GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

# RAJYA SABHA
# UNSTARRED QUESTION NO. 1988
# TO BE ANSWERED ON 12th MARCH, 2021

## OPTING OUT OF RCEP AGREEMENT

1988. SHRI MALLIKARJUN KHARGE:

Will the Minister of **COMMERCE &INDUSTRY** be pleased to state:

(a) the reason for India coming out of the RCEP (Regional Comprehensive Economic Partnership) Agreement in 2020;

(b) whether it is a fact that several former diplomats and foreign policy experts have criticised this move;

(c) if so, whether their concerns are justified;

(d) the impact of this move on India's export/import; and

(e) how does this step impact the flow of investments into the country?

## ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI HARDEEP SINGH PURI)

(a) to (e): The Government held extensive consultations with stakeholders such as the domestic industry, exporters, Export Promotion Councils, trade experts, various Ministries/Departments, academicians as well as the State Governments and received inputs, which were taken into consideration while formulating India's position in the Regional Comprehensive Economic Partnership (RCEP) negotiations. Based on such consultations, India's position in RCEP was formulated with an aim to achieve equitable outcomes, balanced ambitions and address domestic sensitivities of its stakeholders including small entrepreneurs. While RCEP was intended to provide mutually beneficial outcomes for RCEP countries, the structure of RCEP did not adequately address the ambitions and concerns of India's stakeholders. In light of these, India decided not to join the RCEP, in its current form. Accordingly, during the 3rd RCEP Leaders' Summit held on 4th November, 2019 in Bangkok, India conveyed its position that current structure of RCEP did not reflect the RCEP Guiding Principles or address the outstanding issues and concerns of India. However, India re-iterated that the Act East Policy has been the bedrock of India's economic policy and that India's engagement with the ASEAN countries and other trading partners would continue.

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