

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

LOK SABHA
UNSTARRED QUESTION NO. 2339
ANSWERED ON 10/12/2024

FREE TRADE AGREEMENT

2339. SMT. ANITA SUBHADARSHINI:

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

- (a) whether India has signed Free Trade Agreement (FTA) with United Arab Emirates (UAE) to boost trade between two countries;
- (b) if so, the details of the products identified by both the countries under FTA;
- (c) whether any target has set by both the countries in this regard; and
- (d) if so, the details thereof?

ANSWER

वाणिज्य और उद्योग मंत्रालय में राज्य मंत्री (श्री जितिन प्रसाद)
THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI JITIN PRASADA)

(a) Yes, India signed the Comprehensive Economic Partnership Agreement (CEPA) with United Arab Emirates (UAE) on 18 February 2022. The India-UAE CEPA came into force on 1 May 2022.

(b) The India-UAE CEPA is a comprehensive agreement, which covers, *inter- alia*, Trade in Goods, Rules of Origin, Trade in Services, Technical Barriers to Trade (TBT), Sanitary and Phytosanitary (SPS) measures, Dispute Settlement, Movement of Natural Persons, Customs Procedures and Pharmaceutical products.

The CEPA between India and the UAE covers almost all the 8-digit Harmonized System (HS) tariff lines on goods of India (11,908) and the UAE (7,581). 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.

As regards trade in services, while India has committed around 100 sub-sectors, the UAE has committed around 111 sub-sectors from the 11 broad service sectors such as 'business services', 'communication services', 'construction and related engineering services', 'distribution services', 'educational services', 'environmental services', 'financial services',

‘health related and social services’, ‘tourism and travel related services’, ‘recreational cultural and sporting services’ and ‘transport services’.

(c) to (d) The Agreement provides significant benefits to Indian and UAE businesses, including enhanced market access and reduced tariffs. Since entering into force of CEPA, bilateral merchandise trade has increased to \$ 83.65 billion in 2023-24 from \$ 72.88 billion in 2021-22.
