

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

UNSTARRED QUESTION NO:6020

ANSWERED ON:14.05.2012

PREFERENTIAL ACCESS TO PROCUREMENT BY GOVERNMENT

Thamaraiselvan Shri R.

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

(a) whether India`s commitment to the World Trade Organisation do not allow to foster domestic manufacturing through preferential access to procurement by Government and the Government`s licensee;

(b) if so, the details thereof;

(c) whether the Government has conveyed this to the concerned industries including its licensees; and

(d) if so, the details thereof?

Answer

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

a)to d): Specific provisions of the agreements under the World Trade Organisation (WTO), namely Article III:8 (a) of General Agreement on Tariffs and Trade, 1994 and Article XIII:1 of General Agreement on Trade in Services, allow exemption from the WTO obligations on application of domestic laws, regulations or requirements governing the procurement of governmental agencies of products purchases for governmental purposes and not with view to use in the production of goods for commercial use. This provision is factored in by the Government in the policy formulated from time to time.