

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

LOK SABHA
UNSTARRED QUESTION NO. 2082
ANSWERED ON 02/08/2023

INDIA-UAE TRADE PACT

2082. SHRI P.V. MIDHUN REDDY:

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

- (a) the recent updates on India-UAE trade pact and negotiations;
- (b) the possible implications of this deal on small and medium businesses in India;
- (c) whether it would affect our trade deficit with UAE; and
- (d) if so, the impact of the same on all the sectors along with the details thereof?

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): The First Meeting of the Joint Committee (JC) of the India-United Arab Emirates (UAE) Comprehensive Economic Partnership Agreement (CEPA) was held on June 11, 2023, in New Delhi. During the Joint Committee meeting, both sides, inter-alia, reviewed the bilateral trade under the CEPA, agreed to operationalize the established committees/sub-committees/technical council under the CEPA, agreed on mutual exchange of preferential trade data on quarterly basis for effective monitoring of the CEPA, discussed various matters related to the implementation of the Agreement and agreed on addressing any issue that may potentially act as a hindrance to CEPA implementation or its usage by businesses on both sides and agreed on creation of a new sub-committee on Trade in Services.

(b) to (d): India benefits from preferential market access provided by the UAE on over 97 % of its tariff lines which account for 99% of Indian exports to the UAE in value terms and include products from labour-intensive sectors (most of which are in MSME category) such as Gems and Jewellery, Textiles, leather, footwear, sports goods, plastics, furniture, agricultural and wood products.

During the Joint Committee meeting, India and UAE also agreed to set-up a UAE-India CEPA Council (UICC) as a B2B collaboration mechanism, with a focus on MSMEs and start-ups, for building greater economic linkages and optimizing CEPA benefits.

During the Financial Year 2022-23 which includes the post-CEPA implementation period, India's exports to the UAE have grown by 11.8%. Key Indian sectors that have gained under CEPA are Mineral Fuels, Mineral Oils & products of their distillation, Electrical Machinery and equipment, Gems and Jewellery, Automobiles, Essential oils and resinoids; perfumery, cosmetic or toilet preparations, Machinery & mechanical Appliances and cereals.
