

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

LOK SABHA
STARRED QUESTION NO. 218 (H)
TO BE ANSWERED ON 16th MARCH, 2022

FOREIGN TRADE POLICY

*218(H). SHRI KUNWAR PUSHPENDRA SINGH CHANDEL:
SHRIMATI MALA RAJYA LAXMI SHAH:

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

- (a) whether the Government has taken any initiative for formulation of foreign trade policy;
- (b) if so, the details thereof;
- (c) whether the Government has also taken any initiative for free trade agreement with various countries;
- (d) if so, the details thereof including the likely benefit for India therefrom;
- (e) whether the Government has also made any assessment of impact of these trade agreements on the trade of agricultural products, especially on dairy and dairy products of the country; and
- (f) if so, the details thereof?

ANSWER

वाणिज्य एवं उद्योग मंत्री (श्री पीयूष गोयल)

THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI PIYUSH GOYAL)

(a) to (f): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (f) OF LOK SABHA STARRED QUESTION NO. 218(H) FOR ANSWER ON 16th MARCH, 2022 REGARDING “FOREIGN TRADE POLICY”.

(a) : Yes, Sir.

(b) : The current Foreign Trade Policy 2015-2020 which was announced for a period for five years, was extended by a year till 31st March, 2021 due to COVID-19. Due to continuing impact of COVID-19 and to revisit and review FTDR Act further, the Foreign Trade Policy, 2015-2020 was extended up to 31st March, 2022. As part of the consultative process to formulate a new Foreign Trade Policy, various meetings with stakeholders were held. All the suggestions have been taken on record for further examination. A separate Foreign Trade Policy cell was created to coordinate with various officials in formulation of the Foreign Trade Policy under the supervision of an officer of the level of Joint Secretary to the Government of India.

(c)& (d): India had signed 10 RTAs/FTAs with various countries/regions before 2015 and two since then. These FTAs are with ASEAN (The Association of Southeast Asian Nations), Japan, South Korea, SAARC (South Asian Association for Regional Cooperation), Mauritius and United Arab Emirates (UAE). India's merchandise exports to these countries/regions have registered a growth of 20.75% in the last five years. As regards India-Mauritius Comprehensive Economic Cooperation and Partnership Agreement (CECPA), as this has been implemented w.e.f. 01-04-2021, it is too early to calculate quantifiable benefits. Agreement with UAE was signed on 18 February 2022 and not yet implemented.

In addition to this, India has signed 6 Preferential Trade Agreements (PTAs) with various countries/regions. **A list of FTAs/PTAs signed by India is attached at Annexure-A & B.**

India is currently negotiating FTAs and PTAs with some other various countries/regions, including Australia, UK, Canada, Israel and the EU being some of the important ones.

The likely benefits of FTA include increased market access, level playing field vis-à-vis competitors, increased bilateral trade, greater employment opportunities, etc.

(e)&(f): Export of Agri products (including dairy and dairy products) has increased from USD 32.662 billion in April-Jan 2021 to USD 40.873 billion in April-Jan 2022 i.e. an increase of 25.14%. Some of the increase in exports of Agri Products is as a result of the trade agreements.

FTA's already in force

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 (Tariff concessions implemented from 1 st July, 2006)
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 <ul style="list-style-type: none"> • 1st January 2010 in respect of India and Malaysia, Singapore, Thailand. • 1st June 2010 in respect of India and Vietnam. • 1st September 2010 in respect of India and Myanmar. • 1st October 2010 in respect of India and Indonesia. • 1st November 2010 in respect of India and Brunei. • 24 January 2011 in respect of India and Laos. • 1st June 2011 in respect of India and the Philippines. • 1st August, 2011 in respect of India and Cambodia. Services and Investment 1 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 FTA	18 th February, 2022	Not yet implemented.

PTAs already in force:

Sl. No.	Name of the Agreement	Date of Signing of the Agreement	Date of Implementation of the Agreement
1	Asia Pacific Trade Agreement (APTA) (Bangladesh, China, India, Republic of Korea, Lao People's Democratic Republic and Sri Lanka)	July, 1975 (revised on 2 nd November, 2005)	1 st Nov, 1976
2	Global System of Trade Preferences (GSTP) (Algeria, Argentina, Bangladesh, Benin, Bolivia, Brazil, Cameroon, Chile, Colombia, Cuba, Democratic People's Republic of Korea, Ecuador, Egypt, Ghana, Guinea, Guyana, India, Indonesia, Iran, Iraq, Libya, Malaysia, Mexico, Morocco, Mozambique, Myanmar, Nicaragua, Nigeria, Pakistan, Peru, Philippines, Republic of Korea, Romania, Singapore, Sri Lanka, Sudan, Thailand, Trinidad and Tobago, Tunisia, Tanzania, Venezuela, Viet Nam, Yugoslavia, Zimbabwe)	13 th April, 1988	19 th April, 1989
3	SAARC Preferential Trading Agreement (SAPTA) (Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka)	11 April, 1993	7 December, 1995
4	India - Afghanistan	6 th March, 2003	13 th May, 2003
5	India - MERCOSUR (Argentina, Brazil, Paraguay and Uruguay)	25 th January, 2004	1 st June, 2009
6	India - Chile	8 th March, 2006	11 th September, 2007. The agreement has been expanded on 6 th September, 2016 and came into force w.e.f 16 th May, 2017.
