

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

UNSTARRED QUESTION NO:883

ANSWERED ON:19.03.2012

TRADE WITH ASEAN COUNTRIES

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

- (a) whether India has existing trade relations with all the South East Asian countries and if so, the details thereof and if not, the reasons therefor;
- (b) whether India incurred economic loss due to the trade imbalance in this region;
- (c) if so, the details thereof and the reaction of the Government in this regard;
- (d) whether India is negotiating bilateral trade pact with the ten Association of South East Asian Nations (ASEAN) countries with a view to increase the volume of trade;
- (e) if so, the details thereof alongwith the issues discussed in these negotiations and the reaction of each of countries involved; and
- (f) the potential benefits which is likely to accrue to India after the conclusion of these bilateral trade pacts with these countries?

Answer

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

(a): On 13th August 2009, India and the Association of South East Asian Nations (ASEAN) comprising Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam signed the Trade in Goods Agreement under the broader framework of Comprehensive Economic Cooperation Agreement (CECA) between India and the ASEAN.

(b)& (c) During the year 2009-10 and 2010-11, export to ASEAN countries was US\$ 18.11 billion and US\$27.28 billion respectively. During the year 2009- 10 and 2010-11, import from ASEAN countries was US\$ 25.80 billion and US\$ 30.61 billion respectively. As the Trade in Goods Agreement was fully implemented only from 1st August, 2011, it is too early to make any assessment of trade imbalance. However, there has been a reduction in trade imbalance during the year 2010-2011.

(d)& (e) India and Singapore has implemented CECA on 1st August, 2005. India and Malaysia has also implemented CECA on 1st July, 2011. India and Thailand is negotiating a Comprehensive India-Thailand Free Trade Agreement that includes Trade in Goods, Trade in Services and Agreement on Investment as a single undertaking. India and Indonesia have also agreed for negotiating India-Indonesia CECA that includes Trade in Goods, Trade in Services, Agreement on Investment and Economic Cooperation.

(f) Conclusion of the bilateral trade Agreements would lead to growth in bilateral trade. Indian exporters would gain additional market access in these countries and Indian manufacturers would be able to source products at competitive prices from these markets. Investments would increase and Indian Professionals would gain access in the Services Sectors. This will result in increased business opportunities and closer economic co-operation with these countries.