

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

UNSTARRED QUESTION NO:3962
ANSWERED ON:19.12.2011
DUTY FREE ACCESS TO MARKETS
Ramkishun Shri ;Reddy Shri Magunta Srinivasulu

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

- (a) whether the government has taken up the matter of leveraging trade by the developing and the under developed countries for their own economic development and growth as well as for getting better access to the markets;
- (b) the reaction of the world trade organisation and other countries in this regard;
- (c) whether the government has proposed to allow duty free entry to products from most under developed countries in domestic Indian markets;
- (d) if so, the details thereof as well as the reasons therefor; and
- (e) the likely impact of the said proposals on the domestic Indian industries?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI ANAND SHARMA)

(a) & (b) : Yes, Madam. Developing countries (like India) including the Least Developed Countries, have been advocating for an effective and fair, rule based multi lateral trading system, which would take care of the concerns of developing countries.

(c) to (e): Pursuant to the Hongkong Ministerial Decision of 2005 for duty free quota free market access to products originating from Least Developed Countries (LDCs), India has announced its Duty Free Tariff Preference (DFTP) Scheme in August, 2008. The scheme covers a large number of products of export interest to LDCs.

LDCs contribute to less than one per cent of the global trade, and their greater integration in the global trading system is essential for their economic development and poverty reduction. Support to developing countries, particularly the LDCs, have been a constant Indian policy and the fulfilment of the Hongkong mandate, is in keeping with this policy. However, while providing market access, we have retained our sensitive products shielded and have recourse to trade remedies as per WTO rules in case of any injury to our domestic industry.