

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

LOK SABHA
UNSTARRED QUESTION NO. 5294
TO BE ANSWERED ON 05th APRIL, 2023

FREE TRADE AGREEMENT

5294. SHRI SUDHEER GUPTA:
SHRI BIDYUT BARAN MAHATO:
SHRI PRATAPRAO JADHAV:
SHRI SHRIRANG APPA BARNE:
SHRI SANJAY SADASHIVRAO MANDLIK:
SHRI DHAIRYASHEEL SAMBHAJIRAO MANE:

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

- (a) the total number of countries with which India has signed the Free Trade Agreement so far, country-wise;
- (b) whether signing of Free Trade Agreement with some countries is in pipeline and if so, the time by which it is likely to be finalized, country-wise;
- (c) whether it is true that India's export is low in comparison to import from some of the countries with which Free Trade Agreement has been signed and if so, the details in this regard;
- (d) the details of trade deficit with these countries before and after signing the Free Trade Agreement, country-wise; and
- (e) the details of steps taken/being taken by the Government to boost the trade in the country?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्रीमती अनुप्रिया पटेल)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SMT. ANUPRIYA PATEL)

- (a) India has signed 13 Free Trade Agreements (FTAs) with its trading partners. A list of these FTAs is attached (**Annexure-I**).
- (b) India is currently negotiating FTAs with the United Kingdom, the European Union and Canada. However, it is difficult to predict the timeline for completion of negotiations, as agreements are entered into when negotiating countries are satisfied with the outcome.

(c) & (d) Details of merchandise trade of India with its FTA partner countries are given in **Annexure-II**. The trade balance of the country is dependent on a host of factors including respective economic growth patterns.

(e) Government has taken a number of steps to boost exports which include, amongst others, the announcement of a comprehensive Foreign Trade Policy (FTP) on 31st March, 2023 incorporating various trade promotion schemes; measures related to ease of doing business, reduction in transaction cost and e-initiatives; export promotion initiatives including extension of FTP benefits for exports under Rupee payments; new towns of export excellence; initiatives for district as export hub; export related infrastructure and logistic development; FTP benefits for eCommerce exports; review of existing FTAs such as India-Korea CECA; negotiating new FTAs; enhancing active role of Indian Missions abroad towards promoting India's trade, tourism, technology and investment goals etc,

List of Free Trade Agreements (FTAs)

Sl. No.	Name of the Agreement	Date of Signing of the Agreement	Date of Implementation of the Agreement
1	India - Sri Lanka FTA	28 th December, 1998	1 st March, 2000
2	Agreement on SAFTA (India, Pakistan, Nepal, Sri Lanka, Bangladesh, Bhutan, the Maldives and Afghanistan)	4 th January, 2004	1 st January, 2006 <i>(Tariff concessions implemented from 1st July, 2006)</i>
3	India Nepal Treaty of Trade	27 th October, 2009	The Treaty has been extended for a further period of 7 years and is currently in force till 26 th October 2023.
4	India - Bhutan Agreement on Trade, Commerce and Transit	17 th January, 1972	Renewed periodically, with mutually agreed modifications. Agreement dated 29 th July 2006 was valid for 10 years. With mutual consent, the validity was extended for a period of one year or the period till the proposed new Agreement comes into force. The renewed Agreement has been signed on 12.11.2016 and came into force with effect from 29 July 2017, for a period of 10 years.
5	India - Thailand FTA - Early Harvest Scheme (EHS)	9 th October, 2003	1 st September, 2004
6	India - Singapore CECA	29 th June, 2005	1 st August, 2005
7	India - ASEAN- CECA - Trade in Goods, Services and Investment Agreement (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam)	13 th August, 2009 for goods and November 2014 for Services and Investment	Goods 1 st January 2010 in respect of India and Malaysia, Singapore, Thailand. 1 st June 2010 in respect of India and Vietnam. 1 st September 2010 in respect of India and Myanmar. 1 st October 2010 in respect of India and Indonesia. 1 st November 2010 in respect of India and Brunei. 24 th January 2011 in respect of India and Laos. 1 st June 2011 in respect of India and the Philippines. 1 st August, 2011 in respect of India and Cambodia. Services and Investment 1 st July, 2015
8	India - South Korea CEPA	7 th August, 2009	1 st January, 2010
9	India - Japan CEPA	16 th February, 2011	1 st August, 2011
10	India - Malaysia CECA	18 th February, 2011	1 st July, 2011
11	India - Mauritius Comprehensive Economic Cooperation and Partnership Agreement (CECPA)	22 nd February, 2021	1 st April, 2021
12	India-UAE CEPA	18 th February, 2022	1 st May 2022
13	India-Australia Economic Cooperation and Trade Agreement (Ind-Aus ECTA)	2 nd April, 2022	29 th December 2022.

Merchandise Trade of India with its FTA partner countries

(Source: DGCI&S)

1) India-Sri Lanka FTA

(Values in USD Million)

Country / Region	Pre FTA			Post FTA		
	1998-99			2021-22		
	Export	Import	Trade Balance	Export	Import	Trade Balance
Sri Lanka	437.13	37.68	399.45	5,802.18	1,009.97	4,792.21

2) Agreement on SAFTA

(Values in USD Million)

S.No.	Country / Region	Pre FTA			Post FTA		
		2005-2006			2021-22		
		Export	Import	Trade Balance	Export	Import	Trade Balance
1	Afghanistan	142.67	58.42	84.25	554.47	510.93	43.54
2	Bangladesh	1,664.36	127.03	1537.33	16156.37	1977.93	14178.44
3	Bhutan	99.17	88.77	10.4	885.81	545.04	340.77
4	Maldives	67.58	1.98	65.6	670.4	68.93	601.47
5	Nepal	859.97	379.85	480.12	9645.74	1371.04	8274.7
6	Pakistan	689.23	179.56	509.67	513.82	2.54	511.28
7	Sri Lanka	2,024.67	577.7	1446.97	5802.18	1009.97	4792.21
	Total SAFTA	5,547.65	1413.31	4134.34	34228.8	5486.37	28742.43

3) India Nepal Treaty of Trade

(Values in USD Million)

Country / Region	Pre FTA			Post FTA		
	2008-09			2021-22		
	Export	Import	Trade Balance	Export	Import	Trade Balance
Nepal	1,570.15	496.04	1,074.11	9,645.74	1,371.04	8,274.70

4) India-Bhutan Agreement on Trade, Commerce and Transit

(Values in USD Million)

Country / Region	Pre FTA			Post FTA		
	2005-06			2021-22		
	Export	Import	Trade Balance	Export	Import	Trade Balance
Bhutan	99.17	88.77	10.4	885.81	545.04	340.77

5) India Thailand FTA - Early Harvest Scheme (EHS)

(Values in USD Million)

Country / Region	Pre FTA			Post FTA		
	2003-04			2021-22		
	Export	Import	Trade Balance	Export	Import	Trade Balance
Thailand	831.68	609.05	222.63	5751.3	9332.59	-3581.29

6) India-Singapore Comprehensive Economic Cooperation Agreement (CECA)

(Values in USD Million)

Country / Region	Pre-CECA			Post-CECA		
	2004-05			2021-22		
	Export	Import	Trade Balance	Export	Import	Trade Balance
Singapore	4000.61	2651.4	1349.21	11150.66	18962.19	-7811.53

7) ASEAN-India Trade in Goods Agreement (AITIGA)

(Values in USD Million)

S. No.	Country / Region	Pre-FTA			Post-FTA		
		2008-09			2021-22		
		Export	Import	Trade Balance	Export	Import	Trade Balance
1	BRUNEI	17.64	397.52	-379.88	43.16	394.44	-351.28
2	CAMBODIA	46.9	2.72	44.18	198.37	94.88	103.49
3	INDONESIA	2559.82	6666.34	-4106.52	8473.49	17702.83	-9229.34
4	LAO PD RP	9	0.53	8.47	14.65	0.8	13.85
5	MALAYSIA	3419.97	7184.78	-3764.81	6995.06	12424.2	-5429.14
6	MYANMAR	221.64	928.97	-707.33	893.03	1001.87	-108.84
7	PHILIPPINES	743.77	254.77	489	2107.24	729.12	1378.12
8	SINGAPORE	8444.93	7654.86	790.07	11150.66	18962.19	-7811.53
9	THAILAND	1938.31	2703.82	-765.51	5751.3	9332.59	-3581.29
10	VIETNAM	1738.65	408.66	1329.99	6702.8	7438.52	-735.72
Total ASEAN		19140.63	26202.96	-7062.33	42329.75	68081.43	-25751.7

8) India-South Korea CEPA

(Values in USD Million)

Country / Region	Pre CEPA			Post CEPA		
	2009-10			2021-22		
	Export	Import	Trade Balance	Export	Import	Trade Balance
South Korea	3,421.05	8,576.07	-5155.02	8,085.03	17,477.20	-9392.17

9) India-Japan CEPA

(Values in USD Million)

Country / Region	Pre FTA			Post FTA		
	2010-11			2021-22		
	Export	Import	Trade Balance	Export	Import	Trade Balance
Japan	5,091.24	8,632.03	-3,540.79	6,176.77	14,399.77	-8,223.00

10) India-Malaysia Comprehensive Economic Cooperation Agreement (CECA)

(Values in USD Million)

Country / Region	2010-11 (Pre-CECA)			Post-CECA		
	2021-22			2021-22		
	Export	Import	Trade Balance	Export	Import	Trade Balance
Malaysia	3871.17	6523.58	-2652.41	6995.06	12424.2	-5429.14

11) India-Mauritius CECPA

(Values in USD Million)

Country / Region	Pre CECPA			Post CECPA		
	2020-21			2022-23 (Apr-Jan)		
	Export	Import	Trade Balance	Export	Import	Trade Balance
Mauritius	422.91	42.61	380.30	392.17	71.91	320.26

12) India-UAE CEPA

(Values in USD Million)

Country / Region	Pre CEPA			CEPA came into effect in 2022-23. Hence post CEPA figures will be assessed in the financial year 2023-24.
	2020-21			
	Export	Import	Trade Balance	
UAE	16,679.54	26,622.99	-9,943.45	

13) India-Australia ECTA

(Values in USD Million)

Country / Region	Pre FTA			FTA came into effect in 2022-23. Hence post FTA figures will be assessed in the financial year 2023-24.
	2021-22			
	Export	Import	Trade Balance	
Australia	8,283.13	16,756.17	-8,473.04	
