

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

UNSTARRED QUESTION NO:4037
ANSWERED ON:03.08.2009
DUTY FREE TARIFF PREFERENCE SCHEME
Owaisi Shri Asaduddin

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

- (a) whether the Government has recently proposed a Duty Free Tariff Preference (DFTP) Scheme for the Least Developed Countries (LDC) at the India- Africa Forum Summit;
- (b) if so, the details thereof; and
- (c) the names of beneficiary countries included in the said scheme?

Answer

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

a) Yes, Madam.

b) The Duty Free Tariff Preference (DFTP) Scheme for Least Developed Countries (LDCs) was announced by the Hon'ble Prime Minister of India on the occasion of the India-Africa Forum Summit on 8 April, 2008 in New Delhi. The DFTP Scheme grants duty free access on 85% of India's total tariff lines to be implemented over a period of 5 years through 5 equal tariff reductions of 20% each on the current applied rates. On 9% of India's total tariff lines, the DFTP Scheme grants preferential duty access as per the prescribed margin of preference (MOP) on the applied rates over a period of 5 years. Thus, the DFTP Scheme provides duty free and preferential market access on 94% of India's total tariff lines. The rules of origin are based on the twin criteria of change in tariff heading (CTH) plus 30% value addition.

c) A list showing the names of beneficiary countries included in the aforesaid Scheme is Annexed.