

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

UNSTARRED QUESTION NO:1019
ANSWERED ON:12.08.2013
CONCESSIONS FOR EXPORTS
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the Government proposes to commit the complete elimination of duty on industrial goods in certain specific sectors;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) whether certain developed countries have requested for elimination of duty in certain specific sectors particularly electronics, chemical and industrial machinery;
- (d) whether the European Union has demanded for duty cuts in wines and spirits and dairy products along with the hike in FDI cap in the insurance sector; and
- (e) if so, the details thereof along with the reaction of the Government thereto?

Answer

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

(a) & (b) : Various initiatives like Comprehensive Economic Cooperation Agreements (CECAs), Comprehensive Economic Partnership Agreements (CEPAs), Free Trade Agreements (FTAs), Preferential Trade Agreements (PTAs) etc. with various countries have been taken. Some of these are – CECA with Malaysia, Singapore, Indonesia, FTA with Thailand, PTA with Southern African Custom Union (SACU), CEPAs with Republic of Korea and Japan. Under the various Agreements India has drawn/ proposed to draw schedules of tariff commitments indicating tariff concessions or no concessions. The tariff commitments of India are/would be divided into tariff elimination, tariff reduction and no concessions.

(c) : Some of the developed country members of the Information Technology Agreement, a plurilateral agreement in the WTO)-USA, European Union have proposed in the ITA Committee meetings of the WTO a list of IT products on which customs duty is proposed to be reduced to zero. However, in light of India's past experience with the ITA, it has been decided not to participate in the ITA expansion negotiations, for the time being.

(d) & (e): India is negotiating a bilateral Broad Based Trade and Investment Agreement (BTIA) with the European Union (EU) in which so far fifteen rounds of negotiations have been held. Final positions are to emerge as the negotiations across various goods and services sectors are ongoing. As is consistent with previous and established practice in ongoing negotiations, disclosures before finalization of the Agreement may adversely affect India's position in the negotiations.