

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

UNSTARRED QUESTION NO:106  
ANSWERED ON:05.08.2013  
FREE TRADE AGREEMENT  
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**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

- (a) the details of countries with which India has entered into Free Trade Agreements (FTA) during each of the last three years and the current year;
- (b) whether the Government proposes to enter into new FTA or review the existing FTAs with these countries for enhanced cooperation and investments and if so, the details thereof and the time likely to be taken to conclude the ongoing negotiations;
- (c) the details of the preferential market access that India is likely to get in the countries with which it has entered into FTAs, country-wise;
- (d) the details of the total trade carried on with these countries during the said period including the priority areas identified for the purpose along with the target fixed for the trade with these countries for the next three years; and
- (e) whether any assessment has been made by the Government regarding the impact of these FTAs on the domestic manufacturing and agricultural sectors, trade deficit, services and investments and if so, the details thereof?

**Answer**

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

(a) The details of countries with which India has entered into Free Trade Agreements (FTA) during the last three years are given below:

S. No.	Name of the partner country and the Agreement	Date of Signing	Date of implementation
1.	India - Japan Comprehensive Economic Partnership Agreement (CEPA)	16.02.2011	01.08.2011
2.	India - Malaysia Comprehensive Economic Cooperation Agreement (CECA)	18.02.2011	01.07. 2011

No FTA has been signed during the current year. India and ASEAN have concluded negotiations on India-ASEAN Agreement on Trade in Services and Agreement.

(b) The Government is negotiating new FTAs, including expansion / review of some of the existing FTAs, with the countries listed below:-

S. No.	Name of the Agreement and Partner Countries
1.	India - EU Broad Based Trade and Investment Agreement (BTIA) (Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom)
2.	India - Sri Lanka CEPA
3.	India - Thailand CECA
4.	India - Mauritius CECPA
5.	India - EFTA BTIA (Iceland, Norway, Liechtenstein and Switzerland)
6.	India - New Zealand FTA/CECA
7.	India - Israel FTA
8.	Second Review of India - Singapore CECA
9.	India - Southern African Customs Union (SACU) Preferential Trade Agreement (PTA) (South Africa, Botswana, Lesotho, Swaziland and Namibia)
10.	Indian - MERCOSUR PTA (expansion) (Argentina, Brazil, Paraguay and Uruguay)
11.	India - Chile PTA (expansion)

12. BIMSTEC CECA (Bangladesh, India, Myanmar, Sri Lanka, Thailand, Bhutan and Nepal)
13. India - Gulf Cooperation Council (GCC) Framework Agreement (Saudi Arabia, Oman, Kuwait, Bahrain, Qatar and Yemen.)
14. India - Canada CEPA
15. India - Indonesia Comprehensive Economic Cooperation Agreement (CECA)
16. India-Australia CECA
17. Regional Comprehensive Economic Partnership (RCEP) Agreement among ASEAN (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam) + 6 FTA Partners (Australia, China, India, Japan, South Korea and New Zealand)

India has been engaged at different stages of negotiations with these countries and blocs. The conclusion of negotiations depends on agreement on all the issues by the partner countries.

(c) The India-Malaysia CECA has been implemented with effect from 1st July, 2011 and the India-Japan CEPA has been implemented with effect from 1st August, 2011. These agreements provides for a gradual elimination/reduction of tariffs over a period time. The details of these Agreements are available on Department of Commerce's website (<http://commerce.gov.in>).

(d) The details of the total trade carried on with these countries during the said period are given below:-

Country	2010-11	2011-12	2012-13							
	Export	Import	Total	Export	Import	Total	Export	Import	Total	
	Trade			Trade			Trade			
Malaysia	3,871.17	6,523.58	10,394.75	3,980.36	9,473.64	13,454.00	4,442.67	10,435.00	14,877.66	
Japan	5,091.24	8,632.03	13,723.27	6,328.54	11,999.43	18,327.97	6,099.06	12,514.07	18,613.14	
Value in US\$ Million										

Source: DGCI&S

India and Malaysia have agreed to a bilateral trade target of US\$15 billion by 2015. India and Japan have set a bilateral trade target of US\$ 25 billion by 2014.

(e) Evaluation of the impact of FTAs is a continuous process which starts even before FTA negotiations are entered into. Before entering into negotiations with its trading partners, studies are undertaken internally, as well as through the Joint Study Group (JSG) to study the feasibility of the proposed FTAs, including their impact on the domestic industries and agricultural sector. The JSG report, on the basis of which FTA negotiations are launched, is made available on the Departments of Commerce website (<http://commerce.gov.in>). In order to protect the interest of the domestic industries and agricultural sector, these agreements provide for maintaining sensitive/negative lists of items on which limited or no tariff concessions are granted under the FTA. In addition, in case of a surge in imports and injury to the domestic industry, a country is allowed to take recourse to measures such as anti-dumping and safeguards. Every FTA has a Joint Review Mechanism to monitor the implementation of the FTA.