

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

STARRED QUESTION NO:84
ANSWERED ON:28.11.2006
IMPACT OF WTO AGREEMENT
Rawat Prof. Rasa Singh

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

- (a) whether Government is aware that proper awareness about World Trade Organisation(WTO) regime and the agreements made thereunder amongst the traders would facilitate the country's trade;
- (b) if so, whether the Government has set up information centres/consultation centres to increase the awareness about WTO regime keeping in view the interests of Indian traders;
- (c) if so, the details thereof;
- (d) the impact of WTO agreements on Indian industry especially pharmaceutical industry; and
- (e) the steps taken by Government to safeguard interest of Indian industry?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI KAMAL NATH)

(a) : Yes, Sir.

(b) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (b) TO (e) OF LOK SABHA STARRED QUESTION NO.84 FOR ANSWER ON 28TH NOVEMBER, 2006 REGARDING 'IMPACT OF WTO AGREEMENT'

(b)to(c) :With a view to improving the awareness about the rights and obligations arising from the WTO agreements and to evolve the position of India in the negotiations under the Doha Work Programme, the Government has been holding periodic consultations with the concerned Ministries/ Departments of the Central Government, Governments of States and Union Territories, industry associations, export promotion councils, farmers groups, civil societies, consumer organizations, research institutions, and other stakeholders. The Government has instituted Expert Groups consisting of persons of eminence in the respective area for providing advice and guidance, and research studies have been commissioned to examine the implications for stakeholders. Periodically, seminars, workshops and symposia are held with interested parties with the cooperation of the WTO Secretariat, the UNCTAD, ESCAP and other multilateral bodies, universities, and industry associations. The Department of Commerce website has a separate webpage on 'India and WTO', which explains the provisions of the agreements and updates the stakeholders on the status of the negotiations. Enquiry points required by specific agreements, such as on technical barriers to trade and sanitary and phytosanitary measures, have been established. In the light of the above, the Government does not feel the need to set up separate information / consultation centres with regard to dissemination of information on WTO issues.

(d)Since the establishment of the WTO, India's trade, including the pharmaceutical products, has been growing continuously, both in the merchandise goods category as well as commercial services. The total merchandise goods exports of India have increased from US\$ 26.33 billion in 1994-95 to US\$ 102.7 billion in 2005-06 (provisional), whereas total merchandise imports

(excluding petroleum products) grew from US\$ 22.72 billion to US\$ 105.1 billion (provisional) during the same period. The export of pharmaceutical products has increased from over US\$ 854.51 million in 1999-2000 to US\$ 2444.06 million in 2005-06. Similarly, India's total commercial services trade increased from US\$ 14.06 billion in 1994 to US\$ 80.58 billion in 2004.

(e):India has been engaged in the WTO negotiations to ensure that its core concerns and interests continue to be adequately addressed at each stage of the negotiations. As required by the exigencies of the ongoing negotiations, India has been submitting proposals in the various negotiating bodies of the WTO with a view to pursuing its national interests and to protect the interests of the farmers, industry, service providers and trading entities. Our negotiating objectives have been developed based on analytical work and an intensive process of dialogue with the stakeholders. India has been pursuing its national interests by forging coalitions of developing countries on various negotiating issues such as G-20 on Agriculture, G-33 on Special Products and Special Safeguard Mechanism under Agriculture negotiations, NAMA-11 in respect of Non-Agricultural Market Access negotiations, 'Friends of Mode 4' in services and 'Friends of Geographical indications' in trade-related intelle

ctual property rights. India has also been playing an active role in strengthening various developing country coalitions by bringing

together G-20, G-33 and G-90 groups of countries in a broad alliance to reinforce each others` positions on issues of mutual interest. On the domestic front, the Government is continuously monitoring the surge in import of sensitive items and it is committed to intervene in a WTO compatible manner to protect the interests of all domestic stakeholders.