

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

UNSTARRED QUESTION NO:1981

ANSWERED ON:03.08.2001

TRADE RELATION WITH PAKISTAN

MANIBHAI RAMJIBHAI CHAUDHARY;PRABHAT KUMAR SAMANTARAY;SRIKANTA DATTA NARASIMHARAJA WADIYAR;VILAS BABURAO MUTTEMWAR

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

- (a) whether the Government have taken steps to expand/strengthen the trade relations with Pakistan;
- (b) if so, the details thereof;
- (c) whether the matter for the expansion of trade with Pakistan has ever been discussed between the two countries;
- (d) if so, the details and outcome thereof; and
- (e) the proposals mooted in this regard for 2001-2002 and also for coming years?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI DIGVIJAY SINGH)

(a) to (d) :Presently, there is no bilateral Trade Agreement between India and Pakistan. Both countries are members of World Trade Organisation (WTO) and South Asian Association for Regional Cooperation (SAARC). As members of WTO, it is obligatory for both India and Pakistan to accord Most Favoured Nations (MFN) treatment to trade with each other. While India is complying with this WTO obligation, Pakistan is adopting a discriminatory treatment to imports from India. Presently, there are only 600 items which Pakistan allows to be imported from India.

In the recent past, there has been no formal institutionalised discussion between India and Pakistan at the bilateral trade forum. However, tariff preferences have been accorded by each to the other under SAPTA negotiation.

(e) : It is Government of India`s policy to promote trade with all countries including Pakistan subject to overall relationship. There are no specific proposals in this regard for 2001-2002 and onwards.