

Meeting of Iron Ore Exporting countries held in Geneva

SHRI DHAMANKAR:

*777. **SHRI B. S. BHAURA:**

Will the Minister of COMMERCE be pleased to state:

(a) whether a meeting of the iron ore exporting countries was held in Geneva on April 2, 1975; and

(b) if so, the subjects discussed thereat and the outcome thereof?

THE MINISTER OF COMMERCE (PROF. D. P. CHATTOPADHYAYA):

(a) Yes, Sir.

(b) This meeting at which fourteen iron ore exporting countries were represented approved the text of an Agreement for the establishment of the Association of Iron Ore Exporting Countries. This Agreement will now remain open in New Delhi for signature by the duly accredited representatives of the participating countries, and shall enter into force thirty days after signature by seven countries.

SHRI DHAMANKAR: The hon. Minister in his statement has said that fourteen nations have met together and decided to form an Association. It is a good thing because that will give us an advantage to have our own prices. I would like to know whether in that Conference details as to future contracts with the importing countries and the rise clause in the contracts have also been discussed.

PROF. D. P. CHATTOPADHYAYA: All these details have been gone into and certain decisions taken. And one of the main conclusions emerged out of the discussions is to co-ordinate the national policies of different member-countries.

The other important point was progressive harmonising of the policies of the Member-countries. Also attempts are being made when the organization is formed, to ensure stable, equitable and remunerative prices for iron ore and semi-processed derivatives.

So, all these things have been looked into and decisions taken. But, final ratifications from the respective Governments are awaited. Thereafter, the accredited representatives will sign the agreement.

SHRI DHAMANKAR: Sir, I would like to know whether the point was discussed that iron pellets should be exported instead of iron ore to reduce the cost of shipping and economise?

PROF. D. P. CHATTOPADHYAYA: This is precisely what I meant when I said that semi-processed derivatives are also covered in the provisions and the purview of working of the proposed organisation.

SHRI INDRAJIT GUPTA: Sir, is the main purpose of this agreement to ensure that certain minimum level of export prices will be maintained by these fourteen countries and that they will not under-quote or under-cut each other? Is it possible, within the frame-work of this agreement, for countries to have differential in export prices and I would like to know how, for example, the recently concluded agreement to supply pelletised iron ore to Iran will fit in with an agreement of this type?

PROF. D. P. CHATTOPADHYAYA: Sir, this is a multi-lateral organisation with some broad policy parameters within which they are likely to work. But, that does not exclude the possibility of certain bilateral arrangements while, as I say, every attempt will be made to evolve some broad policy parameters ensuring equitable prices for all member countries. But, this does not necessarily preclude bilateral arrangements keeping in view the peculiarities of the situation in terms of investment, in terms of long-term contracts, grades of iron ore, etc.

SHRI BHAGWAT JHA AZAD: Sir, from the reply of the hon. Minister, it seems that Government takes pride in being one of the chief exporters of iron ore. If not, may I know from the Government whether their long-term policy is a progressive increase of export of iron ore or a progressive decrease of it? If it is the later, what is the policy of the Government in collaboration with other countries in this behalf?

PROF. D. P. CHATTOPADHYAYA: Sir, Government policy is two-fold, if I may say so. In absolute terms, perhaps, increase, but, in relative terms, a gradual decrease of export of iron ore and increase of export of derivatives, if possible, finished products.

श्री रामकवर: मैं मंत्री जी से जानना चाहता हूँ कि चूँकि लोहे का जो व्यापार दूसरे देशों के साथ हमारा हो रहा है उसमें वर्तमान स्थिति में हमें बहुत कम कीमत मिल रही है, क्या आप कीमत बढ़ाने जा रहे हैं? और यह जो कच्चा लोहा बाहर भेजते हैं मंत्री महोदय ने पहले बताया था कि हम भारत में ऐसे उद्योगधंधे चालू करेंगे जिस से यहाँ का लोहा यहाँ खप सके, तो इस योजना को मंत्री महोदय कितने दिनों में पूरा करने जा रहे हैं?

PROF. D. P. CHATTOPADHYAYA: Sir, I have already said that Government policy is to see that gradually semi-processed and if and when possible, fully processed steel is exported. Meanwhile, we have seen to it that our iron ore fetches remunerative and comparable prices, comparable to the prices fetched by other iron ore exporting countries.

SHRI P. R. SHENOY: Sir, may I know whether the iron ore exported from India is getting reasonable price at present? If not, what is the . . .

MR. SPEAKER: You are shifting from that meeting to the prices now.

SHRI P. R. SHENOY: Sir, may I know whether one of the objects of the meeting is to get a good price for the iron ore exported from India and may I also know whether we are getting a reasonable price for the iron ore we are exporting at present?

If not, what steps are taken to get a reasonable price?

PROF. D. P. CHATTOPADHYAYA: To both questions, my answer is 'yes'.

श्री राजू रत्न शर्मा: आपने बताया है कि चीन देशों ने जेनेवा की

बीठक में भाग लिया। मैं जानना चाहता हूँ कि वे कौन कौन से देश थे? मैं यह भी जानना चाहता हूँ कि आयरन ओर भेजने में या फिनिश आयरन भेजने में फायदा है? आयरन ओर की देश में बहुत कमी है। ऐसी अवस्था में अगर हम इसका निर्यात करेंगे तो हमें फायदा रहेगा या उससे नुकसान होगा?

PROF. D. P. CHATTOPADHYAYA: I have already answered the latter part. The only other thing I would like to mention is that the countries which attended the meeting are Algeria, Australia, Brazil, Chile, India, Mauritania, Peru, Sierra Leone, Sweden, Tunisia and Venezuela.

Assistance given by Financial Institutions to States

*779 **SHRI SAMAR GUHA:** Will the Minister of FINANCE be pleased to state:

(a) whether replies given to Unstarred Questions No. 852 on 26th July, 1974, No. 1463 on 2nd August, 1974, No. 2624 on 16th August, 1974 (laid on the Table on 28th February, 1975), No. 3380 on 23rd August, 1974 and Starred Question No. 354 on 14th March, 1975 factually show that financial advantages in regard to assistance by IDBI, IFCI, UTI, LIC, ICICI and IRCI have gone arbitrarily in favour of States in proximity of the headquarters of these financial institutions,

(b) whether the facts about unequitable and disproportionate distributions of financial assistances given to different States are clearly established from the figures of distribution of financial assistances made to different States;

(c) whether such discriminations in distribution of financial assistances have very considerably contributed to the growth of regional economic imbalances; and

(d) if so, whether Government propose to set up an independent high power Committee of economic experts to go into the matter?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI): (a) to (d) A statement is laid on the Table of the House.