

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

UNSTARRED QUESTION NO:3068  
ANSWERED ON:13.12.2005  
TRADE WITH SAUDI ARABIA  
Owaisi Shri Asaduddin

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

- (a) whether WTO has agreed to include Saudi Arabia as its 149th member of the global group;
- (b) if so, whether there is possibility of increase in trade with Saudi Arabia after its inclusion in WTO; and
- (c) if so, the details thereof and fields identified for this?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY ( SHRI E.V.K.S. ELANGO VAN)

a) Yes Sir. On 11th November, 2005 the General Council of the WTO approved Saudi Arabia`s terms of accession. Saudi Arabia will become the 149th Member of the WTO 30 days thereafter i.e on 11th December, 2005.

b & c) WTO provides a predictable rule based multilateral trading system, which protects a country from the bilateral pressures of the other trading partners. By virtue of becoming a member of the WTO, the member country is automatically entitled to get the most favoured nation (MFN) and national treatment for its exports from all other countries. Republic of India has signed Bilateral Agreement with Saudi Arabia in the field of tariff on goods and services. This Agreement includes grant of Initial Negotiating Rights (INRs) for 201 tariff lines negotiated with India. Pursuant to this, there is a settlement on 341 tariff lines to India. In services, Saudi Arabia has agreed to provide Mode 4 commitments in number of service categories. These measures are likely to give a boost to the trade between the two nations, particularly in the areas of oil, gas, petrochemicals and information technology.