

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

UNSTARRED QUESTION NO:1162
ANSWERED ON:02.08.2010
INDIA AND THE WTO
Wankhede Shri Subhash Bapurao

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

- (a) whether the Government has chalked out a strategy to protect their interests in the negotiation process of WTO;
- (b) if so, the details thereof including the agricultural subsidy issues; and
- (c) the likely benefits to be accrued to the country in the WTO regime?

Answer

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

(a)&(b) Yes, Madam. The principal aim of India's negotiating strategy in the World Trade Organization (WTO) negotiations is to protect the interests of farmers particularly with regard to their food and livelihood security and to protect sensitive industrial sectors from the impact of tariff reductions or bindings.

In all areas of the negotiations, India has been actively and closely working with other WTO Members in order to ensure that the interests of developing countries are protected.

To this end, in the agriculture negotiations, India is seeking effective cuts in the trade-distorting subsidies provided to the agriculture sector by developed countries and to bring about effective disciplines on such support, while at the same time seeking flexibilities for developing countries such as provisions for lower tariff cuts, longer implementation periods, self-designation of Special Products (SPs) that could take lower tariff cuts and the Special Safeguard Mechanism (SSM) to safeguard the interests of farmers in the event of surges in import volumes or a fall in price.

Under the non-agricultural market access negotiations (NAMA), India has been negotiating for flexibilities that are both appropriate and adequate to protect the sensitive industrial tariff lines from the purview of the tariff reductions or bindings.

(c) India is one of the founding Members of the WTO, which was established in 1995. The WTO represents a multilateral, rules-based trading system. Such a system is in the best interests of developing countries. The Doha Round of negotiations is a development round and provides a historic opportunity to correct trade distortions, particularly agricultural protectionism that is rampant in developed countries. It is also an opportunity to gain market access for India's exports, while simultaneously safeguarding the interests of our farmers and sensitive industrial sectors.