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

UNSTARRED QUESTION NO:1130 ANSWERED ON:15.11.2010

INDIA S CONCERNS WITH DEVELOPED COUNTRIES IN WTO H

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

- (a) whether America is pressuring India to further liberalising its policy relating to purchase and sale of agri-products of America;
- (b) if so, the details thereof;
- (c) whether the Union Government has expressed its concern on issue giving subsidy by America to its agriculture sector;
- (d) if so, the details thereof and the response of the Government thereto; and
- (e) whether the said issue is the main hurdle in the Doha Round Talks and steps being taken by the Government to protect India's Interest in WTO?

Answer

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

- (a)&(b) The United States has been seeking greater access into Indian markets for various products and has been raising the issue in both multilateral and bilateral fora. In agriculture, these include milk and milk products, poultry, pork, pet food, etc.
- (c)&(d) During negotiations in the World Trade Organisation (WTO), India, together with her partners in various developing country coalitions, has been urging rich developed countries, including the US, to effectively reduce the subsidies provided to their farmers, as these have the effect of distorting production and trade. As per the draft modalities being negotiated in the Doha Round of trade negotiations, all trade-distorting domestic support to the agriculture sector would have to be substantially reduced.
- (e) There are several unresolved issues in the Doha Round of trade talks, not only in agriculture but also in other areas of the negotiations. These include reductions in subsidies to farmers, flexibilities proposed for developed and developing member countries, additional tariff reductions on industrial goods, liberalization of services sectors, disciplines on fisheries subsidies etc. India has been working closely with her partners in various developing country coalitions to ensure an outcome that will safeguard the interests of developing countries, particularly those of small and marginal farmers and vulnerable industries.