

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

UNSTARRED QUESTION NO:2617

ANSWERED ON:10.12.2012

TRADE WITH PAKISTAN

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

- (a) whether India and Pakistan propose to sign three pacts on customs, cooperation and mutual recognition of standards and redressal of trade issues to strengthen the economic ties between the two countries;
- (b) if so, the details thereof along with the details of the present status of the bilateral trade between India and Pakistan;
- (c) whether both the countries have agreed to double the bilateral trade and if so, the details thereof;
- (d) whether the Government proposes to grant multi-entry visa to businessmen from Pakistan to boost the bilateral trade;
- (e) if so, the details thereof and the reaction of the Government of Pakistan thereto; and
- (f) whether the Government also proposes to open the Ferozepur- Hussainiwala International border for trade and if so, the details thereof and the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(DR. D. PURANDESWARI)

(a)&(b): To build confidence of the business community of India and Pakistan, three agreements namely, Customs Cooperation Agreement, Mutual Recognition Agreement and Redressal of Trade Grievances Agreement, were signed during the 7th round of India- Pakistan talks on Commercial and Economic Co-operation held during 20-21 September 2012 at Islamabad. Through implementation of these Agreements, the two countries will systematically address the issues related to Non-Tariff Barriers.

Both sides have made considerable progress in improving bilateral trade ties. Pakistan has moved from a Positive List regime to a Negative List regime, substantially increasing the tradable items with India. India has removed restrictions on inward/outward investment flows to Pakistan. India has also reduced its Non Least Developed Country (NLDC) Sensitive List under South Asia Free Trade Area(SAFTA) Agreement by 30% thus enabling the removed items to be imported at SAFTA preferential rates. Both sides have also agreed to a detailed roadmap for Preferential Trading Arrangements under the SAFTA process.

(c) In the Joint Press Statement issued during the visit of the Commerce Minister of Pakistan to India in September 2011, it is mentioned that both Ministers agreed to jointly work to more than double bilateral trade within three years, from 2.7 billion US dollars per annum(2010-11) to about 6 Billion dollars.

(d)&(e) The liberalized visa modalities between India and Pakistan were signed during the visit of Foreign Minister of India to Pakistan in September 2012. This fulfils a long pending demand of the business communities of both sides to ensure a better enabling environment for bilateral trade. The formal approval of the Government of Pakistan is awaited for implementation of the agreement. Indian side has indicated its approval.

(f) There is no such proposal at present.