*4. SHRI T. RATHINAVEL:

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

(a) whether it is a fact that the trade Ministers from various countries feel that World Trade Organisation is facing significant hurdles;
(b) if so, the details thereof;
(c) whether it is also a fact that fundamental reflections are required at the political level on major issues of divergence;
(d) whether the Ministers expressed their willingness to pursue their active engagements towards preserving and further developing the multilateral trading system; and
(e) if so, the details thereof?

ANSWER

THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI SURESH PRABHU)

a) to e): A statement is laid on the Table of the House.

***
(a) and (b): Yes Sir. Many member countries of the World Trade Organisation (WTO) have, from time to time, expressed concern on the challenges being faced by the organisation in upholding and promoting the principles of multilateralism and non-discrimination. The challenges include the current impasse in appointing members to existing vacancies in the Appellate Body of the WTO, some members questioning the principles of special and differential treatment provisions for developing countries and LDCs which are an integral part of the WTO agreements and questionable unilateral trade measures and resulting counter measures which risk escalation to a trade war and undermining of the cardinal principles and credibility of the WTO’s rules-based system.

In various interventions made at the Eleventh Ministerial Conference of the WTO held in Buenos Aires in December 2017 and the subsequent WTO informal meeting in Davos in January 2018, Ministers of member countries have, however, reiterated their faith in multilateral trading system and have called for active engagement with a view to resolving the issues facing the WTO. Similar sentiments were also expressed by various participants in the Informal WTO Ministerial Meeting hosted by India on 19-20 March 2018. Another Informal Mini- Ministerial meeting was held in Paris on 31 May 2018, where many Ministers again raised the issues of unilateral trade measures being taken by a few WTO members, rising protectionism and the need for positive contribution to strengthen the WTO. In the Joint Communique issued in the BRICS Trade Ministers Meeting (TMM) in South Africa on 5 July 2018, the fact that the multilateral trading system is facing unprecedented challenges, was again recognised.

(c) to (e): At the 11th Ministerial Conference in December 2017 in Buenos Aires, Informal Gatherings of WTO Ministers in Davos (January 2018), New Delhi (March 2018) and Paris (May 2018) Trade Ministers have, while expressing serious concerns on the challenges being faced by the WTO, advocated engaging at the political level to address divergences and the need to urgently re-establish mutual trust and work to restore the primacy of the rules-based system. In the Joint Communiqué issued on conclusion of the 8th BRICS Trade Ministers Meeting in South Africa on 5 July 2018, Ministers expressed their concern on the systemic impact of unilateral trade measures which are incompatible with WTO rules and called for opposing protectionism and honouring commitments. They further committed to work together to strengthen the WTO.

Many countries including India have brought proposals to address the impasse in the appointment of members to the Appellate Body and have advocated strongly for protecting the fundamental principles of the WTO including multilateralism, rule-based consensual decision-making, an independent and credible dispute resolution and appellate process, the centrality of development and special and differential treatment for all developing countries.

*****
WTO'S PANEL TO CHECK COMPLIANCE ON SOLAR POWER PROGRAMME

39. SHRI K.R. ARJUNAN:
SHRI R. VAITHILINGAM:

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

(a) whether it is a fact that the World Trade Organisation had set up a panel to check India's compliance with last year's ruling on solar power programme;
(b) if so, the details thereof; and
(c) the steps taken by Government to convince the world body about the action initiated by India with regard to last year's ruling?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

***

(a) to (c):- Yes, the Compliance Panel under Article 21.5 of Understanding on Rules and Procedures governing the Settlement of Disputes (DSU) has been set up by WTO in DS456 dispute on India’s request to prove that India has fully complied with the recommendations and rulings of the WTO Dispute Settlement Body (DSB). The United States has filed a retaliation request under Article 22.6 of DSU stating that India has not complied fully with the recommendations and rulings of the DSB. However, India and the United States are also engaged bilaterally on this dispute with a view to reaching a mutually satisfactory solution.

****
HIKING OF DUTIES ON STEEL AND ALUMINIUM IMPORTS BY THE US

40. DR. K.V. P. RAMACHANDRA RAO:

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

(a) whether it is a fact that the United States has unilaterally hiked duties on Indian steel and aluminium imports;
(b) if so, whether the Central Government will consider dragging the US to the WTO since such unilateral action is against free global trade; and
(c) whether Government will opt for similar action, particularly on imports from the US, particularly agri products and motorcycles?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

***

(a): Yes.

(b): India has already filed a request for consultations with the U.S. on the imposition of additional duties of 25% on imports of steel and 10% on imports of aluminium, before World Trade Organisation (WTO)

(c): India has notified imposition of retaliatory tariffs on 29 commodities which would come into effect from 4th August, 2018. Nevertheless, India remain engaged with the U.S. for an amicable solution of the issue.

*****
HEAVY DEMAND OF INDIAN COFFEE

41. SHRI SANJAY SETH:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:
(a) whether there is a heavy demand of Indian coffee in the foreign market;
(b) if so, the details thereof;
(c) the quantum and value of coffee exported from the country during the last three years along with the revenue generated therefrom during the period;
(d) whether export of coffee has drastically increased the price of coffee, domestically affecting consumers; and
(e) if so, the details thereof and the corrective steps taken by Government in this regard?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI C. R. CHAUDHARY)

(a) & (b) Yes, Sir. Indian Coffee is considered to be one of the best coffees in the world due to its high quality and fetches high premium in the international markets. India’s coffee exports reached an all-time high of 3.95 lakh Metric Tonnes (MT) during 2017-18. The demand of Indian coffee is seen to have increased in Germany, Indonesia, USA, Poland, Libya, Spain, Tunisia, Ukraine, Italy and Belgium.

(c) The quantum and value of coffee exported from the country during the last three years along with the revenue generated are as under:

<table>
<thead>
<tr>
<th>Year</th>
<th>Quantity (MT) #</th>
<th>Value (Rs. in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015-16</td>
<td>3,16,752</td>
<td>5,160.50</td>
</tr>
<tr>
<td>2016-17</td>
<td>3,53,089</td>
<td>5,593.90</td>
</tr>
<tr>
<td>2017-18</td>
<td>3,95,014</td>
<td>6,210.00</td>
</tr>
</tbody>
</table>

# Based on export permit. The total coffee exports include export of Indian coffees as well as re-export of imported coffees after value addition.
Source: Coffee Board

(d) & (e) No, Sir. Coffee is primarily an export oriented commodity for India. The demand/consumption in domestic market is about 25% to 30% of country’s coffee production and therefore, does not drastically impact the prices of coffee in the domestic market.
GROWTH OF E-COMMERCE INDUSTRY

42. SHRI SANJAY RAUT:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:
(a) whether e-commerce has become one of the fastest growing trade channels facilitating cross-border trade of goods and services due to advanced technological innovations;
(b) if so, the details of e-commerce industry's growth;
(c) whether e-commerce industry and its consumers are facing various problems during transactions and post-transactions in the country;
(d) if so, the details thereof and Government's response thereto; and
(e) whether Government is seriously considering to bring national e-commerce policy, if so, by when?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

(a) & (b): E-commerce is one of the trade channels facilitating cross-border trade of goods and services. As per ‘Information Economy Report 2017’, published by UNCTAD, worldwide e-commerce sales in 2015 reached US $25.3 trillion, 90 percent of which were in the form of business-to-business e-commerce and 10 percent in the form of business-to-consumer sales. UNCTAD estimates that cross-border business-to-consumer e-commerce was worth about US $189 billion in 2015. As per Economic Survey 2017-18, e-commerce market in India is estimated at US $ 33 billion with a 19.1 percent growth in 2016-17.

(c) & (d): Consumers are facing problems while doing transactions in e-commerce. Complaints relating to delivery of defective goods, damaged goods and also non-delivery of products are being received in the National Consumer Helpline being run by the Department of Consumer affairs. Complaints regarding e-commerce received in National Consumer Helpline are referred to the companies concerned for redressal. In some cases, consumers are advised to file complaints in the appropriate consumer forum for redressal.
(e) The department of Consumer Affairs has introduced Consumer Protection Bill 2018 in the Lok Sabha on 5th January, 2018. There is provision for making of rules by the Central Government to regulate unfair trade practice in e-commerce. Department of Commerce initiated an exercise and established a Think Tank on “Framework for National Policy on E-commerce” and a Task Force under it and has deliberated on the challenges confronting India in the arena of the digital economy and e-commerce.

*******
44. SHRI K. C. RAMAMURTHY:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:
(a) whether it is a fact that more than 850 anti-dumping investigations have been initiated by the Directorate General of Anti-dumping Duties (DGAD) against China, US, EU and other countries;
(b) whether it is also a fact that out of 850, more than 200 investigations are against China alone; and
(c) if so, in how many cases antidumping duty has been imposed?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

***

(a):DGTR (erstwhile DGAD) has initiated 888 investigations against imports from various countries. These investigations mainly pertain to China, EU, Republic of Korea, Chinese Taipei, Thailand, US, Indonesia, Japan and Malaysia. The table below shows the number of anti-dumping investigations by India against various countries:

<table>
<thead>
<tr>
<th>Country</th>
<th>Number of investigations*</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>214</td>
</tr>
<tr>
<td>EU</td>
<td>65</td>
</tr>
<tr>
<td>Republic of Korea</td>
<td>65</td>
</tr>
<tr>
<td>Chinese Taipei</td>
<td>62</td>
</tr>
<tr>
<td>Thailand</td>
<td>49</td>
</tr>
<tr>
<td>US</td>
<td>40</td>
</tr>
<tr>
<td>Indonesia</td>
<td>39</td>
</tr>
<tr>
<td>Japan</td>
<td>39</td>
</tr>
<tr>
<td>Malaysia</td>
<td>34</td>
</tr>
<tr>
<td>Others</td>
<td>281</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>888</strong></td>
</tr>
</tbody>
</table>

Source WTO
As on 31.12.2017
(b) 214 investigations have been initiated against China upto 31.12.2017.

(c) Out of 888 investigations initiated by India, duty has been imposed in 656 investigations against various countries and out of which 167 were from China.

*******
IMPACT OF NON-SETTLEMENT OF GST REFUNDS ON EXPORTS

46. SHRI N. GOKULAKRISHNAN:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:
(a) whether it is a fact that exporters were not able to execute the orders for exports for want of settlement of GST refunds;
(b) whether Government has received any representation from the export organisations in this regard; and
(c) if so, the steps taken by Government in this regard?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

***

(a) & (b) Government has received representations from exporters/export organizations that they had difficulty in fulfilling export orders due to delay in settlement of Goods and Services Tax (GST) refunds.

(c) Government has taken many measures to expedite the refund of GST to exporters which inter-alia include:

(i) Issuance of Circular No.42/2017-Customs dated 7.11.2017 regarding certain common errors hindering disbursal of Integrated Goods and Services Tax (IGST) refund & solutions thereof;
(ii) Permitting manual intervention for corrections in figures by Customs officers through Amendment of Rule 96 of the Central Goods and Services Tax Rules, 2017 vide Notification No.3/2018-Central Tax dated 23.1.2018. Moving a step ahead for the ease of exporters, in case of refund of IGST where there is a mis-match of invoice details as filed in the Shipping Bill and GST Returns cases, an alternate mechanism with officer’s interface has been developed and circulated vide Circular No.5/2018-Customs dated 23.2.2018.
(iii) Circular No.06/2018-Cus dated 16.3.2018 has been issued by Central Board of Indirect Taxes & Customs (CBIC) providing solutions to Export General Manifest(EGM) related errors; Circular No.08/2018-Cus dated 23.3.2018 has been issued for granting one time exception for refund of IGST through an officer interface after due verification of payment of IGST based on information contained in the GST returns, in cases where status of IGST payment was declared as “NA” instead of “P” in shipping bill; and Circular No.12/2018-Cus dated 29.5.2018 has been issued in respect of pending IGST refund claims where records have not been transmitted from Goods and Services Tax Network (GSTN) to Customs and a mechanism was provided both for cases where there was short payment and where there was no such short payment.

(iv) In order to ensure smooth operation of the prescribed procedure and clearing the backlog of refund of IGST paid on export of goods, CBIC has directed Custom Houses to open a dedicated cell and e-mail address for the purpose of facilitating the pending IGST refund cases and Custom Houses have been directed to give wide publicity to this step.

(v) Over a period of time various pro-active measures have been taken in consultation with GSTN, IT wing of customs and field formations, as a result of which most of the errors have been rectified and IGST refunds have been sanctioned. Exporter awareness campaigns using both print media and social media were carried out so as to benefit the maximum exporters. Further, to encourage the exporters and sort out the problems being faced by the exporters, two ‘Special Drive Refund Fortnight’ from 15.3.2018 to 29.3.2018 and from 31.5.2018 to 16.6.2018 were organized. As a result, most of the claims filed till 30.04.2018 have been sanctioned. IGST refunds amounting to Rs. 21,142 crore and RFD-01A refunds totalling Rs 16,920 crore has been sanctioned by CBIC and State Governments as on 16.06.2018.

*****
GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

RAJYA SABHA
UNSTARRED QUESTION NO. 49
TO BE ANSWERED ON 18th JULY, 2018

DECLINE IN EXPORT OF LEATHER PRODUCTS

49. SHRI RAJKUMAR DHOOT:

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

(a) whether it is a fact that export of leather products from the country is consistently on the decline and leather industry in the country particularly in Maharashtra is facing acute shortage of raw material that is leather;
(b) if so, the details thereof and reasons behind this scenario; and
(c) what action Government proposes to take to revive the leather industry in the country including Maharashtra and improve the export of leather products from the country?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

(a) & (b) : The export of leather, leather products and footwear from India in 2016-17 was US$ 5.65 billion and increased to US$ 5.74 billion in 2017-18 as per DGCIS. The industry in the country including Maharashtra is not facing any shortage of leather.

(c) : The Government of India has notified a special package namely Indian Footwear, Leather and Accessories Development Programme (IFLADP) with an approved outlay of Rs.2600 crores from 2017-18 to 2019-20. The package includes grant of assistance to leather manufacturing units including tanneries for modernization, technology up-gradation & capacity expansion and establishment/up-gradation of Common Effluents Treatment Plants (CEPTs). The Government has reduced GST for finished leather from 12% to 5%; for leather goods, leather garments, saddlery and harness, belts, gloves etc., from 28% to 18%; for certain chemicals from 28% to 18% and extension of additional 2% scrip under Merchandise Exports from India Scheme (MEIS) for notified leather, leather products and footwear beyond June 30, 2018.

*******
BILATERAL TRADE WITH NEIGHBOURING COUNTRIES

50. SHRI RAJKUMAR DHUOT:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:
(a) what is the present status of the country's bilateral trade with neighbouring countries, country-wise details thereof; and
(b) what action Government has taken/proposes to take to substantially increase bilateral trade with neighbouring countries?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

(a) The value of India’s bilateral trade with neighbouring countries, country-wise, for 2017-18 and for the current year 2018-19 (for the period April-May 2018), is furnished below:

<table>
<thead>
<tr>
<th>Country in South Asia</th>
<th>2017-2018 Indian Exports</th>
<th>Imports into India</th>
<th>2018-2019 (April - May) (Provisional) Indian Exports</th>
<th>Imports into India</th>
</tr>
</thead>
<tbody>
<tr>
<td>Afghanistan</td>
<td>709.75</td>
<td>433.78</td>
<td>119.38</td>
<td>50.67</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>8,460.34</td>
<td>685.64</td>
<td>1,419.49</td>
<td>134.41</td>
</tr>
<tr>
<td>Bhutan</td>
<td>541.69</td>
<td>373.35</td>
<td>113.78</td>
<td>44.03</td>
</tr>
<tr>
<td>Maldives</td>
<td>217</td>
<td>5.68</td>
<td>39.05</td>
<td>0.64</td>
</tr>
<tr>
<td>Nepal</td>
<td>6,597.09</td>
<td>438.38</td>
<td>1,297.21</td>
<td>65.31</td>
</tr>
<tr>
<td>Pakistan</td>
<td>1,924.31</td>
<td>488.56</td>
<td>405.66</td>
<td>65.14</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>4,476.33</td>
<td>772.64</td>
<td>676.27</td>
<td>143.17</td>
</tr>
<tr>
<td>Total</td>
<td>22,926.51</td>
<td>3,198.02</td>
<td>4,070.84</td>
<td>503.37</td>
</tr>
</tbody>
</table>

Data Source: DGCIS database

(b) The Government has taken various steps for increasing bilateral trade with neighbouring countries in South Asia. Efforts have been made to improve the trade infrastructure which, inter-alia, include upgradation of Land Customs Stations, establishment of Integrated Check Posts/Border Haats, facilitation of bilateral and sub-regional connectivity, etc. Trade liberalisation is being carried out under SAFTA by India/other SAARC countries to encourage enhanced trade. The Government also continues to engage pro-actively with SAARC countries to strengthen trade and economic relations. Bilateral and multilateral trade discussions, held with these countries from time to time, explore mechanisms for enhancement of trade. Further,
assistance is provided under Market Access Initiative (MAI) to Indian exporters, Export Promotion Councils, apex trade bodies etc., for enhancing exports through participation in events in foreign countries, including countries in neighbourhood.

****
52. SHRI R. VAITHILINGAM:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:
(a) whether it is a fact that the US has alleged that India blocked the ministerial declaration agreement of World Trade Organization;
(b) if so, the details thereof;
(c) whether it is also a fact that the Marrakesh Agreement was not in India's interest; and;
(d) if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

***

(a) & (b) In the 2018 Trade Policy Agenda and 2017 Annual Report of the President of the United States, it is stated that at the end of the conference (the Eleventh Ministerial Conference of the World Trade Organization (WTO) held in Buenos Aires in December 2017), the United States and all Members, except India, were prepared to sign a short Ministerial Declaration.

It is a fact that India could not support the proposed draft of the Ministerial Declaration as it excluded or failed to adequately include important issues such as multilateralism, the Doha Development Agenda and Special and Differential Treatment of developing countries.

(c) & (d) The Marrakesh Agreement of 1995 established the World Trade Organization (WTO). The Agreement aims to achieve certain objectives through the multilateral trading system, such as, raising living standards, ensuring full employment, ensuring a large and steadily growing volume of real income and effective demand and expanding
the production of, and trade in, goods and services, while allowing for the optimal use of
the world's resources in accordance with the objective of sustainable development.

The Agreement also recognizes the need for positive efforts to ensure that developing
countries, and especially the least-developed among them, secure a share in the growth in
international trade commensurate with the needs of their economic development.

With these objectives in mind, the WTO rules have been framed and adopted through a
process of consensus. India, like many other developing countries, has joined the
consensus while ensuring that its trade interests are protected. The trade rules of the
WTO, its dispute settlement mechanism and methods of decision-making provide
stability and predictability to the global trading system. As a developing country, India
has been able to get the benefit of various special and differential treatment provisions in
the WTO Agreements. These special provisions include, for example, longer time periods
for implementing Agreements and commitments or measures to increase trading
opportunities for developing countries. The opening in the global markets has helped
Indian trade both in goods and services.

***
53. SHRI NARAYAN LAL PANCHARIYA:

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

(a) the objectives of the Interest Equalisation Scheme;
(b) whether Government has raised budget allocation for the scheme in the recent budget;
(c) if so, the details thereof and if not, the reasons therefor;
(d) the details regarding subsidy given under the scheme for promotion of labour intensive sectors which promote employment;
(e) whether Government has State-wise details of subsidy given under the scheme; and
(f) if so, the details in respect of Rajasthan and if not, the reasons therefor?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

(a). The objective of the Interest Equalisation Scheme is to help the identified export sectors to be internationally competitive and achieve higher level of export performance.

(b) & (c). Yes Sir. BE for FY 2018-19 under the Scheme is Rs. 2500 crore. RE for FY 2017-18 was Rs. 2000 crore.

(d). The scheme covers mostly labour intensive and employment generating sectors like processed agriculture/food items, handicrafts, handmade carpet, handloom products, coir and coir manufactures, jute raw and yarn and other jute manufactures, readymade garments and made ups covered under Chapter 61-63, fabrics of all types, toys, sports goods, paper and stationary, Cosmetics and Toiletries, Leather Goods and footwear, Ceramics and Allied Products, Glass and Glassware, Medical and Scientific Instruments, Optical Frames, Lenses, Sunglasses Etc.
Auto Components/Parts, Bicycle & Parts, Articles of Iron or Steel (Notified lines), Misc. Articles of base metals (Notified lines), Industrial Machinery, Electrical and Engineering items, 1C Engine, Machine tools, Parts (Notified lines), Electrical Machinery and Equipment (Notified lines), Telecom Instruments (Notified lines) and all items manufactured by SMEs other than those covered above. Details of fund released to RBI under the scheme are as under:-

<table>
<thead>
<tr>
<th>Year</th>
<th>Budget Estimates (in crore)</th>
<th>Revised Estimates (in crore)</th>
<th>Actual Expenditure (in crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015-16</td>
<td>1625</td>
<td>1100</td>
<td>1100</td>
</tr>
<tr>
<td>2016-17</td>
<td>1000</td>
<td>1000</td>
<td>1000</td>
</tr>
<tr>
<td>2017-18</td>
<td>1100</td>
<td>2000</td>
<td>2000</td>
</tr>
<tr>
<td>2018-19</td>
<td>2500</td>
<td>2500</td>
<td>729 (till date)</td>
</tr>
</tbody>
</table>

(e)& (f). No Sir. The department does not have state wise data.

*****
54. SHRI R. VAITHILINGAM:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:
(a) whether it is a fact that for the first time in more than two decades in the history of the World Trade Organization, India was not blamed for the failure of a meeting of the global organization's apex decision making body as witnessed in the Argentine capital;
(b) whether it is also a fact that it is more important as India was pilloried for earlier failure;
(c) whether India gained goodwill of the rest of the world due to its firm stand; and
(d) if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

(a) and (b): Decisions at the WTO are taken by consensus and each member has equal voice in the decision making process. Members, including India, take stand on issues based on their national interests.

India participated in a positive spirit in the Eleventh Ministerial Conference of the WTO, the apex decision-making body of the organization, held in Buenos Aires, Argentina in December 2017. India worked proactively with other WTO member countries across issues to constructively find a way forward in various areas of negotiations. Towards this end India was a proponent in nearly all agenda items under consideration. India had created strong coalitions based on common interests in agriculture and other areas. India stood firm on its stand on the fundamental principles of the WTO including multilateralism, rule-based consensual decision-making, an independent and credible
dispute resolution and appellate process, the centrality of development and Special and Differential Treatment for all developing countries.

(c) and (d): Given India’s positive and constructive engagement in good faith in all areas of work and issues discussed at the 11th Ministerial Conference and the stand taken by us, India gained goodwill from a large number of developing countries who were our coalition partners on key issues.

****
INVITATION TO COMMERCE MINISTERS FOR MEETING ON WTO ISSUES

56. SHRI A. K. SELVARAJ:

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

(a) whether it is a fact that India invited Commerce Ministers from various nations to attend an informal meeting concerning issues of World Trade Organization;

(b) if so, the details thereof;

(c) whether it is also a fact that Government extended an invitation to Commerce Minister of Pakistan as well; and

(d) whether Government received confirmation from all those countries whose Ministers were invited for the said purpose?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

***

(a) & (b): Yes Sir. India hosted an Informal Ministerial Meeting of World Trade Organization (WTO) members on 19-20 March, 2018 in New Delhi, for which Ministers responsible for WTO matters in various member countries as well as Director General of the WTO were invited. India is a strong supporter of the multilateral trading system and has been working constructively with members of the WTO to ensure that multilateralism is strengthened through collaborative efforts. It is in this spirit that India hosted this meeting with the objective of facilitating an exchange of views on various issues and challenges relating to the multilateral trading system.

(c): Yes Sir.

(d): Out of the 53 Members of the WTO (including the European Union) to whom invitations were sent, 51 Members and the Director General of the WTO attended the meeting at Minister or Vice Minister or official levels.

*****
IMPACT OF INCREASING IMPORT TARIFF ON STEEL BY THE US

57. SHRI A.K. SELVARAJ:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:
(a) whether it is a fact that India will be severely impacted by US Government’s plans to impose hefty import tariff on steel;
(b) if so, the details thereof;
(c) whether it is also a fact that US imports only 2 per cent of steel from India; and
(d) whether it is also a fact that the said move will certainly affect some exports of steel to the US?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI C. R. CHAUDHARY)

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(a) to (d) As per the report (dated January 11, 2018) of the investigation conducted under Section 232 of the U.S. Trade Expansion Act of 1962, (as amended), by U.S. Department of Commerce (Bureau of Industry and Security, Office of Technology Evaluation), out of 35,927,141 Metric Tons of Steel products imported by United States in 2017 (annualized), imports from India were only 854,026 Metric Tons, i.e., around 2.4% of total U.S. imports.

In 2017-18, India exported Steel and Steel products worth USD 1.98 billion to U.S. out of which exports of USD 0.62 billion fall under the tariff lines on which the United States has imposed tariff of 25%. India’s steel exports to the U.S., under the said tariff lines, are hence likely to be impacted.

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OUTCOME OF US-INDIA BILATERAL TRADE POLICY FORUM MEET

59. SHRI V. VIJAYASAI REDDY:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:
(a) what is the outcome of the recent US-India Bilateral Trade Policy Forum (TPF) meet;
(b) whether it is a fact that under the new regime, Indian IT professionals working in the US on H-1B Visa do not get back their contribution to social security which runs into US 1 billion dollars annually;
(c) whether it means that there is a mismatch between US Visa and US Social Security regimes; and
(d) how the Ministry is planning to address this problem?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

(a): India and the United States have established institutional mechanism in the form of Trade Policy Forum to resolve bilateral trade issues. The last India-United States Bilateral Trade Policy Forum meeting was held on 26th October, 2017 at Washington D.C. The Indian side was led by Hon’ble CIM Shri Suresh Prabhu and United States side was led by Ambassador Robert Lighthizer. The discussions focussed on taking forward the outstanding bilateral trade issues in the areas of Intellectual Property Rights, Market Access for agricultural commodities, Non-agriculture goods and Services.

(b) & (c): It has been the policy of the U.S. government that under the U.S. Social Security Act, non-immigrant foreign workers, including Indians, are required to complete a contribution period of 40 quarters or 10 years before they qualify for social security benefits. The non-immigrant visa-holders on H-1B and L-1 visas are allowed residence for a maximum of 7 years. Due to this mismatch between the U.S. visa regime and U.S. Social Security regime, all non-immigrant visa-holders on H-1B and L-1 visas from countries with whom the U.S. does not have social security
agreement, including Indian nationals, cannot claim the social security benefits on return to their country.

(d): The issue of social security agreement with the United States has been taken up with the U.S. Government from time to time, including in all recent ministerial-level discussions. The US side has held its position that the Indian social security system does not meet the criteria under Section 233 of the US Social Security Act which prevents them from concluding a totalization agreement with India. It has been urged by the Government of India that the U.S. government should revisit its position and work towards achieving a totalization agreement with India.

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NEW STRATEGY ON TRADE COMPETITIVENESS

60. SHRI T. RATHINAVEL:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:
(a) whether it is a fact that Government wishes Indian Industry to be more open to competition from overseas goods;
(b) whether it is also a fact that Government is considering a new strategy where trade will form 40 per cent of the economy in the coming years;
(c) whether the strategy will look at how to have bilateral and multilateral deals to move to a US 5 trillion dollars economy with exports being US 1 trillion dollars as part of the strategy; and
(d) if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

(a) Trade facilitation is a priority of the Government for cutting down the transaction cost and time, thereby rendering Indian exports more competitive. The various provisions of FTP and measures taken by the Government in the direction of trade facilitation are focused on benefiting the stakeholders for enhancing exports.

(b), (c)&(d): Steps taken by Department of Commerce to promote exports:
- Foreign Trade Policy 2015-20 and Mid-term review notified in December 2017, focused on encouraging exports by MSMES and Labour Intensive Industries. FTP was aligned with the GST regime.
- Interest Equalization scheme on Pre and Post Shipment Rupee Export Credit which helped in accessing credit at reduced rates was introduced.
- A new logistic division was created in DOC to focus on improving logistics efficiency and enhancing growth.
- A new scheme namely TIES was launched which provided matching assistance for setting up and up-gradation of infrastructure projects with overwhelming export linkages: Border Haats, Land customs stations, quality testing, certification labs and cold chains etc.
• Facilitating Transparency through Ease of Doing Business and IT initiatives
• DGFT and SEZ online integrated with customs ICEGATE.
• Import Export Code(IEC) integrated with PAN and MoU signed with GSTN for complete registration.
• State Governments provided access to DGCI&S export data in real time.

Steps taken to increase exports are an ongoing process. Focus on Product and Market Specific strategies are part of this process for achieving an accelerated growth in exports, both Merchandise and Services. Appropriate adoption of these proposed measures and their rightful implementation would ensure India achieving significant boost in exports in the coming years. Indian economy is globally integrated. Several Indian products are globally competitive. Through a focused exports strategy involving all stakeholders, it should be possible to achieve a higher share of exports in the GDP.

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