has been met by scrap imports, at prices 22% cheaper than domestic primary aluminium, according to industry data.

India has increased its trade and investment barriers against Chinese firms after a deadly clash in June along the disputed Himalayan border.

Source : The Economic Times