

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

UNSTARRED QUESTION NO:126

ANSWERED ON:26.02.2008

INDO CHINA TRADE

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

- (a) the details of trade talks that were held between India and China during each of the last three years, till date;
- (b) whether there is a huge gap in trade between China and India;
- (c) if so, whether China has assured the Union Government to bridge the trade gap as reported in the "Times of India" dated January 13, 2008;
- (d) if so, the facts and the details in this regard;
- (e) the sectors identified for increased trade between both the countries; and
- (f) the steps taken/proposed to be taken to boost the trade between both the countries?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH)

(a) India-China Joint Study Group was set up in pursuance of the Declaration signed during the visit of PM to Beijing in June 2003. The JSG had four meetings alternatively at New Delhi and Beijing. The final report of the JSG was exchanged between the two sides during the visit of Chinese Premier to India in April, 2005 and it recommended that the two governments appoint a Joint Task force to study in detail the feasibility of, and the benefits that may derive from the possible China-India Regional Trading Arrangement and also give its recommendations regarding its content. In pursuance to the recommendation of JSG a JTF was set up. Six meetings of JTF were held alternately in New Delhi and Beijing and the JTF finalised its report in its last meeting held in October 2007. During the Prime Minister's visit to China in January 2008 the two Prime Ministers agreed to entrust to the two Commerce Ministers to explore ways to act further on the recommendations of the JTF on RTA.

(b) Yes, Sir. The trade balance is currently tilted in favour of china and China had a trade surplus of around \$ 9 billion in first 11 months of 2007.

(c) & (d) During the Prime Minister's visit to China, the Chinese Commerce Minister stated that he will take action to send buying missions to India to explore the possibilities of buying more and more goods from India.

(e) India is trying to seek market access for fruits and vegetables, meat, pharmaceuticals, electronic items, automobile parts, etc.

(f) Various seminars/commodity fairs are being organised to boost the trade between both the countries. Besides, in the Joint Working Group meetings India is raising issues regarding market access in specific sectors. The JTF negotiations that were concluded in October 2007 are also a step in that direction.