GOVERNMENT OF INDIA MINISTRY OF COMMERCE AND INDUSTRY DEPARTMENT OF COMMERCE LOK SABHA STARRED QUESTION NO. 168 TO BE ANSWERED ON 03rd JULY, 2019

TRADE BETWEEN INDIA AND CENTRAL ASIA

168. SHRI GIRIDHARI YADAV & SRIMATI RAMA DEVI

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

- (a) whether the volume/quantum of trade between India and the countries of Central Asia region is not upto the desired level;
- (b) if so, the details thereof and the reasons therefor along with the reaction of the Government thereto:
- (c) whether the Government has conducted any study and survey in this regard;
- (d) if so, the details and the findings thereof; and
- (e) the steps taken/being taken by the Government to increase trade with Central Asian countries during the last three years and the current year along with the success achieved therefrom?

ANSWER

THE MINISTER OF MINISTRY OF COMMERCE AND INDUSTRY (SHRI PIYUSH GOYAL)

(a) To (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 168 FOR ANSWER ON 03rd JULY, 2019 REGARDING "TRADE BETWEEN INDIA AND CENTRAL ASIA"

(a) & (b) The details of the bilateral merchandise trade between India and Central Asian countries are given below:-

Value in USD Million

S. No	Country	2017-18			2018-19		
		Exports	Imports	Total Trade	Exports	Imports	Total Trade
1	KAZAKHSTAN	125.37	907.43	1,032.81	143.13	708.78	851.91
2	KYRGHYZSTAN	28.59	30.94	59.53	30.02	2.59	32.6
3	TAJIKISTAN	23.94	50.29	74.24	22.28	4.24	26.52
4	TURKMENISTAN	54.31	26.15	80.46	45.64	20.63	66.27
5	UZBEKISTAN	132.72	101.67	234.39	201.41	126.73	328.14
	Total	364.93	1,116.49	1,481.42	442.48	862.97	1,305.45

Some factors impeding higher level of trade with Central Asian countries include language barriers, stringent process of registration of products, problems in dispute settlement, weak banking and financial system, low accessibility, poor connectivity and visa Issues with these countries.

Efforts are being made to boost this trade by resolving various trade related matters through the existing institutional mechanisms of Inter-Governmental Commissions (IGCs) / Joint Commission Meetings and Joint Working Groups (JWGs) between India and Central Asian countries.

(c) & (d) Yes Sir.

The Central Asian Countries namely Kazakhstan and Kyrgyzstan are members of the Eurasian Economic Union (EaEU). A Joint Feasibility Study has been conducted to explore the possibility of Free Trade agreement with EaEU where Russia, Armenia, Belarus are the other three countries. The

Joint Feasibility Study (JFS) has found that there is a significant realizable potential to enhance the bilateral trade with Kazakhstan and Kyrgyzstan through a trade agreement.

Further, a Joint Statement has been shared with Uzbekistan to commence a Joint Feasibility Study to explore the feasibility of Preferential Trade Agreement between India and Uzbekistan. The likely potential of the bilateral trade would be determined once the Joint Feasibility Study gets completed.

(e) There are existing institutional mechanisms in the form of Inter-Governmental Commissions (IGCs), Joint Commission Meetings (JCMs) and Joint Working Groups (JWGs) where bilateral trade issues are taken up for discussions. During the last three years and in the current year meetings of 3 IGCs, 2 JWGs and 3 JCMs have been held. The Ministry also takes up export promotion matters with Export Promotion Councils, Trade Bodies, Commodity Boards and Embassies of India in the Central Asian Region for identifying and addressing issues which hamper exports.

On account of such efforts on the part of various stakeholders, including the Government, India's merchandise export in the aggregate to the Central Asian countries increased in 2017-18 and 2018-19 vis-a-vis with the respective previous financial year.