

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

UNSTARRED QUESTION NO:2836

ANSWERED ON:15.03.2010

TRADE AGREEMENT WITH EU H

Anandan Shri K.Murugeshan;Botcha Lakshmi Smt. Jhansi;Singh Shri Uma Shanaker;Thamaraiselvan Shri R.;Vivekanand Dr. G.

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

- (a) the details regarding negotiations held for conclusion of Free Trade Agreement between India and European Union (EU);
- (b) the present status of the Trade Agreement;
- (c) the details regarding economic benefits likely to be accrued to the country with the conclusion of the said FTA; and
- (d) the manner in which local producer`s interest would be safeguarded while concluding the Trade Agreement?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a) & (b) The Government of India is negotiating a bilateral Broad - based Trade and Investment Agreement with the European Union (EU).

The negotiations commenced in June 2007 covering areas of Trade in Goods, Trade in Services, Investment, Sanitary and Phytosanitary measures, Technical Barriers to Trade, Trade Remedies, Customs Cooperation & Trade Facilitation, Dispute Settlement, Competition and Intellectual Property Rights. So far, eight rounds of negotiations have been held. The eighth Round of Negotiations was held in January, 2010. Legal texts of the proposed agreement in all these areas have been exchanged and are being discussed. Tariff liberalisation offers have also been exchanged on trade in goods. The negotiations are at an advanced stage.

(c) Indian exports to EU will increase, as products exported from India to EU will get preferential duty treatment from EU on conclusion of this FTA.

(d) India has undertaken consultations with the stake holders including local producers to assess the impact of various offers and requests made by the EU for the FTA negotiations to protect the interests of Indian agricultural, industrial and other sectors. The feedback received from these consultations has been considered for drawing up the initial sensitive list of products on which no tariff reductions proposed to be offered by us to the EU. In addition, in case of a surge in imports and injury to the domestic industry, India can take measures such as anti dumping and safeguards.