

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

UNSTARRED QUESTION NO:3855

ANSWERED ON:19.04.2010

IMPACT OF ASEAN FTA

Das Gupta Shri Gurudas;Owaisi Shri Asaduddin;Pandurang Shri Munde Gopinathrao;Sarvey Shri Sathyanarayana;Tarai Shri Bibhu Prasad;Venugopal Shri K. C.

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

- (a) the details of volume and value of trade with ASEAN countries during each of the last three years and the current year;
- (b) the areas/sectors likely to gain additional market access with the signing of ASEAN Agreement;
- (c) whether the Government has sponsored/conducted any study to assess the impact of implementation of ASEAN Agreement especially on farmers from coastal states of the country;
- (d) if so, the details thereof and the response of the Government thereto;
- (e) whether a recent study conducted by Associated Chamber of Commerce and Industry (ASSOCHAM) states that Indo-ASEAN Free Trade Agreement (FTA) may cause damage to key sectors of Indian economy and domestic plantation farmers; and
- (f) if so, the details thereof alongwith the consultations held with State Governments and the reaction of the Government thereto?

Answer

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

(a): India's Trade with ASEAN countries during 2006-07, 2007-08 and 2008-09 was to the tune of US \$ 30715.91 million, US \$ 39088.33 million and US \$ 45343.59 million respectively. The figure for the current year (April – September, 2009) is US \$ 20187.69.

(b): With the signing of the India-ASEAN Trade in Goods Agreement, additional market access is likely for India's export of several products including Machinery & Machine Parts, Steel & Steel Products, Oilcake, Wheat, Buffalo Meat, Automobiles & Auto Components, Chemicals, Synthetic Textiles, etc.

(c): No, Madam.

(d): Does not arise.

(e) & (f): The Associated Chamber of Commerce & Industry (ASSOCHAM) has released a publication titled 'India – ASEAN FTA: A Major Breakthrough' in February 2010. Comprehensive protection of the plantation and other sensitive sectors has been ensured under the India – ASEAN Trade in Goods Agreement. Hence, inferences made in ASSOCHAM's publication regarding adverse consequences on the Indian economy are not valid.