

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

LOK SABHA
UNSTARRED QUESTION NO. 1116
TO BE ANSWERED ON 17th DECEMBER, 2018

INDIA'S FOREIGN TRADE

1116. DR. PRITAM GOPINATH MUNDE:
SHRI A. ARUNMOZHITHEVAN:
SHRI VINAYAK BHAURAO RAUT:
SHRI SHRIRANG APPA BARNE:
SHRI DHARMENDRA YADAV:

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

- (a) whether India has trade deficit with 10 Regional Economic Co-operation Partnership (RECP) member countries and if so, the details thereof along with the reasons therefor;
- (b) whether trade gap with China has increased to USD 63.12 billion in 2017-18, against USD 51.11 billion in the previous financial year and if so, the details thereof and the reasons therefor;
- (c) whether concerns have been raised by industry, exporters and trade experts on Free Trade Agreements (FTAs) being implemented by India and if so, the details thereof;
- (d) whether the Government proposes to appoint two independent agencies for preparing a template to negotiate FTAs and if so, the details thereof;
- (e) whether India's export in SAARC region itself is sub-optimal despite huge potential exists to boost exports in this region and if so, the response of the Government in this regard; and
- (f) the other steps taken by the Government to reduce the trade deficit with member countries of RECP and also the steps to increase trade with neighbouring countries?

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) to (b): The details of trade deficit/surplus with 15 Regional Comprehensive Economic Partnership (RCEP) Partner Countries (RPCs) during 2017-18 are given at Annexure I. The trade deficit/surplus with any country is a function of many factors including export interest, domestic demand, changing consumption pattern and level of competitiveness. The trade deficit with China during the period 2017-18 was on

account of increase in imports of electronics, machinery, organic chemicals, plastics, instruments and appliances etc.

- (c) and (d) The government holds regular stakeholders' consultations with industry, exporters and trade experts for taking inputs for formulating India's positions in trade negotiations. Independent think tanks and research bodies are also consulted from time to time on trade negotiations with partner countries.
- (e) India has a trade surplus with countries in SAARC region as indicated in Annexure II. In order to boost our exports to the region, government has taken measures to improve trade infrastructure, including upgradation of Land Customs Stations, establishment of Integrated Check Posts/Border Haats, facilitation of bilateral and sub-regional connectivity, etc. The Government has engaged pro-actively with SAARC countries to strengthen trade and economic relations through dialogue and cooperation.
- (f) Further, Government is supporting Indian exporters through various initiatives, such as Merchandise Exports from India Scheme (MEIS), Market Access Initiative (MAI) for participation in trade fairs/ exhibitions in foreign countries; Market Development Assistance (MDA); 3% interest equalisation assistance; duty free imports of inputs and machinery for export production; refund of duties paid on export products; simplification of customs clearance through setting up of Customs Clearance Facilitation Committee at every major seaport and airport; promotion of product standards, packaging and branding of Indian products, etc.

India's trade with RCEP countries during 2017-18 (In \$ million)

Country	Export	Import	Total Trade	Trade Balance
Australia	3,824.7	13,989.0	17,813.7	-10,164.3
Brunei	63.2	434.8	498.0	-371.6
Cambodia	121.4	55.8	177.2	65.6
China	13,131.4	76,251.6	89,383.1	-63,120.2
Indonesia	3,962.0	16,435.9	20,397.8	-12,473.9
Japan	4,733.1	10,975.1	15,708.2	-6,242.1
Lao	25.0	168.6	193.6	-143.6
Malaysia	5,664.0	9,009.8	14,673.8	-3,345.8
Myanmar	966.1	639.5	1,605.6	326.6
New Zealand	352.8	643.7	996.5	-290.9
Philippines	1,686.7	764.4	2,451.1	922.4
Singapore	9,815.6	7,434.9	17,250.6	2,380.7
South Korea	4,394.9	16,357.9	20,752.8	-11,963.0
Thailand	3,636.4	7,127.2	10,763.6	-3,490.8
Vietnam	7,810.4	4,947.5	12,757.8	2,862.9
RCEP	60,187.7	165,235.7	225,423.4	-105,048.0

India's trade with SAARC countries (in \$ million)

Country	Parameter	2015-2016	2016-2017	2017-2018
AFGHANISTAN	EXPORT	526.6	506.34	709.75
	IMPORT	307.9	292.9	433.78
BANGLADESH	EXPORT	6,034.94	6,820.11	8,614.35
	IMPORT	727.15	701.68	685.65
BHUTAN	EXPORT	468.95	509.28	546.12
	IMPORT	281.27	307.82	377.99
NEPAL	EXPORT	3,902.70	5,453.59	6,612.96
	IMPORT	470.59	445.13	438.38
SRI LANKA	EXPORT	5,310.75	3,913.15	4,476.46
	IMPORT	742.79	602.2	772.63
PAKISTAN	EXPORT	2,171.17	1,821.87	1,924.28
	IMPORT	441.03	454.49	488.56
MALDIVES	EXPORT	179.07	197.79	217
	IMPORT	4.29	9.17	5.68
Total Export to SAARC Region		18,594.18	49,222.13	23,100.92
Total Imports from SAARC Region		2,975.02	2,813.39	3,202.67