

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

UNSTARRED QUESTION NO:4197

ANSWERED ON:06.12.2010

IMPACT OF PROTECTIONISM ADOPTED BY VARIOUS COUNTRIES

Chinta Mohan Dr. ;Yadav Shri Dinesh Chandra

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

- (a) whether Indian economy is being adversely affected due to protectionism thriving in several countries of the world in the wake of globalisation;
- (b) if so, the details thereof and the reaction of the Government in this regard; and
- (c) the measures being taken by the Government to save the Indian economy from the negative impact of protectionism?

**Answer**

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

(a) to (c) Protectionism can take various forms, including trade protectionism. Government has, from time to time, taken steps to help industry cope with protectionist measures by other countries. These issues are examined and thereafter taken up in the appropriate bilateral or multilateral forum. For example, the US Government's recent decision to raise fees for H1B and L1 visas and the ban by the Ohio State on offshore outsourcing of government business to overseas companies etc. were taken up bilaterally under the US-India Trade Policy Forum.

Other matters taken up by India in the relevant forum include: various instances of stricter applications of regulations on Sanitary and Phytosanitary (SPS) measures and Technical Barriers to Trade (TBT); seizure of consignments of Indian generic drugs, bound for Latin America and Africa, by the customs authorities of the European Union (EU) and the Government of Netherlands; an EU Regulation for the Registration, Evaluation, Authorisation and Restriction of Chemical Substances; an EU Directive regarding the registration procedure of 'traditional herbal medicinal products (THMP)'; the proposed Anti-Counterfeiting Trade Agreement (ACTA) being discussed largely amongst the developed countries etc.

India has strongly raised its voice against protectionism at various bilateral and major international meetings, including the recently concluded G 20 leaders Summit held in Seoul in November 2010.