

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

LOK SABHA
UNSTARRED QUESTION NO. 368
TO BE ANSWERED ON 05th FEBRUARY, 2018

BENEFITS OF GLOBAL TRADE EXPANSION

368. SHRIMATI K. MARAGATHAM:

Will the Minister of **COMMERCE & INDUSTRY (वाणिज्य एवं उद्योग मंत्री)** be pleased to state:

- (a) whether it is a fact that the benefits of global trade expansion have happened largely because of the World Trade Organization (WTO);
- (b) if so, the details thereof;
- (c) whether the Government has taken steps to tackle the issue of food security, following the impasse at the Buenos Aires WTO meeting; and
- (d) if so, the details thereof?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सी. आर. चौधरी)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

(a)-(b): The establishment of the World Trade Organization (WTO) resulted in a framework of rules for the multilateral trading system applicable to its member countries. At present the WTO has over 160 members representing 98 per cent of world trade. The WTO rules have helped in reducing trade-related barriers between countries and opening new markets by providing a fair platform for its member countries. The WTO's framework of rules based on non-discrimination, the regular review and monitoring of trade policies of member countries and its dispute settlement mechanism, as well as the reduction in tariffs and non-tariff barriers achieved through negotiation among its member countries, has resulted in their enhanced integration in the global trading system. In this manner, the organisation can be said to have contributed to expansion of global trade.

(c)-(d) : Ministerial Decisions of the Bali and Nairobi Conferences of the WTO, held in December 2013 and December 2015 respectively and a WTO General Council Decision of 2014, provide for an interim solution on the issue of public stockholding for food security purposes which is available to developing countries in perpetuity till a permanent solution is agreed and adopted. The interim solution ensures that WTO members would exercise due restraint (popularly termed a 'peace clause') in raising disputes under the relevant provisions of the WTO Agreement on Agriculture in respect of public stockholding programmes for food security purposes even if countries exceed their permissible limits as regards subsidies for such programmes.

While a permanent solution on public stockholding for food security purposes could not be achieved at the recently concluded 11th Ministerial Conference of the WTO held in Buenos Aires, Argentina in December 2017 due to a lack of consensus, India's public stockholding programmes continue to be protected due to the interim solution, which is available in perpetuity.
