

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

UNSTARRED QUESTION NO:3387

ANSWERED ON:12.12.2014

FTAS WITH EU

Biswas Shri Radheshyam;Mohan Shri P. C.;Rajesh Shri M. B.

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

- (a) whether negotiations for Free Trade Agreements (FTAs) between India and European Union (EU) have not been concluded so far;
- (b) if so, the details thereof along with the major issues hindering the signing of the agreement;
- (c) whether auto industry of the country is demanding protection/incentives from the Government under FTA while European Union has demanded significant duty cut in the auto sector;
- (d) if so, the details thereof along with the response of the Government thereto;
- (e) whether the Government proposes to reduce the import duty on cars and engines;
- (f) if so, details thereof along with the reaction of the Government to include the provision of import duty reduction on automobile import under the proposed FTA with EU; and g) whether the Government proposes to place Completely Built Units (CBUs) and car engines under negative list and if so, the details thereof?

Answer

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

(a) Yes, Madam.

(b) The Government of India is presently negotiating a bilateral broad Based Trade and Investment Agreement (BTIA) with the European Union (EU), covering a number of tracks ranging from Trade in Goods to Services. So far fifteen rounds of negotiations have been held. The last engagement between both sides was held in May 2013 in New Delhi. Since then, EU had largely disengaged from the negotiation. However, recently a meeting was held between both sides to take stock.

(c) to (g) As is consistent with previous and established practice in ongoing negotiations, it would be premature to share the details of negotiations. Disclosures before finalisation of the Agreement may adversely affect India's position in the negotiations.