

1. Bilateral Trade Agreement (BTA) Negotiations with US

Introduction

Prime Minister Narendra Modi and US President Donald Trump announced plans to negotiate the first tranche of a mutually beneficial, multi-sector Bilateral Trade Agreement (BTA) this year, and to double bilateral trade between the two countries from the current \$200 billion-level to \$500 billion by 2030.

Bilateral Trade Agreement

BTA, unlike a free trade agreement, is far narrower in scope and focuses on specific goods rather than overall trade liberalisation. A Free Trade Agreement focusses on overall trade liberalisation.

Trade between Indian and US

India's goods trade surplus with the US has been rising, particularly after the Covid-19 pandemic, doubling from \$17.30 billion in 2019-20 to \$35.33 billion in 2023-24, alongside a notable shift in the export basket. While exports of electronic and engineering goods surged, traditional exports such as gems and jewellery and garments remained largely unchanged.

India's goods trade surplus with US has doubled over the past 5 years

Year	Exports to US	Imports from US	Surplus
2023-24	77.52	42.19	35.33
2022-23	78.31	50.86	27.45
2021-22	75.6	43.31	32.29
2020-21	51.63	28.88	22.75
2019-20	53.11	35.81	17.3

Meanwhile, India's imports from the US over the past five years have grown at a slower pace compared to its exports. US exports to India reached \$42.19 billion in 2023-24, up from \$35.81 billion in 2019-20, with the bulk concentrated in five categories: mineral fuels (the largest segment), followed by precious and semi-precious stones, nuclear reactors, electrical machinery, and aircraft and parts.

Relevance: GS Prelims; Economics

Source: Indian Express

2. The India-US TRUST initiative

TRUST Initiative

भारत का शक्तिशाली भूतंत्र
DEPARTMENT OF
SCIENCE & TECHNOLOGY

INDIA - U.S.
TRUST INITIATIVE
(Transforming the
Relationship Utilizing
Strategic Technology)

BOOSTS COLLABORATION
Govt, academia & private
sector join hands

ENSURES SECURITY
Promotes verified tech & protects
sensitive innovations

India and the United States have launched a bilateral initiative called Under the Transforming Relationship Utilizing Strategic Technology (TRUST) initiative. The Initiative was announced during Prime Minister Narendra Modi's visit to the US.

Under the Initiative, the two countries will reduce barriers to technology transfer, address export controls, and enhance high tech commerce.

Further taking previous cooperation

The TRUST initiative follows India's

induction into the US-led Minerals Security Finance Network in September last year. India joined the Minerals Security Partnership (MSP) in 2023.

Unlike previous multilateral partnerships, however, the TRUST initiative will build on bilateral engagement. It also positions India and the US to accelerate existing efforts, and counter China's dominance in critical minerals supply chains.

Minerals Security Partnership

Launched in 2023, the Minerals Security Partnership (MSP) is a US-led collaboration of 14 countries that aims to catalyse public and private investment in critical minerals supply chains. In addition to the US, it includes India, Australia, Canada, Estonia, Finland, France, Germany, Italy, Japan, the Republic of Korea, Sweden, the UK, and the European Union (represented by the European Commission).

Why critical minerals are key in strategic sectors

Critical minerals and REEs are essential for strategic industries, including defence, semiconductors, quantum computing, energy, and space.

Elements such as neodymium, praseodymium, and samarium are crucial for high-performance magnets used in missiles, fighter jets, and radars.

Lithium, cobalt, and nickel power are used in advanced batteries for energy storage and electric vehicles, while gallium and indium are key in semiconductors and AI hardware.

Quantum computing relies on ultra-pure silicon and superconducting materials, while REEs like europium and terbium enhance biotech imaging and medical diagnostics.

In energy, rare earth magnets are vital for wind turbines, and space technology depends on heat-resistant alloys and lightweight materials like scandium.

China's dominance

With China controlling nearly 70% of global REE production and much of the processing infrastructure, securing diversified supply chains is critical for technological sovereignty and national security.

India, despite some reserves, remains dependent on imports, particularly for heavy rare earths.

Relevance: GS Prelims & Mains Paper II; Bilateral Relations

Source: Indian Express

3. Volvo Trucks unveils India's first road train for logistics

India's 'first' road train

Volvo Trucks has introduced India's 'first' road train. It is operated by logistics firm Delhivery.



The concept was formally incorporated into regulations in 2020, allowing for vehicle lengths of up to 25.25 metre. A road train consists of a tractor unit towing two or more trailers.

Relevance: GS Prelims

Source: The Hindu

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