

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

LOK SABHA
UNSTARRED QUESTION NO. 2432
TO BE ANSWERED ON 16th MARCH, 2022

AGREEMENT WITH UAE

2432. SHRI GIRISH BHALCHANDRA BAPAT:
SHRI RAHUL RAMESH SHEWALE:
SHRI CHANDRA SEKHAR SAHU:
DR. PRITAM GOPINATHRAO MUNDE:

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

- (a) whether India and UAE agreed for Comprehensive Economic Partnership Agreement recently;
- (b) if so, the details thereof and the extent to which it is likely to be beneficial for MSMEs, Startups, farmers, traders and all sections of business in both the countries;
- (c) the details of offers UAE have agreed to extend to India under this agreement;
- (d) whether bilateral goods trade between the two countries will boost on implementation of CEPA;
- (e) if so, the details thereof along with the targets of various sectors fixed for such trade; and
- (f) the details of the employment opportunities likely to be increased in the country due to this agreement?

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) to (b): Yes. India and the United Arab Emirates (UAE) signed the Comprehensive Economic Partnership Agreement (CEPA) on the side-lines of the India-UAE Virtual Summit held on 18th February, 2022. The India-UAE CEPA is a comprehensive and balanced partnership agreement which will give enhanced market access for India in both goods and services. The India-UAE CEPA will be extremely beneficial for MSMEs, start-ups, farmers, traders, and all sections of

businesses by opening new markets, enhancing exports and boosting our economy. Further, the India-UAE CEPA will not only increase exports of goods from India to the UAE but also to the Middle East and Africa.

(c): UAE has offered immediate market access at zero duty from day one of the entry into force of the Agreement to products accounting for around 90% of India's exports to the UAE in value terms. Overall, India will benefit from preferential market access provided by the UAE on over 97 % of its tariff lines which account for around 99% of Indian exports to the UAE in value terms. As regards trade in services, the UAE has offered market access to India in around 111 sub-sectors from the 11 broad service sectors.

(d) to (f): Yes. Bilateral trade in goods is projected to increase from the current USD 60 billion to USD 100 billion annually within five years of implementation of the India-UAE CEPA. Further, the India-UAE CEPA is expected to create a large number of new employment opportunities especially across multiple labour-intensive sectors such as Gems and Jewellery, Textiles, leather, footwear, sports goods, plastics, furniture, agricultural and wood products, engineering products, medical devices, and Automobiles.
