

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

LOK SABHA
UNSTARRED QUESTION NO. 240
TO BE ANSWERED ON 03rd FEBRUARY, 2021

INDIA'S TRADE POLICY

240. SHRI MARGANI BHARAT:

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

- (a) whether India's Trade Policy has recently been reviewed at WTO;
- (b) whether it is also true that US and EU have flagged trade barriers, including increase in import duties, recently;
- (c) if so, the details of items on which import duty has been increased and objections raised US and EU thereon;
- (d) whether it is true that US and EU have asked the Indian Government to reconsider its agriculture support programme;
- (e) if so, the details of agriculture support programme that India is providing and its impact on WTO regulations; and
- (f) whether other WTO countries are opposing Indian MSP mechanism and if so, the details thereof and the Government reaction thereto?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री हरदीप सिंह पुरी)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI HARDEEP SINGH PURI)

- (a) : Yes, Sir. India's Trade Policy Review (TPR) has been carried out by the World Trade Organization (WTO) under the Trade Policy Review Mechanism, wherein the trade related policies of Member countries are reviewed at regular intervals by the WTO. India's TPR meetings were held on 6th & 8th January 2021.
- (b) & (c) : USA and the EU have flagged certain trade related issues, including increase in import duties, during the recently held TPR meetings.

Applied rates of customs duty in India are determined keeping in view the overall economic and other policy objectives, which include enhancing domestic value addition, creating a level playing field, ensuring availability of raw materials at competitive prices,

securing economic interests of the country, ensuring supply of essential items at affordable prices. Import duties have been rationalized across a few sectors, which can be accessed at <https://www.cbic.gov.in/>.

(d) to (f) : Some Member countries, including USA and the EU, raised certain questions regarding MFN applied tariff rates, agricultural support programmes such as MSP, etc. Replies thereto have been given to the WTO. The WTO Agreement on Agriculture provides the rules for trade in agriculture. India's agriculture support programmes, including the support through MSP mechanism, are consistent with India's obligations under the Agreement and are being notified to the WTO as required therein.
