GOVERNMENT OF INDIA MINISTRY OF COMMERCE AND INDUSTRY DEPARTMENT OF COMMERCE

LOK SABHA UNSTARRED QUESTION NO. 3685 ANSWERED ON 12/08/2025

FREE TRADE AGREEMENT WITH EUROPEAN UNION

3685. SHRI SHYAMKUMAR DAULAT BARVE

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

- (a) whether the Government completed the 12th round of negotiations on the proposed free trade agreement with the European Union;
- (b) if so, the major areas where agreement has been reached so far and the issues over which differences still persist;
- (c) whether the negotiations on the proposed bilateral investment treaty with the US are likely to be completed by the stipulated time, if so, the progress made so far in this regard;
- (d) whether the review process of India's existing free trade agreement with ASEAN has been satisfactory, if so, the number of rounds of talks held so far and the issues on which consensus has been reached; and
- (e) whether the Indian exporters are likely to be adversely affected by the imposition of 25-50% tariffs by the US on steel, auto and related sectors, if so, the steps being taken to mitigate these impacts?

ANSWER

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

- (a)&(b) India and the European Union (EU) re-launched the Free Trade Agreement (FTA) negotiations in June 2022. The 12th round of negotiations was held in Brussels from July 7-11th, 2025. The discussions are progressing across multiple tracks aimed at fostering economic partnership, enhancing market access, and reinforcing rules-based cooperation. The process continues to be aimed at concluding a fair, balanced and mutually beneficial FTA.
- (c) India-US BTA negotiations were launched in March 2025 and five rounds of negotiations have been held, the last being from July 14-18th 2025 at Washington, USA.
- (d) India and ASEAN are constructively engaged on review of ASEAN-India Trade in Goods Agreement (AITIGA), signed in 2009 and so far, 9 meetings of AITIGA Joint Committee meetings have been held.
- (e) The impact of US tariffs on exports to US in various sectors will depend and vary based on comparative tariffs on other countries including the competitors. The Department of Commerce is engaged with stakeholders to help reduce the impact through export promotion and diversification measures.
