

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:330
ANSWERED ON:25.02.2000
FREE TRADE PACTS WITH PAKISTAN .
UTTAMRAO NATHUJI DHIKALE

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the Pakistan Government has said that there will be no free trade with India;
- (b) if so, the details thereof; and
- (c) the reaction of the Government thereto?

Answer

MINISTER OF COMMERCE & INDUSTRY (SHRI MURASOLI MARAN)

(a) to (c) The Government have seen recent media reports that the Government of Pakistan has ruled out the possibility of free trade with India till the resolution of the Kashmir issue. Even in the past, statements have occasionally emanated from the Government of Pakistan linking the grant of MFN status to India to extraneous issues. Contrary to its commitments under WTO, Pakistan has not extended MFN treatment to India. India has taken necessary action to protect its trade interests vis-à-vis Pakistan. It may be mentioned that Member Countries of SAARC, including India and Pakistan, are exchanging tariff concessions under the SAARC Preferential Trading Agreement (SAPTA). Further, during the SAARC Summit held in July 1998 in Colombo, it was agreed that an agreement for a South Asian Free Trade Area (SAFTA) will be signed by 2001.