

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

UNSTARRED QUESTION NO:2729
ANSWERED ON:08.08.2003
TARIFF CONCESSIONS TO CHINA
IQBAL AHMED SARADGI

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

- (a) whether India have offered fresh tariff concessions to China on a number of items as part of a strategy to boost the economic ties;
- (b) if so, the details thereof; and
- (c) the extent to which this step would give a boost to the trade between the two countries?

Answer

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

(a) China's accession to the Bangkok agreement was approved by consensus by all participating member States during the 16th Session of the Standing Committee under the Bangkok Agreement in April, 2000. As part of China's accession procedures, negotiations have been concluded between India and China to finalize the items on which concessions can be exchanged.

(b) It has been decided that India will extend concessions on 106 items corresponding to 188 tariff lines at (6 digit HS), on which tariff concessions are already given to other Bangkok Agreement member countries i.e. Bangladesh, Republic of Korea and Sri Lanka, in return to China extending tariff concessions on 217 tariff lines as per International Trade Classification Harmonised System (ITC HS) 2003. The concessions under the Bangkok Agreement is multilateralised and China has also finalised bilateral agreements with Bangladesh, Korea and Sri Lanka. In effect India will be eligible for concessions on 722 items (at the 8digit HS level) on multilateralisation of concessions.

(c) It is estimated that on implementation of the exchange of concessions with China on China's accession to Bangkok Agreement 25-30% of our total exports to China and 2.2% of our imports from China in value terms will be covered under the concessional trade. This exchange is therefore expected to boost bilateral trade between India and China.