

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY
DEPARTMENT OF COMMERCE
RAJYA SABHA
UNSTARRED QUESTION NO. 2279
ANSWERED ON 08/08/2025

PROTECTING DOMESTIC INTERESTS IN TRADE DEALS

2279 SHRI ASHOK SINGH:

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

- (a) the status and details of the major trade deals with countries and blocs like US, UK, Germany, Brazil, etc.;
- (b) the major concerns from the Indian side pertaining to farmers, agricultural prices, domestic consumption, etc. which play a key factor in the negotiations; and
- (c) in what manner will India benefit from recently concluded or in-pipeline trade deals and agreements without harming the domestic interests of farmers, MSMEs or the labour workforce, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY

(SHRI JITIN PRASADA)

(a) The India-UK Comprehensive Economic and Trade Agreement has been signed on 24th July 2025. Five rounds of negotiations have been held on the India-USA Bilateral Trade Agreement, the last being in July 2025. India is negotiating a Free Trade Agreement with the European Union where Germany is one of the members. Twelve rounds of the negotiations have been completed, last being in July 2025. Brazil is a member of the India-MERCOSUR Preferential Trade Agreement signed on 25th January 2004 and implemented w.e.f. 1st June, 2009.

(b) & (c) Free Trade Agreements (FTAs) are entered into with the concerned trading partner countries primarily with the aim to increase the bilateral trade and economic growth by enlarging the scope of market access and building on the trade complementarities for increasing trade and investment, thereby providing enhanced export potential, generating benefits for industry, farmers, MSMEs and creating job opportunities. FTAs are negotiated with the endeavour to deliver a comprehensive, balanced, broad-based and equitable agreement based

on the principle of fairness and reciprocity. It also ensures a level playing field for Indian exporters vis-a-vis their competitors in the trading partner countries.

In order to protect the interests of the domestic industry, including MSMEs, FTAs provide for maintaining sensitive, negative or exclusion lists of items on which limited or no tariff concessions are granted. In addition, in case of surge in imports and injury to the domestic industry, a country is allowed to take recourse to trade remedial measures such as anti-dumping and safeguards on imports within the period as mutually agreed to by the parties under the FTAs. FTAs include provisions on Technical Barriers to Trade to promote mutual understanding of each sides' standards, technical regulations, and measures to enhance transparency. Additionally, FTAs address non-technical barriers, thereby facilitating smoother and more effective access to export markets for Indian goods. FTAs include sub-committees for review to align with emerging global requirements.

India-UK CETA provides an unprecedented duty-free access to almost 99 per cent of India's exports to the UK, covering nearly 100% of the trade value. This includes labour-intensive sectors such as textiles, leather, marine products, gems and jewellery, and toys as well as high-growth sectors like engineering goods, chemicals, and auto components etc. This will spur large-scale employment generation, empowering artisans, women-led enterprises, and MSMEs. The services sector, a strong driver of India's economy, will also see wide-ranging benefits. The agreement provides greater market access in IT and IT-enabled services, financial and legal services, professional and educational services, and digital trade. India has also secured an agreement on the Double Contributions Convention. This will exempt Indian professionals and their employers from social security payments in the UK for up to three years. The press note issued by the Department in this regard may be seen at <https://www.pib.gov.in/PressNoteDetails.aspx?NoteId=154945&ModuleId=3>.
