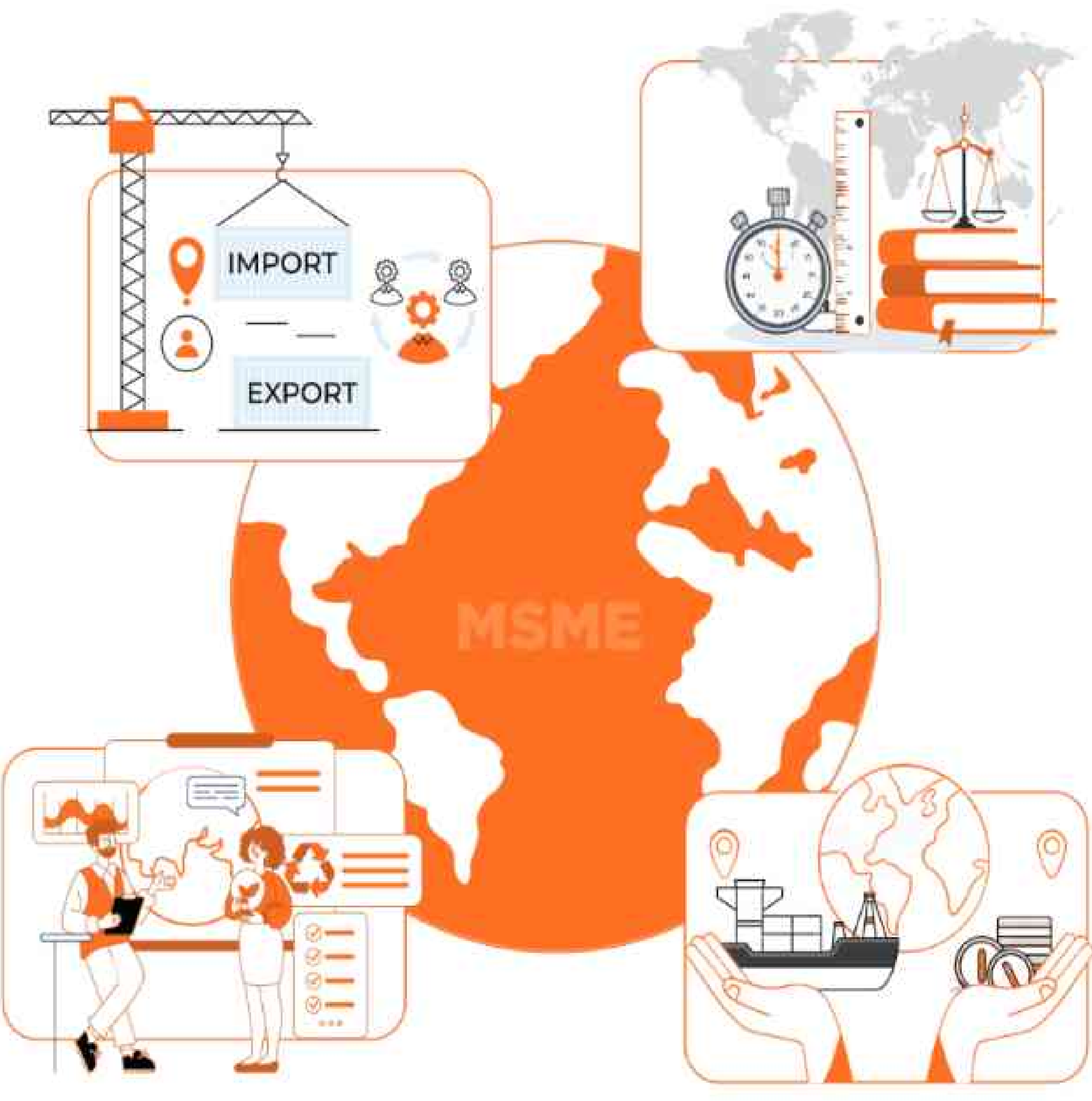
GOING GLOBAL:
A Practical Guide for Indian MSMEs



Introduction

Vision: Why This Manual?

For many Micro, Small, and Medium Enterprises (MSMEs), the idea of exporting often feels overwhelming; a distant opportunity reserved for large corporations. Global markets are opening faster than ever, and free tools and resources are available to help even the smallest businesses take their first export step.

Objectives:

The manual is designed as a one-stop, practical manual to help MSMEs:

- To understand export markets and sectoral opportunities.
- To identify the right markets and buyers.
- To show alternative options available in the world for their product / sector.
- To understand and meet international quality and standards requirements of the foreign markets.
- To use free and available international tools (from ITC, UN, CII, and others) to make informed decisions.

Instead of focusing on Trade procedures, processes, administrative or logistical issues, this guide emphasizes on **MSME Trade Manual** which shows how MSMEs can align with global demand, leverage market intelligence, and maximize trade opportunities.

Why Trade Matters for MSMEs?

Growth & Diversification:
Access to larger customer bases reduces dependence on domestic demand.

Earning Foreign Exchange:
MSMEs can earn in foreign currency and get better value proposition for their products.

Higher Value Capture:
Export markets often pay more for quality, design, and sustainability.

Innovation & Competitiveness:
Meeting global standards pushes MSMEs to innovate and with good quality and cost-effectiveness, it is easier to compete in the market and create brand image for products/sectors.

The Challenges MSMEs Face:

- Lack of market information — Where to export?
- Limited knowledge of buyers — Whom to export?
- Standards & compliance (especially compliance with sustainability measures) — Which certifications are required and mandatory?
- Pricing & competition — How to remain competitive against established exporters?

How This Manual Helps:

- Simplifies **market analysis** using **ITC Trade Map & Export Potential Map.**
- Explains **standards and certifications** with **Standards Map & TESIP portal.**
- Guides on **finding buyers** and approaching them effectively.
- Highlights **free & reliable tools** that reduce costs of market research.
- **By the end of this manual, MSMEs should be able to:**
  - Identify 3–5 promising export markets.
  - Understand the standards and certifications needed.
  - Build an initial buyer prospect list.
  - Develop a sustainable export pricing strategy.

Scope and Coverage

This manual serves as a practical guide for MSMEs seeking to explore international trade opportunities and strengthen their export readiness. It focuses on helping enterprises identify products and markets with export potential, understand market access requirements, and utilize freely available trade intelligence tools for informed decision-making.

The manual covers:

Product and Market Identification
Guidance on identifying export-oriented products and assessing their potential in international markets through trade intelligence tools.

Trade and Sustainability Measures
Overview of sustainability-related requirements affecting international trade, including national, bilateral, and unilateral measures.

Market Access Analysis
Understanding export destinations, tariff preferences under Free Trade Agreements (FTAs), market demand trends, and competitor analysis.

Trade Remedies Awareness
Basic understanding of trade remedy instruments, including anti-dumping investigations and available support mechanisms.

Buyer Discovery and Market Entry Preparation
Information on identifying prospective buyers and developing an initial export outreach strategy.

Practical Use of Trade Intelligence Tools
Step-by-step navigation of selected free and reliable platforms to support market research and export planning.

Standards and Regulatory Requirements
Introduction to relevant standards, certifications, and technical regulations applicable in overseas markets.

The manual is intended as a market intelligence and export preparedness resource.

Understanding the Trade Journey (Non-Exporters/ Beginners/ Domestic)

Step 1: Finding the Product for exports/ imports

Key questions need to be addressed:

- What products are high in demand in global market?
- Which sector do you want to enter/ or have domestic business?
- Do you have a unique product?

Free Tools available

Government of India
Ministry of Commerce and Industry
Department of Commerce

ITC

WITS
World Integrated Trade Solution

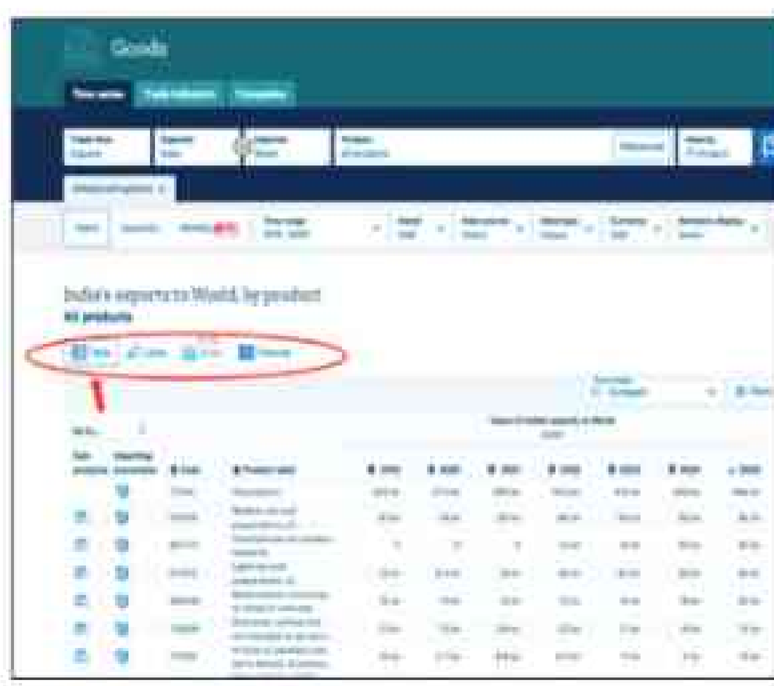
Sample Tools Navigation

- Visit the ITC Trade Map Home page

- Click on Trade Data for Goods (Time Series) a list of products at HSN 2/4/6 digit will be displayed on the screen. This result shows the globally traded products building an understanding of what's in demand in the international market.

- Once we find a product, we are interested we may check if India has the capacity to export to the global market. We will have to replace world with India from exporter tab. This will result in the list of top traded products of India in the global market.

- Now we have chosen a product for exporting. As per the used example in this section of the manual, it is **HSN 851713**.
- We may even download the list of products and further looks for different sectors products we might be interested in entering the export business. The option to download the list is on the top left of the table, showcased in the image.



Now we will go to next step on how to find target markets for our potential export products.

Step 2: Finding the Right Markets (Tools + How-To)

Key questions need to be addressed:

- Which Countries India has Free Trade Agreements?
- Understand the Export Potential in a market?

Free Tools available

Regional Trade Agreements Database

Government of India
Ministry of Commerce and Industry
Department of Commerce

INDIAN TRADE PORTAL

Sample Tools Navigation

- Visit the Website of Department of Commerce, Ministry of Commerce & Industry Homepage

- Click on the Ministry tab on top and select International Trade from the drop-down menu.

- Select the "Trade Agreements" tab to view the list of India's FTAs, showcasing markets where Indian products enjoy preferential tariff access compared to competitors.

- The screen displays a consolidated list of India's FTA partner countries, providing a single view of all FTA partners. This helps users identify markets where Indian products enjoy preferential access and allows them to check product-specific tariff rates for each partner country.

Many free tools are available to help identify potential export markets for a product. Several factors, such as domestic demand, global competition, etc influence the selection of suitable export destinations, and these are explained ahead in this section.

Key questions need to be addressed:

- How to identify top importing countries for your product.
- How to compare demand trends, tariffs, and competitor countries.
- How to discover markets where your product has untapped potential.

Free Tools to Explore Top Import Markets and Market Potential

Trade Intelligence & Analytics Portal

ITC | Export Potential Map

WITS World Integrated Trade Solution

Government of India
Ministry of Commerce and Industry
DEPARTMENT OF COMMERCE

Trade CONNECT
Ministry of Commerce & Industry

Sample Tools Navigation- Top Import Markets

- Example HSN **851713**
  - Visit the Website of Department of Commerce, Ministry of Commerce & Industry, Trade stat:

    https://tradestat.commerce.gov.in
  - Under **Trade Type,** select **"Exports."** In the **Reports** section, choose **"Commodity Wise - All Countries"** from the drop-down menu, as **indicated** in the image.

  - Enter the **relevant** HS Code (e.g., **851713**) in the **HS Code field** marked in the image at the **bottom-left** of the page and submit the query.

  - The portal will display the list of **top importing countries for HSN 851713 from India.** The values may be sorted from **highest to lowest** to identify the **leading import destinations,** as illustrated in the image.

Many free tools are available to help identify countries offering preferential market access for Indian exports of the selected product. These tools also provide information on countries with zero or lower MFN tariffs for similar products, along with other relevant details such as export certifications, market opportunities, and potential trade risks.

Sample Tools Navigation- Product Guide

- Visit the homepage of Trade eConnect Portal of Government of India. https://www.trade.gov.in/pages/home

- Under the where to How to exports section select the Product Guide section from the drop-down menu.

- Enter the HSN code of the selected product and click on the product description.

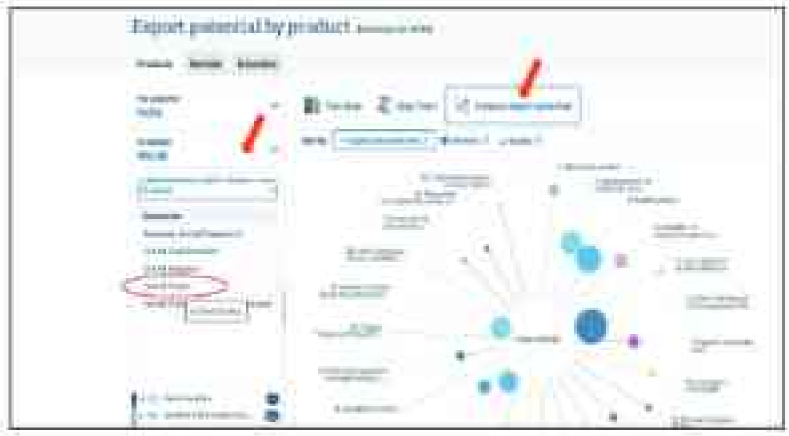
- Detailed information on export certifications, market opportunities, potential trade risks, and other relevant insights is displayed on the screen. Users may navigate through each section to obtain more comprehensive information about the product and its prospects in the global market.

Once all relevant details about the product are available, it is also important to assess whether the product has export potential in the selected market. The International Trade Centre Export Potential Map is a useful free tool that can help evaluate the same.

Sample Tools Navigation- Product Export Potential

- Visit the homepage of the ITC Export Potential Map. https://exportpotential.intracen.org/en/
- Click on the Export Potential map to check the ranking of your product in a specific market and how much demand supply gap persists.

- Under the **"Products"** section, select **India** as the exporter and, in the **"In Market"** field, enter the country to which you intend to export the product. In the example of **HSN 851713,** we previously observed that the **USA is one of the top import destinations for India.** Therefore, for this example, let us select the **USA.**



- The Export Potential Analysis is displayed on the screen for the **top 25 products traded between India and the USA.** As observed, the selected product, **HSN 851713 (Smartphones), is ranked 3rd,** indicating that despite **strong existing demand and supply,** there remains significant potential for further exports of the product to the market.

Understanding Standards & Regulations

Why standards matter in exports (SPS, TBT, quality assurance)?

- Tariffs are no longer the primary barrier to trade. Instead, non-tariff measures, quality assurance requirements, etc. have become the key determinants of market access.
- Standards ensure that exported products meet the health, safety, environmental, and technical requirements of importing countries. SPS measures are particularly important in sectors such as agriculture, food processing, and healthcare, where product safety and hygiene are critical. TBT measures, on the other hand, focus on technical regulations, testing, certification, labelling, and conformity assessment procedures that ensure product quality and reliability.
- In increasingly competitive global markets, buyers are not only evaluating products on the basis of price, but also on consistency, safety, sustainability, and traceability. Adherence to internationally recognized standards strengthens brand reputation and enhances export competitiveness.
- Sustainability considerations are now deeply integrated into global trade and standards frameworks. International markets increasingly demand products that are environmentally sustainable, socially responsible, and ethically produced.
- For India, standards compliance has become even more important as the country deepens trade engagement through ambitious Free Trade Agreements with developed economies such as the European Union and the United Kingdom, etc. Although these agreements provide preferential tariff access, the actual ability of Indian industry to benefit from these opportunities will depend on meeting the regulatory, technical, and sustainability standards of partner markets.
- Standards also drive domestic industrial transformation by encouraging higher quality production, innovation, improved manufacturing practices, and greater efficiency.

Free Tools to Explore relevant Standards & Regulations:

ITC Standards Map:

- How to check buyer/market-specific certifications.
- Mapping sustainability standards (organic, fair trade, etc.).

E ping database:

- Governments notify upcoming changes to product requirements via ePing.
- By joining ePing, exporters, importers, and other stakeholders can keep track of these regulatory developments around the world in real time.
- Further, they can also follow up with questions and feedback, often before new regulations enter into force, reducing trade obstacles and surprises at the border.

Sample Tools Navigation

CII Trade Enabling Standards Information Portal (TESIP):

TESIP is a comprehensive gateway to information on the Indian and global Quality Infrastructure ecosystem. Designed as a one-stop knowledge platform, TESIP provides access to national and international standards, technical regulations, conformity assessment requirements, and industry best practices, enabling businesses to strengthen quality, compliance, and competitiveness.

To simplify standards discovery, products are mapped to their relevant Harmonized System (HS) Codes, making it easier for users to identify the applicable standards and regulatory requirements for their products.

It supports exporters by providing access to relevant standards for export products across major destinations enabling comparison of the domestic Indian standard, destination-country standards, and voluntary standards for informed decision-making, compliance, and improved market access. It is continuously expanding and currently covers 25 sectors, including Automobiles, Chemicals, Food Safety, Information Technology, and other key industries, ensuring access to the latest standards' information.

Through this platform, users can:

- Access curated information on standards, technical regulations, and certifications.
- Identify applicable standards through HS Code-based product mapping.
- Strengthen organizational quality, compliance, and regulatory preparedness.
- Enable informed decision-making to enhance market access, innovation, and sustainable growth.
- Here's what the portal has to offer.

The Standards / Regulations Section:

- In this section, you can access information about the regulatory frameworks and standards governing different sectors.
- The portal currently covers 25 sectors like Automobiles & automobiles accessories, chemicals, food safety, information technologies, etc.
- You can simply select your sector to learn about both national and international standards and regulations applicable to your sector. Further, information on relevant voluntary standards/ schemes is also present in a single place. The products have been mapped to relevant HS codes.
- The section also provides links to BIS' catalogues of standards, Upcoming Quality Control Orders, the eping portal as well as information and links to different organisation working on Voluntary Standards Systems.

Quality Infrastructure Bodies.

- Quality Infrastructure refers to a system that ensures products and services are safe, reliable, and meet established standards. These bodies play a critical role in maintaining product quality and ensuring global competitiveness, industrial development, and consumer safety. This section introduces you to the different bodies that form India's QI ecosystem including standardization, conformity assessment, accreditation, scheme owners and metrology.

Standards Development Organizations:

These organisations develop, maintain, and advocate for standards to ensure quality, safety, and interoperability across various global sectors.

Conformity Assessment:

Get information about Accredited Certification Bodies, Accredited Laboratories, Accredited Inspection Bodies and Accredited Validation & Verification Bodies.

Regulatory Bodies

These bodies develop and implement a framework of regulations, conduct inspections to ensure these regulations are being met, and implement policies that address any deviations or non-compliance.

Accreditation

Accreditation is the independent, third-party evaluation of a conformity assessment body, such as testing laboratory, certification bodies or inspection body. This section provides information about national accreditation bodies and other foreign accreditation bodies operating in India.

Scheme Owners

A scheme owner is a person or organization responsible for developing and maintaining a conformity assessment system/programme or scheme. This section provides information about scheme owners like Network for Certification and Conservation of Forests, Indian Certification for Medical Devices (ICMED), National Programme for Organic Production (NPOP), etc.

Metrology

Metrology is the science of measurement. It provides traceability in the measurements for QI framework.

International Trade Bodies

- Here, you'll find information about key organizations responsible for shaping international trade rules and advocating for globally harmonized standards. This network is essential for businesses involved in global trade, as it simplifies compliance across borders and helps businesses meet international requirements.

- Organisations covers organisations like the World Trade Organisation, United Nations Conference on Trade and Development, International Monetary Fund, etc.

Quality Infrastructure Organisations (Global/Regional)

- This section highlights the international bodies contributing to the global standards landscape. They help establish and maintain international standards across a range of sectors, ensuring that products and services are high-quality, safe, and efficient.

- Whether you're focused on exporting or importing, these organizations' regulations and standards can directly impact your business.

And lastly, Supporting Stakeholders

- Here, we offer details of key training institutes and other supporting organizations that offer guidance and resources to help you navigate standards and regulations.

- The Quality Infrastructure integrates many stakeholders which include Standards bodies, Conformity assessment bodies, Accreditation bodies primarily. In addition few other stakeholders play a key role. These include Industry Associations as they advocate for industry specific standards and provide industry insight. Further consumer organisations have importance as they represent the rights of consumers and advocate for quality related matters. An important stakeholder is also Research and academic organisations. Training institutes have key significance and they are important.

If you have any feedback or queries, feel free to reach out to us at standardsportal@cii.in. We're always here to help you stay informed and compliant in a rapidly changing global market.

Trade and Sustainability norms in foreign markets

MSMEs relevance with Trade and Sustainability norms

MSMEs based in India, challenged already by constraints related to finance and other resources, are now faced with another challenge to engage in international trade and integrate themselves into Global Value Chains. This is owing to high standards regarding sustainability norms including those being imposed on them unilaterally by other economies or directly/indirectly as part of India's commitments in multilateral pacts such as the UN Paris Climate Agreement and legally binding International Labour Organization Conventions.

Most of these stringent standards – be it on environment, climate, labour or social action, come with high compliance costs for MSMEs. The costs could be related to data collection and for ensuring monitoring, reporting and verification.

To address these challenges, the Government of India and several States have in place various important as well as flagship schemes. Further, India has also entered into various MOUs and agreements with its partner countries to support the efforts of MSMEs to cope with such challenges. MSMEs can attain greater competitiveness to access the lucrative developed country markets if they optimally leverage these initiatives listed below and make the required adaptations.

National Measures

- MSME sustainability ZED
- MSME Competitive (LEAN) Scheme
- Raising and Accelerating MSME Performance (RAMP)

Bilateral & Multilateral Engagements

- EU: Resource Efficiency and Circular Economy Project, EIB
- USA: MSME-SBA MoU
- ILO: Promoting Sustainable Enterprises in India
- UNIDO: Promoting energy efficiency and renewable energy

Unilateral Measures

- Carbon Border Adjustment Mechanism (CBAM)
- EU Deforestation Free Products Regulation (EUDR)
- Corporate Sustainability Due Diligence Directive (CSDDD)

National Measures

MSME Sustainable ZED certification

The MSME ZED certification is a voluntary certification that promotes the Zero Defect Zero Effect (ZED) practice amongst MSMEs. It encourages quality manufacturing with minimal environmental impact.

MSME Competitive (LEAN) SCHEME

The objective of the scheme is to enhance the Domestic and Global Competitiveness of MSMEs through the application of various Lean Techniques.

Raising and Accelerating MSME Performance (RAMP)

RAMP, launched by Ministry of MSME, government of India and supported by World Bank aimed at strengthening institutions and governance of MSME programs and providing support for market access, firm capabilities and access to finance.

The scheme has 2 important sub schemes

- **MSE Green Investment Financing for Transformation (MSE GIFT):** The overall objective of the MSE GIFT Scheme is to support MSEs in adopting **clean and green technology to** help them to transform into green and sustainable business operations.

It has 3 components-

- Interest subvention of 2% per annum upto term loan limit of 2 crore
- Risk sharing: Provides a credit guarantee of **75%** for loans up to **₹2 crore** extended to MSEs for adopting green and clean technologies.
- **IEC:** Awareness, training, and technical support for green transformation.

Sectoral Coverage

- Resource Efficiency
- Adaptations (Water Management, wastewater treatment)
- Green Building
- Environment Protection
- Clean Transportation
- Waste Management
- Carbon Credit, Carbon Capture
- Innovative project for high impact on climate

MSE Scheme for Promotion and Investment in Circular Economy (MSE-SPICE): The primary goal of this scheme is to empower MSME with sustainable practices through circular solution.

It has 2 components-

- **Credit Linked Capital Subsidy** addresses the need for the availability of affordable finance to the MSEs to adopt Circular Solutions (both domestic and global inclusive of taxes and duties).
- **Awareness Generation**
- **Bilateral Partnership with Major economies**

India has signed multiple bilateral partnerships focusing on sustainability, climate action, and clean energy. While primarily government-to-government, these initiatives shape **standards, financing flows, and market opportunities** for MSMEs.

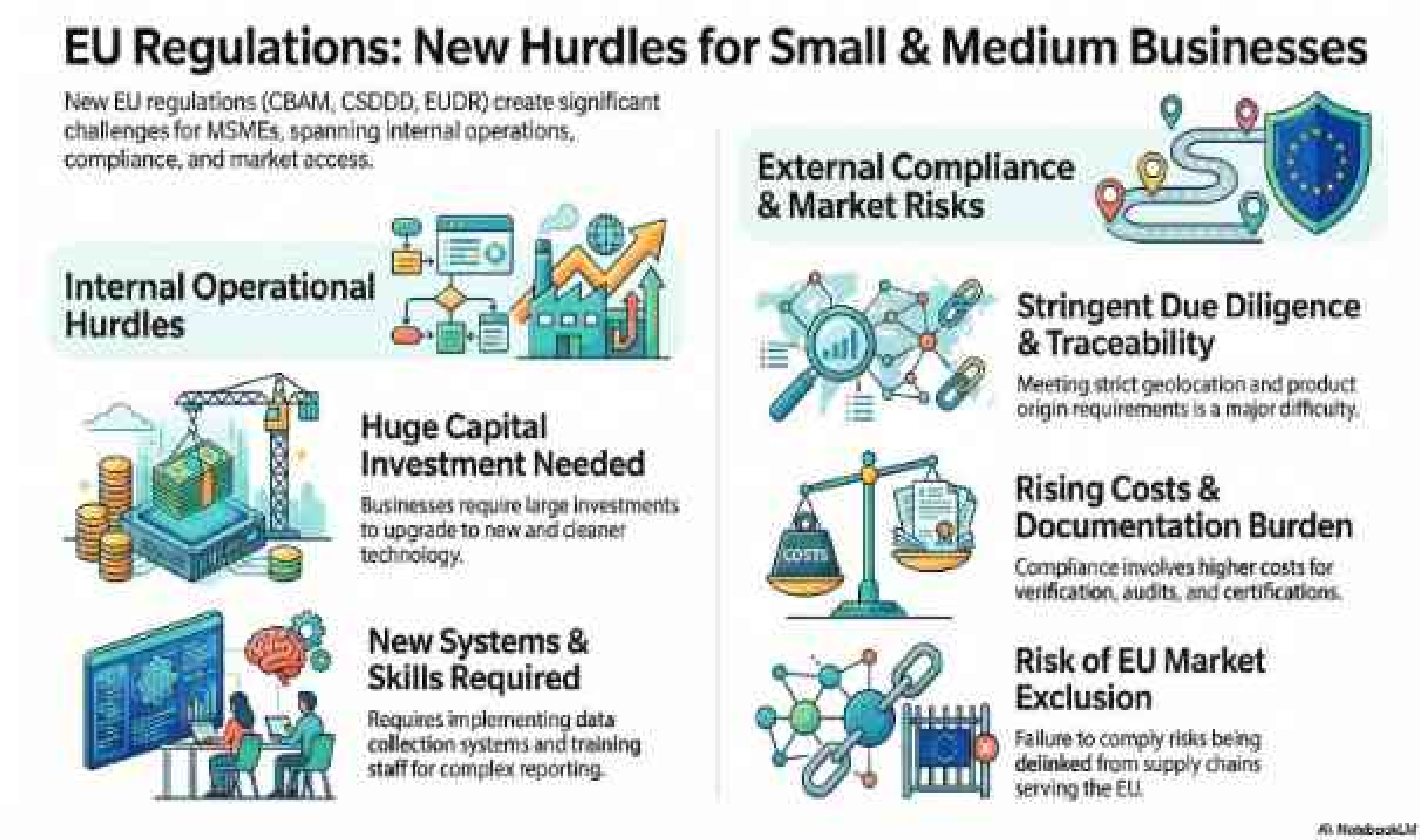
Region	Name	Focus Area
EU	Joint Initiative to Strengthen EV Battery Recycling under the India-EU Trade and Technology Council (TTC)-Working Group-2	The European Union and the Government of India Call for proposals focused on the Recycling of EV Batteries. With a combined funding pool of €15.2 Million, the proposal is jointly funded by the EU's Horizon Europe program and India's Ministry of Heavy Industries (MHI). This initiative will support the development of advanced recycling technologies, including high-efficiency material recovery, safe and digitalised collection systems, and pilot-scale demonstration of innovative processes.
	EU-India Resource Efficiency and Circular Economy Project – Tamil Nadu	The project will focus on plastics and textiles in Tamil Nadu, promoting innovative circular economy business models that encourages uptake of recycled content, reuse solutions and plastic alternatives. This will also foster collaboration between European and Indian SMEs to develop sustainable solutions for textiles and plastics The project aims to not only mitigate environmental and health impacts but also create new economic and job opportunities— particularly for entrepreneurs and MSMEs—through circular economy solutions.
	EU India development cooperation through European Investment Bank	The EIB gives priority to the following types of projects in India: • Climate change mitigation and adaptation (e.g renewable energy, energy efficiency, urban transport, and other projects that reduce CO2 emissions). • Development of social and economic infrastructure, including water and sanitation. • Local private sector development, in particular support to SMEs.
USA	MSME-SBA Memorandum of Understanding (MoU)	In August 2024, the Indian Ministry of MSME and the U.S. Small Business Administration (SBA) signed a formal MoU to promote cooperation in the MSME sector. Key Focus Areas include issues related to improving MSME participation in the global marketplace through bilateral visits as well as discussion on trade and finance, green economy, digital trade. It also provides for the joint conduct for women and facilitate trade partnership between women-owned small businesses of the two countries.
ILO	Promoting Sustainable Enterprises in India (PSEI)	The project is established to support Micro, small and medium enterprises (MSMEs) in India to sustainably integrate into global supply chains in alignment with Decent Work (DW) agenda and to generate better-quality jobs. It aims to achieve the following- • Effectively designed and implemented MSME Policy initiatives, promoting sustainable enterprises and integration in the global supply chain • Equip Indian Youth with entrepreneurial skills and generate decent jobs • Build sustainable business management system with increased productivity Implementation in Andhra Pradesh & Odisha

Region	Name	Focus Area
United Nations Industrial Development Organization (UNIDO)	Promoting energy efficiency and renewable energy in selected MSME clusters in India	UNIDO, in collaboration with the Bureau of Energy Efficiency (BEE), a statutory body under the Ministry of Power, Government of India, worked on a project funded by Global Environment Facility (GEF) titled 'Promoting energy efficiency and renewable energy in selected MSME clusters in India'. Clusters selected included: • Brass Cluster • Ceramics Cluster • Dairy Cluster • Foundry Cluster • Hand tools Cluster

Unilateral Measures

Unilateral sustainability measures adopted by developed economies increasingly affect global trade. These measures are reshaping market access conditions and supply chain participation, with growing emphasis on sustainability standards, traceability requirements, carbon reporting, and due diligence obligations across sectors engaged in international trade.

While these measures, are aimed at advancing climate, environmental, and labour objectives, can create compliance challenges for MSMEs in developing countries. They also introduce new compliance, reporting, and cost-related requirements for firms integrated into EU value chains, both directly and indirectly. Due to limitations in finance, resources, and access to technology, MSMEs are likely to be more vulnerable.



Some of the regulations impacting the businesses especially MSMEs include

Carbon Border Adjustment Mechanism (CBAM):

The regulation aims to prevent carbon leakage by ensuring that imported goods into the EU are subject to carbon pricing equivalent to that paid by domestic producers under the EU Emissions Trading System (EU ETS).

Phases under CBAM:

2023-2025
Transitional Phase: Reporting GHG emissions

1 Jan 2026 onwards
Definitive Regime: buy certificates

1 Jan 2028* (Proposed)
CBAM extended to 180 downstream products

- CBAM transitional phase (2023 – 2025): During this period, importers of goods in the scope of the new rules will only have had to report greenhouse gas emissions (GHG) embedded in their imports (direct and indirect emissions), without the need to buy and surrender certificates.
- CBAM definitive regime (1 Jan 2026 onwards): CBAM has now entered its definitive regime. This implies that the importers will buy CBAM certificates from the national authorities in their country of establishment. The price of the certificates will be calculated based on auction price of EU ETS allowances expressed in €/tonne of CO_2 emitted, as a quarterly average in 2026 and as a weekly average from 2027 onwards. To ease out the regulatory, Omnibus-I legislative package was introduced which simplifies processes for large EU companies and reduces compliance burdens on small EU importers.

- Companies importing less than 50 tonnes of goods subject to CBAM annually will be exempt from CBAM obligations. This measure is expected to exempt approximately 182,000 importers, mostly SMEs and individuals, while still covering over 99% of emissions in scope.
- A recent notification has further added that in total; 180 downstream products are added to the scope of CBAM. This includes machinery, hardware and fabrications, vehicle components, domestic appliances, and construction equipment etc.

Effect of CBAM in the definitive Stage:

- No accredited verification agencies available in India yet. Regulatory clarity, particularly regarding the absence of a finalized list of approved verifiers acting as a challenge for companies exporting CBAM goods.
- EU-prescribed default emission values are significantly higher than actual emission levels of Indian producers. In the absence of verified data, EU authorities may apply default (highest) emission values, sharply increasing CBAM costs even if actual emissions are lower.
- MSMEs who might be relying on default values, will end up paying more.
- Many companies have developed their own internal methodologies and are sharing these with their European partners.
- Some European partners are hesitant and prefer to wait for certification from accredited verifiers.
- The definitive stage of CBAM, along with uncertainty surrounding quota allocation mechanisms, is creating challenges for Indian industry.

India has taken up the CBAM issue both in multilateral forum – WTO, COP etc as well as bilaterally with EU. Recently India concluded an FTA with EU. For the first time, the EU has included a dedicated annex on CBAM in its FTA.

Key features of annex on CBAM –

- Grants India Most Favoured Nation (MFN) treatment, ensuring non-discriminatory treatment vis-à-vis third countries with respect to CBAM flexibilities. If CBAM is withdrawn or relaxed for any country in the future, the same benefit will automatically extend to India.
- India and the EU will engage in a technical dialogue covering exchanges on the implementation of carbon border adjustment measures, sharing of information and technical data to facilitate the establishment of default values, and exploring the possibility of mutual recognition of accreditation bodies for the accreditation of verifiers.

EU Deforestation Regulation

The regulation aims to ensure that specific commodities and derived products placed on, made available in, or exported from the European Union market are deforestation-free. The covered commodities include cattle, cocoa, coffee, oil palm, rubber, soy, and wood. These products must be produced legally and without contributing to deforestation or forest degradation. The regulation seeks to reduce carbon emissions and biodiversity loss linked to EU consumption and production patterns.

Scale of operation	Implementation Date
Large and medium scale	30th December 2026
Micro and small operators	30 June 2027

For the purpose of the regulation, deforestation is defined as the conversion of forest land to agricultural use, whether human-induced or not. Products will be considered deforestation-free if they are produced using commodities sourced from land that has not been subject to deforestation after 31 December 2020.

To comply with the regulation, operators and traders will be required to undertake comprehensive due diligence. This includes collecting information on the product, the geolocation of the land where the commodities were produced, and the relevant date or time period of production, along with risk assessment and mitigation measures where necessary.

Corporate Sustainability Due Diligence Directive (CSDDD)

The Directive aims to ensure that companies contribute to sustainable development by addressing adverse human rights and environmental impacts throughout their value chains. The key obligations include:

- Integrating due diligence into policies and management systems
- Identifying and assessing actual/potential adverse impacts
- Preventing, mitigating, and remediating impacts
- Establishing complaints procedures and notification mechanisms
- Monitoring effectiveness and public reporting

The CSDDD entered into force on 25 July 2024. Under the original framework, EU Member States were required to transpose the Directive into national law by 26 July 2026. However, the 2025 Omnibus Simplification Proposal has proposed changes including to the implementation timeline.

Milestone	Original Date	Proposed Date (2025 Omnibus Proposal)
Transposition into National Law	July 26, 2026	July 26, 2027
Phase 1 Application (Companies > 5,000 employees and > €1.5B turnover)	July 26, 2027	July 26, 2028
Phase 2 Application (Companies > 3,000 employees and > €900M turnover)	July 26, 2028	July 26, 2028
Phase 3 Application (All other in-scope)	July 26, 2029	July 26, 2029

Phase 3 companies include:

- EU companies with more than 1,000 employees on average and a net worldwide turnover above €450 million; and
- Non-EU companies generating more than €450 million net turnover within the EU.

Trade Remedies

Overview

The World Trade Organisation (WTO) framework provides for rule- based trade and seeks to liberalise trade through removal of tariff and non-tariff barriers. However, the WTO framework also permits certain import restrictions to counter harmful effects of such imports. These permissible import restrictions in the form of - anti-dumping measure, anti-subsidy/countervailing duty measure, and safeguard measures - are collectively known as trade remedy actions.

The legislative framework for these measures in India are contained in the Customs Tariff Act, 1975, and relevant rules. Trade remedy investigations are conducted in various stages that follow an established sequence. These processes are also conducted in a fair and transparent manner, by inviting and giving opportunity to all stakeholders to participate in the investigation. The Directorate General of Trade Remedies (DGTR) has been given the responsibility of investigating and recommending various types of trade remedial measures.

These trade remedy measures provide an option to the domestic industry to protect itself from unfair trade practices, and a surge in imports subject to fulfilment of the essential conditions and criteria as prescribed under the relevant law. The table below provides a brief overview of relevant laws and various trade remedy measures.

Trade Remedial Measure	Relevant Law/Rules	Broad Objective
Anti-Dumping	• Customs Tariff Act, 1975 - Section 9A, 9AA, 9B, 9C • Customs Tariff (Identification, Assessment and Collection of Antidumping Duty on Dumped Articles and For Determination of Injury) Rules, 1995	To rectify the unfair price situation in the market on account of dumping of a given article and the consequent injury to the domestic industry
Countervailing Duty/Anti-Subsidy	• Customs Tariff Act, 1975 - Section 9 • Customs Tariff (Identification, Assessment and Collection of Countervailing Duty on Subsidized Articles and For Determination of Injury) Rules, 1995	To rectify the unfair price situation in the market on account of subsidies or assistance granted by a government in the exporting country of a given article and the consequent injury to the domestic industry
Safeguard	• Customs Tariff Act, 1975 - Section 8B • Customs Tariff (Identification and Assessment of Safeguard Duties) Rules, 1995 • Safeguard Measures (Quantitative Restrictions) Rules, 2012	To protect domestic industry when there is a sudden increase in imports of a particular product causing or threatening to cause serious injury to the domestic industry

Anti-dumping Investigation: Process Flow Chart - Original and Sunset Review Investigation

Key components

Initiation of a trade remedy investigation

Normally an application from the domestic industry - producers/manufacturers of the like imported product - starts the process. The DGTR based on prima facie sufficiency of evidence initiates an investigation. However, DGTR may also initiate on suo motu basis as per information received from the Commissioner of Customs appointed under the Customs Act, 1962 or from any other source. The domestic industry refers to:

- the domestic producers as a whole engaged in the manufacture of the like article; or
- those domestic producers whose collective production of the said article constitutes a major proportion of the total domestic production.

However, a producer related to exporters or importers of the alleged dumped article or themselves importing such article are ordinarily not considered as part of the domestic industry.

Interested Parties

The application must mention a period of investigation (POI) and the injury period. Normally, POI is for 12 months and injury period is comprised of 3 financial years immediately preceding the POI. The POI so selected should be recent and not older than 4 months as on the date of submission of an application.

Investigation Period

The interested parties to various trade remedy investigations are the domestic producers who submitted the application, other domestic producers, exporters or the foreign producers from countries subject to investigation, importers and users of such imported article, government of the exporting country/countries, and trade or business associations.

Dumped Imports

The dumped imports or the practice of dumping in the context of an anti-dumping investigation refers to a price discriminatory practice that leads to unfair trade. This discriminatory practice refers to exporters/producers of another WTO member exporting a particular product at a price lower than its domestic price, or below the cost of production (also known as 'Normal Value'). The difference between such price and the export price is considered as dumping margin.

Subsidised imports

The subsidised imports also refers to a discriminatory price situation. However, unlike dumping this discriminatory price situation is on account of subsidy provided by a government or public body to the producers in the exporting country. A subsidy is deemed to exist when there is a financial contribution by a government or a public body in the exporting or producing country or territory, or a government grants or maintains any form of income or price support. The financial contribution can involve a direct transfer of fund, revenue foregone, government providing goods or services other than general infrastructure, a government making payment to a funding mechanism, or entrusting or directing a private body to provide such contribution.

Injury to the domestic industry

The injury is analysed in terms of two broad parameters:

- Volume and price effects of the imports; and
- Consequential impact on the economic parameters of the domestic industry.

The volume effects of the imports are assessed based on increase in the dumped or subsidised import volume - either in absolute terms or relative to production or consumption in India. The price effects of the imports are assessed on whether low priced imports have led to price undercutting or have prevented price increase for the domestic industry. The consequential impact of such imports on the economic parameters of the domestic industry is analysed through economic indicators such as installed capacity, production, capacity utilisation, sales, profits, market share, productivity, return on investment, among other factors.

For the above analysis, the domestic industry is expected to supply relevant costing and financial records for the injury investigation period.

Form of remedy

The DGTR post investigation may recommend appropriate measure - ordinarily a special duty above the ordinary customs duty - to counter the injurious effects of the dumped/subsidized imports for a period of 5 years - for imports from specific country(ies)/territory. This may be extended for another 5 years after a review investigation, prior to the expiry of the original measure. The DGTR may also recommend measures in the form of a reference price or minimum import price depending on the suitability and request from the domestic industry.

Unlike an anti-dumping or a countervailing duty measure, a safeguard measure applies to all countries, subject to de-minimis threshold. Additionally, a safeguard measure may also be imposed in the form of a quantitative restrictions i.e., temporary limiting import volume of certain products.

Time Period

Particular	From Initiation Date
Registration as interested parties	Within **30 Days**
Submission of EQR/IQR	Within **30-40 Days** (as stipulated by DGTR)
Preliminary Findings (Provisional Dumping Margin, Injury Margin, Parameters and Performance of DI)	Within **90 Days** (in appropriate cases)
Oral Hearing	Within **120 Days**
Verification of Records (Exporters, DI & Importers)	Within **200 Days**
Disclosure Statement	Within **240-300 Days**
Final Findings	Within **300-365 Days**

Note:

**The above period may be extended up to a period of 6 months, in exceptional circumstances, by the Central Government.*

Reforms undertaken by DGTR to assist MSME Sector

SUPPORTING MSMEs

Simpler Processes,

Stronger Protection, Global Competitiveness

SIMPLIFIED FORMATS & QUESTIONNAIRES

DGTR simplified formats and questionnaires to be filled by Producers/Exporters, Importers, Users and Domestic Industry in Trade Remedy Investigations by reducing the number of formats, and introducing self-certification by placing trust on stakeholders.

HANDHOLDING MSMEs THROUGH SAMPLING

For handholding of Indian Industries especially MSMEs, DGTR introduced procedure of sampling for domestic producers in fragmented industry in Anti-dumping/ Countervailing duty investigation.

EXPLORING NEW AVENUES OF INVESTIGATIONS

New avenues have been explored by conducting the Safeguard Quantitative Restrictions investigation, Bilateral Safeguard Investigations, investigations on suo-motu basis.

DEFENDING INDIAN EXPORTERS GLOBALLY

Trade Defense Wing (TDW) of DGTR has been proactively engaged in defending the interests of Indian Exporters in ADC/VD investigations conducted by other WTO member countries against Indian exports.

VISION

A fair and level playing field for Indian industry, with special focus on empowering MSMEs.

IMPACT

Reduced compliance burden, greater ease of doing business, better protection & global competitiveness.

COMMITMENT

DGTR remains committed to a transparent, efficient and industry-friendly trade remedy framework.

Trade Remedies Advisory Cell

The "Trade Remedies Advisory Cell" (TRAC) is set up at the Centre for Trade and Investment Law (under Ministry of Commerce and Industry, Government of India) with a vision to provide holistic support to the domestic industry in the preparation of applications, collating relevant information or data and providing legal advice for trade remedial investigations before anti-dumping and safeguard authorities of India.

The services provided by TRAC are free of cost. TRAC or any of its officials do NOT charge any fee for their pro-bono services to the MSME domestic industry.

About TRAC

Check our brochure

Our mission is to provide the legal, cost accounting, and economic expertise with an aim to ensure that the domestic industry avails the benefits of trade remedial measures without financial and legal implications. TRAC provides three types of expertise to the domestic industry to ensure all-inclusive assistance during trade remedy application and investigation processes:

How does TRAC assist the domestic industry?

Filling the Data gaps

- Assist and advise on data compilation
- Organise the company's data for submission
- Verify relevant information - Import trends, economic parameters, etc.

Data Preparation

- Compiling and organising data
- Mapping data to the application format
- Preparation of prescribed performas

Application and Investigation

- Import data analysis, and assessment of factual scenario
- Application submission to DGTR
- Representing the domestic industry throughout the investigation

List of useful web sources

Trade Remedy Advisory Cell	Safeguard measure application format
Directorate General of Trade Remedies	Checklist for applications
Anti-dumping application forma	Simplified procedure for fragmented industry
Countervailing duty application format	'SETU' portal for online submission

For any queries related to Trade Remedies reach out to us at trac.ctil@iift.edu

ABOUT THE CENTRE FOR TRADE AND INVESTMENT LAW (CTIL)

The Centre for Trade and Investment Law (CTIL) was established in 2016 by the Ministry of Commerce and Industry, Government of India, to strengthen India's capacity in international trade and investment matters. Positioned as a specialised centre at the Indian Institute of Foreign Trade (IIFT), New Delhi, CTIL is a premier institution for legal research, policy analysis, legal and policy advisory and technical support in international economic law. It is CTIL's mission to identify, analyse and provide creative ideas and perspectives to influence the international discourse on wide ranging aspects of international economic law.

CTIL serves as a trusted knowledge partner to the Government of India, providing evidence-driven legal and policy inputs on issues of World Trade Organization, Free Trade Agreements, or any other trade or investment matter. Through its robust research, publications, stakeholder consultations, conferences, capacity building and training programmes, CTIL continuously fosters informed discourse and strengthens India's engagement with the global trading system.

Empowering Indian MSMEs in Global Trade

For MSMEs navigating global trade, international expansion can sometimes expose businesses to unfair foreign competition. To protect domestic producers, CTIL operates a specialised initiative: the Trade Remedies Advisory Cell. CTIL also provides compliance advisory to MSMEs.

Shielding Domestic Industry: The Trade Remedies Advisory Cell (TRAC)

TRAC provides critical legal, economic, cost-accounting, and technical assistance to MSMEs affected by unfair trade practices, including:

- dumping: Foreign competitors selling goods in India below their domestic market prices.
- subsidisation: Foreign products artificially underpriced due to trade-distorting overseas government subsidies.
- import surges: Sudden, massive spikes in imports that threaten to injure domestic manufacturing ecosystems.

How TRAC assists MSMEs

Navigating trade remedy investigations can be complex and resource-intensive for smaller enterprises. TRAC bridges this gap by helping MSMEs access trade defense mechanisms before the Directorate General of Trade Remedies. TRAC supports businesses through:

- data collection and injury analysis: compiling financial and production data to legally demonstrate market injury.
- cost evaluation: analysing pricing and costing structures to build a robust legal case.
- application and representation: preparing formal trade remedy applications and guiding MSMEs through complex legal proceedings.

By offering these free-of-cost, specialised, accessible services, TRAC ensures a level playing field, safeguards domestic manufacturing and enhances the resilience and competitiveness of India's industrial ecosystem.

If your MSMEs or industrial sector is experiencing injury due to unfair import practices, reach out to CTIL for technical and legal guidance. Scan to know more about us!

Confederation of Indian Industry

The Confederation of Indian Industry (CII) works to create and sustain an environment conducive to the development of India, partnering Industry, Government and civil society through advisory and consultative processes.

CII is a non-government, not-for-profit, industry-led and industry-managed organisation, with over 10,500 members from the private as well as public sectors, including SMEs and MNCs, and an indirect membership of over 365,000 enterprises from 332 national and regional sectoral industry bodies.

For more than 130 years, CII has been engaged in shaping India's development journey and works proactively on transforming Indian Industry's engagement in national development. CII charts change by working closely with the Government on policy issues, interfacing with thought leaders, and enhancing efficiency, competitiveness, and business opportunities for industry through a range of specialised services and strategic global linkages. It also provides a platform for consensus-building and networking on key issues.

Through its dedicated Centres of Excellence and Industry competitiveness initiatives, promotion of innovation and technology adoption, and partnerships for sustainability, CII plays a transformative part in shaping the future of the nation. Extending its agenda beyond business, CII assists industry to identify and execute corporate citizenship programmes across diverse domains, including affirmative action, livelihoods, diversity management, skill development, empowerment of women, and sustainable development, to name a few.

For 2026-27, CII has identified "Accelerating Competitiveness: Growth, Resilience, Inclusion, Sustainability, Trust" as its theme, prioritising five key pillars. During the year, CII will align its policy advocacy, institutional initiatives, partnerships, and outreach to support Indian industry in strengthening these five interconnected pillars of competitiveness.

With 70 offices, including 12 Centres of Excellence, in India, and 9 overseas offices in Australia, Egypt, Germany, Indonesia, Singapore, UAE, UK, and USA, as well as institutional partnerships with 255 counterpart organisations in 102 countries, CII serves as a reference point for Indian industry and the international business community.

Confederation of Indian Industry
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