

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

STARRED QUESTION NO:372

ANSWERED ON:20.08.2004

WTO MEET GENEVA

Adsul Shri Anandrao Vithoba;Suman Shri Ramji Lal

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

- (a) whether meeting of WTO General Council was held between 27-29 July, 2004 in Geneva;
- (b) if so, outcome of the meet;
- (c) whether the developed countries have moved some new proposals in the General Council of WTO;
- (d) whether the Government has expressed disappointment over the draft framework for negotiations circulated by WTO, especially in the area of agriculture;
- (e) whether the Government propose to withdraw from WTO and build an alternative body in case the developed countries do not cut subsidies and allow a greater market to the developing nations; and
- (f) if so, how do the Government intend to address the grievances with regard to reduction of domestic support for agriculture products suggested by the developed countries?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH)

- (a) Yes, Sir. The meeting was held upto 1st August, 2004.
- (b) It adopted a Framework Agreement, which lays down the principles and criteria for further negotiations, covering Agriculture, Non-Agricultural Market Access, Trade Facilitation and specifically development related issues. The issues relating to Trade and Investment, Trade and Competition Policy and Transparency in Government Procurement stand removed. In respect of Services and development related issues, it recognizes the importance of their development aspects and establishes time frames.
- (c) No, Sir.
- (d) to (f) A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (d) TO (f) OF THE LOK SABHA STARRED QUESTION NO. 372 FOR 20.8.2004 REGARDING WTO MEET GENEVA

- (d) The Government had drawn attention to specific areas of concern to India for appropriate resolution in the drafts that have been presented at various stages of the negotiations, including on Agriculture. India has made concerted efforts with like-minded developing countries, including in the G-20 Alliance on Agriculture and the G-33 Alliance on Special Products, in order to ensure, inter alia, that the elements and principles incorporated in the agreed Framework on Agriculture lead to substantial reductions in trade-distorting domestic subsidies provided to their farm sector largely by the developed countries, a credible end date for elimination of their export subsidies, and substantial market access improvements for products of export interest to developing countries. Moreover, consistent with the Doha mandate to negotiate on agriculture, any additional commitments, particularly in market access, by developing countries like India should serve to safeguard their food and livelihood security concerns and rural development needs. The Framework for Establishing Modalities in Agriculture, agreed to as part of the overall Framework Agreement, duly addresses India's interests and concerns.
- (e) Since the Framework agreed to in WTO duly addresses India's interests and concerns, the question of withdrawal from the WTO and building another body does not arise. The efforts of the Government are to ensure that India's interests are safeguarded through appropriate engagement in the negotiations and through coalition building with like-minded WTO Members and Members groupings.
- (f) The Framework Agreement is only an interim stage towards conclusion of the ongoing multilateral trade negotiations. The next step would be finalization of modalities which would result, inter alia, in agreement on formulae for reduction in domestic support along with formulae for tariff reduction and setting up the actual date for elimination of export subsidies for agricultural products. Government is determined to ensure that our concerns continue to be adequately addressed as negotiations proceed.