

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

LOK SABHA
UNSTARRED QUESTION NO. 2912
ANSWERED ON 18/03/2025

BENEFITS FROM TRADE DEALS

2912. DR. K SUDHAKAR:

SHRI RAVINDRA SHUKLA *ALIAS* RAVI KISHAN:

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

- (a) the specific benefits expected from various trade deals entered in the country in terms of economic growth, job creation, and investment opportunities;
- (b) the steps taken by the Government ensure that the trade agreement does not negatively impact domestic industries, particularly MSMEs and the agricultural sector;
- (c) the details of all trade deals in place and being negotiated by our country currently;
- (d) the details of benefits accrued in terms of export and imports as a result of these trade deals;
- (e) the details of steps taken by the Government to reduce trade deficit with various countries, complete details thereof;
- (f) whether there is any export restrictions in place with respect to agriculture Produce currently; and
- (g) if so, the details of steps taken by the Government to increase agricultural exports and reduce agriculture imports in the country?

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) Free Trade Agreements (FTAs) are entered into with the concerned trading partner countries primarily with the aim to increase the bilateral trade through enlarging the scope of market access and build on the trade complementarities for increasing trade and investment, thereby providing enhanced export potential, creating benefits for industry as well as farmers and creating job opportunities. Any trade deal is negotiated with the endeavour to deliver a comprehensive, balanced, broad-based and equitable agreement based on the principle of fairness and reciprocity and overall benefit to all the stakeholders. It also ensures a level playing field for Indian exporters vis-a-vis their competitors who may have preferential access in our trading partner countries.

(b) In order to protect the interests of the domestic industry, including small and medium enterprises and the agriculture sector, FTAs provide for maintaining sensitive, negative or exclusion lists of items on which limited or no tariff concessions are granted. In addition, in case of surge in imports and injury to the domestic industry, a country is allowed to take recourse to trade remedial measures such as anti-dumping and safeguards on imports within the period as mutually agreed to by the parties under the FTAs.

(c) India has signed 14 FTAs with its trading partners. One of the Agreements, namely, India-European Free Trade Association (EFTA) Trade and Economic Partnership Agreement (TEPA) will be implemented after completion of ratification process by India and the EFTA countries. Details of the signed FTAs and the ongoing FTAs are at **Annexure-I**.

(d) Details of comparative Exports and Imports for the years of implementation and 2023-24 is attached as **Annexure-II**. Further, India has also initiated review of its existing FTAs, namely, India-South Korea CEPA, and ASEAN-India Trade in Goods Agreement (AITIGA).

(e) To enhance domestic supply, and reduce dependency on imports, Government of India has taken several initiatives. Under 'Make in India' initiative, the Government has launched Production Linked Incentives (PLI) Schemes in 14 critical sectors like electronics, pharmaceuticals, white goods, telecom and Networking products, etc., where there is substantial dependency on imports. The Government has also introduced stricter quality standards and measures for quality controls, testing protocols, and mandatory certification to curb low quality imports. Further, Government has taken a number of steps such as Task Force under Department of Commerce to study, identify, categorize and develop tailored strategies for resolution of non-trade barriers, initiating review of existing FTAs, import monitoring.

(f) & (g) To promote the export of agricultural products, the Agricultural and Processed Food Products Export Development Authority (APEDA) provides financial assistance to its registered exporters for its Scheduled products through its Financial Assistance Scheme (FAS). APEDA facilitates the participation of its member exporters, in International Trade fairs. Further, it supports campaign in print/electronic media for promotion and branding of Indian agricultural products in key international markets during prominent trade fairs in collaboration with India Brand Equity Foundation.

As regard reduction of imports, Government has launched the 6-year "Mission for Aatma-norbharta in Pulses" with a special focus on Tur, Urad and Masoor, which are major imports. This envisages development and commercial availability of climate resilient seeds, increasing productivity, improving post-harvest storage and management. Government has also

launched the National Mission on Edible Oils – Oilseeds (NMEO-Oilseeds) focusing on enhancing the production of key primary oilseed crops such as Rapeseed-Mustard, Groundnut, Soybean, Sunflower, and Sesamum, as well as increasing collection and extraction efficiency from secondary sources like Cottonseed, Rice Bran, and Tree Borne Oils. Further, launch of PM Dhan Dhanya Krishi Yojana, which will cover 100 districts with low productivity, moderate crop intensity and below-average credit parameters for enhancing agricultural productivity, adoption of crop diversification and sustainable agriculture practices, will also help increase agriculture production and reduce import dependence in the sector.

Annexure referred in reply to Part (c) of Lok Sabha Unstarred Question No. 2770 for Answer on 18.03.2025

List of Free Trade Agreements (FTAs)

Sl. No.	Name of the Agreement
1	India - Sri Lanka FTA
2	Agreement on SAFTA (India, Pakistan, Nepal, Sri Lanka, Bangladesh, Bhutan, the Maldives and Afghanistan)
3	India Nepal Treaty of Trade
4	India - Bhutan Agreement on Trade Commerce and Transit
5	India - Thailand FTA - Early Harvest Scheme (EHS)
6	India - Singapore CECA
7	India - ASEAN- CECA - Trade in Goods, Services and Investment Agreement (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam)
8	India - South Korea CEPA
9	India - Japan CEPA
10	India - Malaysia CECA
11	India - Mauritius Comprehensive Economic Cooperation and Partnership Agreement (CECPA)
12	India-UAE CEPA
13	India-Australia Economic Cooperation and Trade Agreement (Ind-Aus ECTA)
14	India-European Free Trade Association (EFTA) Trade and Economic Partnership Agreement (TEPA)

List of Preferential Trade Agreements (PTAs)

Sl. No.	Name of the Agreement
1	Asia Pacific Trade Agreement (APTA) (Bangladesh, China, India, Republic of Korea, Lao People's Democratic Republic, Sri Lanka and Mongolia)
2	Global System of Trade Preferences (GSTP) (Algeria, Argentina, Bangladesh, Benin, Bolivia, Brazil, Cameroon, Chile, 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, Paraguay, Peru, Philippines, Republic of Korea, Singapore, Sri Lanka, Sudan, Thailand, Trinidad and Tobago, Tunisia, Tanzania, Uruguay, Venezuela, Viet Nam and Zimbabwe)

3	SAARC Preferential Trading Agreement (SAPTA) (Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka)
4	India - Afghanistan PTA
5	India – MERCOSUR PTA (Argentina, Brazil, Paraguay and Uruguay)
6	India – Chile PTA

Ongoing Free Trade Agreements (FTAs) of India

S.No.	Name of Agreement
1	India – UK Free Trade Agreement
2	India – Sri Lanka Free Trade Agreement
3	India – Peru Free Trade Agreement
4.	India – Oman Free Trade Agreement
5.	India – EU Free Trade Agreement
6.	India – Australia Comprehensive Economic Cooperation Agreement (CECA)

Annexure-II

Annexure referred in reply to Part (d) of Lok Sabha Unstarred Question No. 2770 for Answer on 18.03.2025

MERCHANDISE TRADE OF INDIA WITH FTA PARTNER COUNTRIES (YEAR OF IMPLEMENTATION AND 2023-24)

(In USD Million)

S. No.	Name of the Agreement	Year of start of Implementation	Export/Import	Year	
				Year of Start of implementation	2023-24
1	Agreement on South Asian Free Trade Agreement (SAFTA)	2006-07	Export from India	6,473.81	25,623.66
			Import to India	1,507.45	5,171.01
2	India-ASEAN CECA - Trade in Goods, Services and Investment Agreement	2010-11	Export from India	25,627.89	41,207.67
			Import to India	30,607.96	79,664.31
3	India-South Korea Comprehensive Economic Partnership Agreement (CEPA)	2010-11	Export from India	3,727.29	6,416.67
			Import to India	10,475.29	21,135.38
4	India-Japan CEPA	2011-12	Export from India	6,328.54	5,156.28
			Import to India	11,999.43	17,695.52
5	India-Mauritius Comprehensive Economic Cooperation and Partnership Agreement (CECPA)	2021-22	Export from India	714.85	778.03
			Import to India	71.87	73.1
6	India-UAE CEPA	2022-23	Export from India	31,608.79	35,625.02
			Import to India	53,231.55	48,025.58
7	India-Australia Economic Cooperation and Trade Agreement (Ind-Aus ECTA)	2022-23	Export from India	6,951.32	7,940.75
			Import to India	19,011.31	16,159.20
	TOTAL Export			81,432.49	1,22,748.08
	TOTAL Import			1,26,904.86	1,87,924.10

Source: DGCIS

* Trade increase of 51% in exports and 48% in imports from the year of implementation of the FTA to 2023-24.

Note: Countries viz., Bhutan, Nepal, Sri Lanka, Thailand, Singapore and Malaysia with which separate FTAs have been executed are excluded as they are also part of one of Regional Trade Agreements (RTAs) listed above, to avoid double counting of data.
