

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY
DEPARTMENT OF COMMERCE
RAJYA SABHA
UNSTARRED QUESTION NO-690
ANSWERED ON 05/12/2025

EXPANSION OF INDIA-MERCOSUR PREFERENTIAL TRADE AGREEMENT

690. SHRI MILIND MURLI DEORA

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

- (a) whether discussions have been initiated with MERCOSUR to expand the existing Preferential Trade Agreement;
- (b) the present status and timelines for negotiations;
- (c) whether expansion includes more tariff lines and deeper concessions;
- (d) whether non-tariff barriers, rules of origin, services and investment are proposed to be covered;
- (e) the current bilateral trade volume and future targets; and
- (f) the manner in which expansion will diversify export markets and strengthen South-South trade linkages?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY

(SHRI JITIN PRASADA)

(a) to (d) The 4th meeting of the Joint Administration Committee (JAC) of the India-MERCOSUR Preferential Trade Agreement (PTA) was held recently to discuss various aspects of the extant PTA. During the meeting, all partners of the PTA agreed to work actively towards the expansion of the scope of the PTA within a definite timeframe. The expansion will be based on the terms of reference that may be agreed in due course among all the parties covering various possible areas in the context of trade and economic cooperation between India and MERCOSUR members. Currently, the PTA covers around 450 tariff lines from India and 452 from MERCOSUR, with tariff concessions ranging between 10% and 100%.

(e) During FY 2024–25, total trade between India and MERCOSUR countries (Argentina, Brazil, Paraguay, Uruguay) amounted to USD 17.48 billion, comprising USD 8.12 billion in exports and USD 9.36 billion in imports. In the current financial year 2025–26 (April–October), the total bilateral trade stands at USD 11.84 billion, with exports of USD 5.22 billion and imports of USD 6.62 billion.

(f) The expansion, as and when it happens, is expected to substantially boost South–South trade and cooperation by deepening existing preferences and widening product coverage. By adding more tariff lines and reducing non-tariff barriers, the agreement can strengthen complementarities between the Indian and MERCOSUR economies. This will help India diversify its export destinations and support more resilient and integrated supply chains in the Global South.
