

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

UNSTARRED QUESTION NO:6684
ANSWERED ON:10.05.2005
INDO PAK EXPORTS TO EU
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether India and Pakistan exports to the 25 nations European Union market will be treated alike from 1st April,2005;
- (b) if so, the date on which the EU is expected to introduce its revised generalized system of preferences scheme;
- (c) whether under this scheme the exports of the developing countries enter the EU market either duty free or at the reduced rate of duty;
- (d) whether this revised scheme offers a new deal for vulnerable developing countries, whose economies are poorly diversified;
- (e) whether India and Pakistan are not on the list of developing countries entitled to GSP-Plus, which the EU foreign ministers are expected to adopt;
- (f) whether Sri Lanka is on the list and Bangladesh is entitled to duty-free, quota-free entry for all its export under the GSP scheme;
- (g) if so, whether both India and Pakistan have urged the EU to include them in the list under GSP Scheme; and
- (h) if so, the reaction of the EU?

Answer

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

(a) to (b): In October 2004 European Commission adopted a proposal for introducing revised Generalized System of Preferences (GSP) scheme with effect from 1st July, 2005. The proposal is under examination by the Council of the European Union. Though there was a proposal for advancing the date of implementation of revised GSP scheme from 1st April, 2005, this has not been effected.

(c) to (f): European Union extends either reduced or duty free access for a large number of products imported from developing countries under its GSP Scheme. The revision proposal of EU-GSP also includes `GSP+` to provide special benefits for vulnerable countries that accept the main international conventions on social, human rights, environmental protection and governance, including fight against drugs and `Everything But Arms` arrangement, giving duty free and quota free access for all products for the world`s 50 poorest countries, which include Bangladesh. The list of countries eligible for `GSP+` has not been notified.

(g) to(h): Government of India has taken up the matter with the European Commission(EC) for granting duty free access to India`s fishery products owing to the Tsunami disaster under the `GSP+` arrangement of the new GSP scheme. However EC has expressed its inability to grant `GSP+` treatment to separate sectors of a country as India as a country does not fulfill the conditions for such treatment.