

**GOVERNMENT OF INDIA  
COMMERCE AND INDUSTRY  
LOK SABHA**

UNSTARRED QUESTION NO:917

ANSWERED ON:25.07.2003

TRADE DISCUSSION WITH CHINA

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**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

- (a) the total volume of bilateral trade between India and China during the last three years as well as on date;
- (b) whether the balance of trade is favouring China during the above period;
- (c) if so, the steps taken/being taken by the Government to increase India's export to China, and to enhance its trade with that country;
- (d) whether many trade related matters including trade in services and information technology under GATS have been discussed with Chinese Government during the recent visit of Hon'ble Prime Minister to China;
- (e) if so, the details of issues discussed;
- (f) the response of Chinese Government thereto;
- (g) the details of trade related agreements signed by the two countries;
- (h) the likely impact of these agreements on India's trade volume on domestic industries and Indian economy; and
- (i) the steps proposed to be taken to prevent domestic industries from adverse impact of these agreements?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI S.B. MOOKHERJEE)

(a) & (b) The level of trade between the two countries during the last three years has been as under :-

(US\$ MILLION)

	2000-01	2001-02	2002-03 (P)		
Export			828.68	951.95	1961.11
%age growth		+53.81	+14.87	+106.01	
Import			1492.49	2036.39	2782.50
%age growth		+15.99	+36.44	+36.64	
Trade volume	2321.17		2988.34	4743.61	
%age growth	+27.15	+28.74	+58.73		
Trade balance		- 663.81	-1084.44	-821.39	

( Source DGCI&S )

(P) - Provisional

(c) Steps being taken, on an ongoing basis, for increasing India China trade include participation in trade fairs/exhibitions, exchange of delegations at both governmental and business levels etc.

(d) to (f) Many trade related issues, including trade in services were discussed between Commerce and Industries Minister and his counterpart during Prime Minister's visit to China. It was generally agreed that there was scope for the two countries to co-operate on issues of common interest in the World Trade Organisation such as Trade Related Intellectual Property (TRIPS) and Public Health Agreement on Agriculture etc.

(g) During Prime Minister's visit to China during June 22-27, 2003, the following Agreements relating to Trade were signed:

(i) A Memorandum on Expanding Border Trade

(ii) A Protocol of Phytosanitary Requirements for Exporting Mangoes from India to China.

(iii) A Declaration on Principles for Relations and Comprehensive Cooperation including inter-alia the following elements pertaining to trade :

- The importance of the Ministerial meeting of the Joint Economic Group (JEG)
- Setting up of a compact Joint Study Group (JSG) composed of officials and economists to examine the potential of complementarities between the two countries in expanding trade and economic cooperation.

(h) It is expected that bilateral trade will expand rapidly with the signing of the above agreements, with the result the Indian industry and economy would get a boost.

(i) No adverse impact is expected on domestic industry as a result of the signing of agreements with China.