

**GOVERNMENT OF INDIA
EXTERNAL AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:4284
ANSWERED ON:21.12.2005
SIGNING A FREE TRADE AGREEMENT
Rao Shri Sambasiva Rayapati

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

- (a) whether the Government proposes to initiate negotiations with the Gulf Cooperation Council to conclude a Free Trade Agreement (FTA);
- (b) if so, the details and the outcome thereof;
- (c) whether India has also successfully pursued a 'Look East' policy to come closer to the countries of South-East Asia;
- (d) if so, whether any talks have been held recently with these countries in this regard;
- (e) if so, the details thereof and the agreements, if any, signed on the occasion; and
- (f) the time by which these agreements are likely to be implemented?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI E. AHAMED)

(a) & (b) Yes. The dates for the first round of negotiations are being discussed.

(c), (d), (e) & (f) India's 'Look East' policy was initiated in the early 1990s to strengthen India's overall relations with the countries of South East Asia and East Asia in the political and economic fields. India became a Sectoral Dialogue Partner of the ASEAN in 1992 and a full Dialogue Partner in 1995. India is also a member of the ASEAN Regional Forum (ARF). India presently has annual Summits with the ASEAN and participated in the First East Asia Summit held in Kuala Lumpur on December 14, 2005. India is also actively engaged with South East Asian countries in the Mekong Ganga Cooperation and the Bay of Bengal Initiative for Multi Sectoral Technical and Economic Cooperation (BIMSTEC).

ASEAN's political, strategic and economic importance and the region's potential to become a major partner of India in trade and investment is a significant factor in our Look East policy. Negotiations are underway on the India-ASEAN Free Trade Agreement (FTA) which is expected to come into force on January 1, 2007.

India signed a Framework Agreement for establishing a Free Trade Area with Thailand on October 9, 2003. The Early Harvest Programme under this Agreement was implemented with effect from September 1, 2004. Negotiations on the FTA are under process.

With Singapore, a Comprehensive Economic Cooperation Agreement (CECA) was signed during the visit of the Singapore Prime Minister to India in June, 2005.

A Joint Study Group established with Malaysia to examine the feasibility of a CECA between the two countries has submitted its report which is under the consideration of both the Governments.

During the visit of the Indonesian President to India in November, 2005, the two sides agreed to establish a Joint Study Group to examine the feasibility of a CECA between India and Indonesia.