

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

UNSTARRED QUESTION NO:3928
ANSWERED ON:19.12.2006
FREE/ PREFERENTIAL TRADE AGREEMENT
Thomas Shri P.C.

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

- (a) whether the Government proposes to review Foreign Trade Policy with a view to promoting agro-produce export and enhance farmers income from such export with compatibility to ensure availability of the essential commodities on fair prices in the domestic market;
- (b) if so, the details thereof;
- (c) whether National Development Council mandate was obtained prior to entering into Free/Preferential Trade Agreements in sectors covering Agriculture;
- (d) if so, the details thereof;
- (e) whether Kerala has been hit by several such agreements especially because of the type of perennial(crops and spic
- (e), which are facing deep fall in price; and
- (f) if so, the action taken in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JAIRAM RAMESH)

- (a)&(b) The Government encourages agro-produce exports through various instruments. At the same time Government is committed to ensure domestic availability of essential commodities.
- (c)&(d)Prior to entering into Free / Preferential Trade Agreement in sectors covering agriculture, consultations are held with respective administrative Ministry or Department to finalize the items on which concessions can be offered, after obtaining clearance from the appropriate level.
- (e)&(f)Import of Pepper and Clove under the FTA with Sri Lanka has only a insignificant impact on the production of these crops. To protect the interest of domestic pepper cultivators, government has imposed a TRQ ceiling of 2500 MT per annum for import of pepper, which is insignificant as compared to domestic production of above 70000 MT per annum.