

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

UNSTARRED QUESTION NO:2425

ANSWERED ON:14.12.2015

Regional Comprehensive Economic Partnership

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

- a) whether the Government has joined or proposes to join the Regional Comprehensive Economic Partnership with other countries;
- b) if so, the details thereof along with the benefits accrued/likely to accrue therefrom;
- c) whether there has been any change in India's exports and imports with those countries India has entered into agreements;
- d) if so, the details thereof, country-wise along with the impact on Indian domestic industries, industry-wise; and
- e) whether the Government is holding negotiations with other regional blocks for developing trade and commerce and if so, the details thereof?

Answer

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

(a) to (b): India is part of the Regional Comprehensive Economic Partnership (RCEP) which is a proposed Free Trade Agreement (FTA) amongst sixteen countries consisting of ten ASEAN member states and their six Free Trade Partners namely India, Australia, China, Japan, New Zealand and Republic of Korea. The RCEP is currently under negotiations with ten round of negotiations being completed. The tenth Round was held from 12-16 October in Busan, South Korea. The RCEP is intended to facilitate and thereby increase goods and services trade as well as investment flows amongst the participating countries.

(c) to (d) The details of the growth rates of exports to and imports from the individual countries and regional blocks with which India has trade agreements is given at Annexure I.

(e) The details of other regional blocks with whom Government is holding negotiations are given at Annexure II.

Annexure 1

India's total trade with Trade Agreement partners (in \$ million)

COUNTRY/BLOCK YEAR EXPORT IMPORT TOTAL TRADE

ASIA PACIFIC TRADE AGREEMENT (APTA) COUNTRIES

2012-13 26914.05 66618.58 93532.63

2013-14 29778.81 64658.43 94437.25

2014-15 29716.47 75319.81 105036.29

2015-16(APR TO SEP) 11899.9 38995.52 50895.42

CAGR(2012-2015) 5.08% 6.33% 5.97%

ASEAN COUNTRIES

2012-13 33008.31 42866.36 75874.67

2013-14 33135.05 41279.29 74414.35

2014-15 31812.86 44714.77 76527.63

2015-16(APR TO SEP) 11787.95 20953.49 32741.44

CAGR(2012-2015) -1.83% 2.13% 0.43%

JAPAN

2012-13 6101.24 12412.29 18513.54

2013-14 6814.64 9481.03 16295.67

2014-15 5385.87 10131.36 15517.23

2015-16(APR TO SEP) 2597.79 4912.18 7509.97

CAGR(2012-2015) -6.05% -9.65% -8.45%

KOREA

2012-13 4205.67 13105.12 17310.79

2013-14 4209.52 12470.97 16680.49

2014-15 4604.19 13529.11 18133.3

2015-16(APR TO SEP) 1767.62 6651.28 8418.91
CAGR(2012-2015) 4.63% 1.60% 2.35%
MALAYSIA

2012-13 4444.1 9951.06 14395.15
2013-14 4198.18 9230.18 13428.36
2014-15 5816.65 11117.74 16934.39
2015-16(APR TO SEP) 2154.69 4675.53 6830.22
CAGR(2012-2015) 14.40% 5.70% 8.46%
SINGAPORE

2012-13 13619.31 7486.38 21105.7
2013-14 12511.19 6762.71 19273.9
2014-15 9809.53 7124.47 16934
2015-16(APR TO SEP) 3425.72 3810.31 7236.02
CAGR(2012-2015) -15.13% -2.45% -10.43%
AFGHANISTAN

2012-13 472.63 159.55 632.18
2013-14 474.35 208.77 683.13
2014-15 422.56 261.91 684.47
2015-16(APR TO SEP) 302.66 109.34 412
CAGR(2012-2015) -5.45% 28.12% 4.05%
BHUTAN

2012-13 233.22 164 397.22
2013-14 355.61 152.17 507.78
2014-15 333.94 149.87 483.81
2015-16(APR TO SEP) 183.75 183.61 367.36
CAGR(2012-2015) 19.66% -4.40% 10.36%
CHILE

2012-13 690 2992.31 3682.31
2013-14 664.02 2508.04 3172.06
2014-15 565.82 3080.63 3646.45
2015-16(APR TO SEP) 331.6 1111.82 1443.43
CAGR(2012-2015) -9.44% 1.47% -0.49%
NEPAL

2012-13 3088.84 543.1 3631.94
2013-14 3592.43 529.95 4122.37
2014-15 4558.77 639.91 5198.68
2015-16(APR TO SEP) 1946.49 258.18 2204.67
CAGR(2012-2015) 21.49% 8.55% 19.64%
SRILANKA

2012-13 3983.87 625.81 4609.68
2013-14 4534.51 666.94 5201.45
2014-15 6703.72 756.17 7459.89
2015-16(APR TO SEP) 2791.26 394.52 3185.78
CAGR(2012-2015) 29.72% 9.92% 27.21%
MERCOSUR COUNTRIES

2012-13 6814.66 6057.54 12872.2
2013-14 6414.12 5085.23 11499.35

2014-15 6738.84 7501.63 14240.46
2015-16(APR TO SEP) 1964.77 3225.33 5190.1
CAGR(2012-2015) -0.56% 11.28% 5.18%
SAARC COUNTRIES

2012-13 15110.8 2679.95 17790.75
2013-14 17504.59 2473.07 19977.66
2014-15 20480.14 2930.85 23411
2015-16(APR TO SEP) 8814.72 1499.39 10314.1
CAGR(2012-2015) 16.42% 4.58% 14.71%
THAILAND

2012-13 3733.17 5352.61 9085.78
2013-14 3703.39 5340.36 9043.75
2014-15 3464.83 5865.88 9330.71
2015-16(APR TO SEP) 1530.25 2927.19 4457.43
CAGR(2012-2015) -3.66% 4.68% 1.34%

Source: DGCIS Kolkata

Annexure 11

Trade agreements under negotiation with regional blocks:

S. No. Name of the Agreement Status

1 India - EU BTIA

(Austria, Belgium, Bulgaria, Croatia, 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) Negotiations were launched on 28th June 2007 in the areas of Goods, Services, Investment, Sanitary and Phyto-sanitary Measures, Technical Barriers to Trade, Trade Facilitation and Customs Cooperation, Competition, IPR & GIs. etc.

Fifteen rounds of negotiations and a number of inter-sessional and Chief Negotiator level meetings have been held till date. A Ministerial review meeting between Hon'ble Commerce & Industry Minister and EU's Trade Commissioner was held on 15th April, 2013 at Brussels.

After a period of lull, both sides began re-engagement from October, 2014 onwards.

2 India EFTA TEPA (Iceland, Norway, Liechtenstein and Switzerland) The India-EFTA TEPA (Trade and Economic Partnership Agreement) was launched in January 2008 (then known as BTIA). The first round was held in New Delhi during 6-8 October, 2008. The Chapters covered are Trade in Goods, Services, Investment, Sanitary and Phyto-sanitary Measures (SPS), Technical Barriers to Trade (TBT), Trade Facilitation and Customs Cooperation, Competition, Intellectual Property Rights (IPR), Government Procurement (GP), Dispute Settlement (DS), Trade Defence (TD), Rules of origin (ROO), Sustainable Development (SD) and Legal & Horizontal etc. 13 rounds of negotiations have been held with the 13th and final round being held on 25-29th November, 2013. Legal vetting has been completed in most of the texts with only some residual work remaining. There are few pending issues on both sides such as TRIPS Plus and Data Adequacy/Data Security status.

3 India - SACU PTA (South Africa, Botswana, Lesotho, Swaziland and Namibia) Five rounds of negotiations have been held so far. 1st Round of negotiation was held in Pretoria on October 5-6th, 2007 and the 5th round of negotiations held in October 2010 in New Delhi. During the 9th Joint Ministerial Commission (JMC) meeting held at Durban on 19th March, 2015 under the co-chairmanship of Hon'ble Minister of External Affairs and South Africa's Foreign Minister, while discussing pending negotiations on finalization of INDIA-SACU PTA, the Indian side requested the South African side for assistance in holding the 6th round of negotiations.

4 India - Mercosur PTA

(Argentina, Brazil, Paraguay and Uruguay) The two issues currently under discussion on the India-Mercosur PTA are the expansion in coverage and inclusion of Venezuela in the PTA.

5 BIMSTEC FTA

(Bangladesh, India, Myanmar, Sri Lanka, Thailand, Bhutan and Nepal) 20 meetings of the Trade Negotiation Committee (TNC) have taken place. 20th Meeting of BIMSTEC Trade Negotiating Committee (TNC) was held on during 07-09, September 2015 in Khon Kaen Province, Thailand.

6 India - Gulf Cooperation Council (GCC) Framework Agreement

(Saudi Arabia, Oman, Kuwait, Bahrain, Qatar and United Arab Emirates) Two rounds of negotiations have been held so far in 2006 and 2008. The second round was held in September 9-10, 2008. No round could take place held in the last 7 years since GCC has deferred its negotiations with all countries and economic groups and is currently reviewing its negotiations with all countries and economic groups.

7 Regional Comprehensive Economic Partnership (RCEP) Agreement among ASEAN + 6 FTA Partners (Australia, China, India, Japan, South Korea and New Zealand) Based on the Declaration of the Leaders during the ASEAN Summit in November, 2012, negotiations for a comprehensive economic partnership between the 10 ASEAN member states and its 6 FTA partners commenced in May, 2013. Ten rounds of negotiations have been held so far. The 10th round was held on 8-16, October 2015 in Busan, Korea. The negotiations cover a number of areas like trade in goods, services, investment, intellectual property, economic & technical cooperation, competition and legal & institutional issues.

8 India-ASEAN Trade in Goods Agreement (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam)

(1st Review) The ASEAN Secretariat has agreed to the 1st review of India-ASEAN trade in Goods Agreement in the coming months. Dates would be finalized as per mutual consultations.
