

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

UNSTARRED QUESTION NO:4723
ANSWERED ON:26.04.2005
INDO- THAI FREE TRADE AGREEMENT
Rao Shri Sambasiva Rayapati

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

- (a) whether Government has initiated an 'Impact assessment' study of the early harvest scheme (EHS) under the Indo-Thai Free Trade Agreement as domestic industry apprehend surge in exports from Thailand;
- (b) if so, the details thereof;
- (c) whether under the EHS scheme entrepreneurs from India and Thailand can freely export and import as many as 82 items so long as they pay the duties; and
- (d) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI E.V.K.S. ELANGO VAN)

(a) & (b) For impact assessment study of the Early Harvest Scheme (EHS) between India and Thailand which was implemented with effect from 1st September, 2004, the item wise trade data is available only from September 2004 to January, 2005. However, this data is not sufficient for analyzing the impact on the domestic industry on account of surge in imports from Thailand.

(c) & (d) With effect from 1st September, 2004 the 82 items included in the EHS are allowed to be imported into India and exported to Thailand at 50% concession on the applied MFN tariffs as on 1st January, 2004 subject to fulfilment of the Interim Rules of Origin. The tariffs will be eliminated on items under the EHS over a period of 2 years as per the following schedule:-

Period	Tariff reduction on applied MFN tariff rates as of 1st January
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2004

1.9.2004 - 31.8.2005 50%

1.9.2005 - 31.8.2006 75%

1.9.2006 100%
