

## Trade Policy Unit

### Daily news and updates

#### **(1) PM Modi and his British counterpart Sunak agree to work towards 'ambitious' FTA during talks in Japan (Economic Times)**

- Indian Prime Minister, Narendra Modi, and his British counter-part, Rishi Sunak, yesterday, 21 May 2023, met on the sidelines of the summit of the G7 in Hiroshima.
- In their second in-person meeting since the G20 Summit in Indonesia last November, the two leaders are said to have discussed the deep ties shared between the nations. They also discussed progress on the UK-India Free Trade Agreement (FTA). The leaders agreed that their teams would continue to work at pace to finalise an ambitious and mutually beneficial deal. It is to be noted that the two nations last month concluded the ninth round of FTA negotiations with detailed discussions across a range of policy areas.
- In relation to India's G20 presidency, the source also indicated that the British Indian leader's first visit to India is expected to be for the G20 Summit in New Delhi later this year.

#### **(2) WTO chief to visit S. Korea for talks on recovery of multilateral trading system (Yonhap)**

- The head of the World Trade Organization (WTO) will visit Seoul this week to discuss changing global trade circumstances and ways to recover the multilateral trading system amid the intensifying Sino-U.S. rivalry, South Korea's industry ministry said yesterday, 21 May 2023.
- WTO Director-General Ngozi Okonjo-Iweala is expected to arrive in today, 22 May 2023, for a three-day stay, during which she will highlight the importance of "re-globalization" and the recovery of the multilateral trading system.
- It will be the first visit to South Korea by the WTO's top official since 2014.
- Okonjo-Iweala is scheduled to meet with Prime Minister Han Duck-soo for talks on fast-changing global economic and trade situations, and roles of the WTO and South Korea to restore the multilateral trading system, which has been threatened by great competition between the United States and China, deepening geopolitical concerns amid the Ukraine-Russian war and the subsequent protectionism.

#### **(3) US imposes sanctions on some of Russia's biggest gold miners (Bloomberg)**

- The US has sanctioned some of Russia's biggest gold miners, as it imposes fresh penalties on the country's metals and mining sector.

- Polyus PJSC, the country's No. 1 gold miner, and Polymetal JSC, the Russian unit of Polymetal International Plc, were targeted, according to a statement from the US Department of the Treasury's Office of Foreign Assets Control (OFAC) on 19 May 2023. Share and debt holders of Polyus, along with the company's counterparties, have until 17 August to sell their assets and wind down their operations.
- Gold from Russia, the world's second-biggest producer, became taboo after the invasion of Ukraine, and imports were blocked by Group of Seven nations and European Union last summer. That forced Russian miners to re-direct supplies to places like the United Arab Emirates, Hong Kong and Turkey, where there are no restrictions. Sanctions against the companies are likely to deter some of customers in those countries.
- The OFAC sanctions were also extended to Polyus's major units, Chief Executive Officer Alexei Vostokov, some other top managers and former CEO Pavel Grachev.
- Earlier on 19 May 2023, the UK and Australia became the first countries to sanction Polyus.
- Polyus was long controlled by the family of sanctioned billionaire Suleiman Kerimov. Just months after Russia invaded Ukraine, Said Kerimov — son of the billionaire and also under penalties now — gave his 46.35% stake in Polyus to the Fund for Support of Islamic Foundations in Russia.
- Separately, the OFAC also sanctioned Sergey Malyshev, chief financial officer of Russia's biggest miner MMC Norilsk Nickel PJSC. The miner itself is free of penalties, even after its billionaire CEO Vladimir Potanin was sanctioned in December.

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