

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

STARRED QUESTION NO:155
ANSWERED ON:16.12.2013
TRADE FACILITATION AGREEMENT
Lal Shri Kirodi ;Ray Shri Rudramadhab

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

- (a) whether the Government proposes to enter into any agreement with the world Trade Organisation (WTO) for simplification of trade and if so, the details thereof;
- (b) whether the Government has put forward any condition for initiating negotiations regarding trade facilitation agreement in WTO and if so, the details thereof along with the reaction of the developed and the developing countries thereto;
- (c) whether the Government proposes to bring on board other developing nations including BRICS nations on the said issues and if so, the details thereof along with the progress made in this regard;
- (d) whether the WTO talks failed to agree on trade deal text during the meet in Geneva on world-wide trade reforms due to serious differences among the member nations; and
- (e) if so, the details thereof and the reasons therefor along with its likely impact on Indian trade and employment opportunities world over?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI ANAND SHARMA)

a) to e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 155 FOR ANSWER ON 16TH DECEMBER, 2013 REGARDING "TRADE FACILITATION AGREEMENT"

(a) Yes, Madam. At the Ninth Ministerial Conference of the WTO, held during 3-7 December 2013, in Bali the Ministerial Conference endorsed a multilateral Agreement on Trade Facilitation.

The Agreement is an outcome of the WTO trade facilitation negotiation, which was initiated in the year 2004 and concluded this year at the aforesaid Ninth Ministerial Conference.

The Agreement contains a set of multilateral trade rules for expediting the movement, release and clearance of goods, including goods in transit, across the international borders. It also aims at enhancing assistance and support for capacity building of developing and least developed countries in this area. It further contains provisions for effective cooperation among WTO Members on trade facilitation and customs compliance issues.

The Agreement shall come into force in accordance with the procedure prescribed by the WTO in this regard.

(b) The WTO trade facilitation negotiation was initiated in the year 2004 in terms of the modalities contained in the July 2004 Framework Agreement, to which India is a signatory. The July 2004 Framework Agreement inter alia prescribes that the results of the negotiation shall take fully into account the principle of special and differential treatment for developing and least developed countries.

(c) Yes, Madam. India and other like-minded developing countries negotiated the Trade Facilitation Agreement with a view to safeguarding and strengthening the interests of developing countries including the least developed countries. In this regard, India closely coordinated its positions with other developing countries including the BRICS nations on various issues involved in the negotiation. As a result, most of the demands and concerns of India have been appropriately addressed in the Agreement.

(d) Although the text of Trade Facilitation Agreement could not be finalized in Geneva in spite of long and intensive consultations held during Oct-Nov 2013, the WTO Members on 7th Dec 2013 agreed to adopt a clean text as a result of subsequent efforts made by them during the Ninth Ministerial Conference. Thus, the WTO negotiation on trade facilitation did not fail.

(e) Not applicable in view of (d) above.