GOVERNMENT OF INDIA COMMERCE AND INDUSTRY LOK SABHA

STARRED QUESTION NO:248 ANSWERED ON:13.03.2015 DUTY FREE TARIFF PREFERENCE SCHEME Bharathi Mohan Shri R.K.

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

(a) whether the Government is implementing Duty Free Tariff Preference (DFTP) scheme for the Least Developed Countries (LDCs);

(b) if so, the salient features thereof;

(c) the names of beneficiary countries included in the said scheme; and

(d) whether the Government has evaluated the impact of DFTP scheme on domestic Indian market, if so, the details and the outcome thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE) (SMT. NIRMALA SITHARAMAN)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 248 FOR ANSWER ON 13TH MARCH, 2015 REGARDING "DUTY FREE TARIFF PREFERENCE SCHEME"

a): Yes, Madam.

b) Pursuant to the Hong-Kong WTO Ministerial Declaration of December 2005 for Duty Free Quota Free access to the Least Developed Countries (LDCs), India announced its Duty Free Tariff Preference (DFTP) Scheme for LDCs in the year 2008. The Scheme came into full operation in 2012 and provided duty free access on about 85% of India's total tariff lines and preferential access (Positive List) on about 9% of the tariff lines. Only 6% tariff lines were under the Exclusion List.

Further, to fully meet the obligations under the Hong Kong Ministerial Mandate, the Scheme has been expanded and with effect from 1.4.2014, the Scheme now provides duty free market access on about 96 % of India's tariff lines and 2.2% of the lines are enjoying preferential duties. Only 1.8% of the tariff lines have been retained in the Exclusion List, with no duty concessions.

In order to become beneficiary of the DFTP Scheme, individual LDCs are required to submit to the Government of India, a Letter of Intent and details of officials who would be responsible for issuing the Certificate of Origin in the prescribed format.

c) At present, 31 LDCs have become beneficiaries of the Scheme. These are- Benin, Malawi, Burkina Faso, Mali, Burundi, Mozambique, Comoros, Rwanda, Central African Republic, Senegal, Eritrea, Somalia, Ethiopia, Sudan, Gambia, Uganda, Lesotho, Tanzania, Liberia, Zambia, Madagascar, Afghanistan, Myanmar, Bangladesh, Samoa, Cambodia, Republic of Yemen, East Timor, Maldives, Lao PDR, Haiti.

d) No, the Government has not evaluated the impact of DFTP Scheme on the domestic Indian market. It is pertinent to note that the share of beneficiary LDCs' imports, as a percentage of total imports by India is only 1.17% in 2013-14.