

Summit decided that the two sides should enter into negotiations for a Broad based Trade and Investment Agreement covering areas of Trade in Goods, Trade in Services, Investment, Sanitary and Phytosanitary measures, Technical Barriers to Trade, Trade Remedies, Customs Cooperation & Trade Facilitation, Dispute Settlement, Competition and Intellectual Property Rights. Negotiations commenced in June 2007 covering all these areas. So far, six rounds of negotiations between India and European Union have been held. Legal text of the proposed agreement in all these areas have been exchanged and are being discussed. Tariff liberalisation offers have also been exchanged on Trade in goods. Negotiations are still in the initial stages.

(d) Question does not arise.

**Impact of global economic meltdown on export of India tea**

1201. SHRI KALRAJ MISHRA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether Indian tea exports have suffered a great deal due to global economic meltdown this year;
- (b) if so, the comparative figures of tea exports during 2006-07, 2007-08 and 2008-09; and
- (c) whether the Indian tea industry has demanded for any concessions on incentives to boost tea exports, if so, the details thereof and Government's response thereto?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) There is no major adverse impact on tea exports during 2008-09 due to the global economic melt down.

(b) The details of tea exported from India during last three years are as under:-

*Export of Tea from India*

Year	All India		
	Qty (Million Kgs)	Value (Rs. Crs.)	Unit Price (Rs.)
2006-07	218.15	2045.72	93.77
2007-08	185.32	1888.68	101.91
2008-09(E)	183.99	2274.74	123.64

(E) Estimated & subject to revision

(c) Tea Industry has demanded the continuation of all general schemes incentivising exports, inclusion of tea in the Vishesh Krishi and Gram Udyog Yojana (VKGUY) scheme, continuation of the incentive for Orthodox tea production and development of export infrastructure etc.

The Government of India has responded by announcing several measures viz. incentive schemes for boosting exports including tea, inclusion of green tea in the Vishesh Krishi and Gram Udyog

Yojana (VKGUY) scheme, continuation of the incentive schemes in the 11th Five Year Plan for orthodox tea production which is entirely exported, establishing a Tea Park in West Bengal. A scheme to defray the high inland transport costs of tea exports from the North-East is also being implemented covering all such exports out of ICD Amingaon, near Guwahati.

#### **Revival package for tea industry**

1202. SHRI N.R GOVINDARAJAR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) the number of tea estates closed/abandoned in our country as on date;
- (b) whether Government has any proposal for revival/taking over of these tea estates;
- (c) if so, the details thereof;
- (d) whether the production of tea and the share of Indian tea exports in the world market has declined significantly during the last two years;
- (e) if so, the details and the reasons therefor; and
- (f) the steps taken by the Government to increase production of tea, boosting the export of tea and also provide assistance to the small tea growers?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) As on date, 16 tea estates (11 in West Bengal, 5 in Kerala) are lying closed in the country.

(b) and (c) The Government has sanctioned a revival package for 33 closed tea gardens that remained closed as on 1.4.2007. Section 16 (E) of the Tea Act, which provides for handing over management to new entrepreneurs, has been invoked on 4 gardens (2 in West Bengal and 2 in Kerala).

(d) and (e) No Sir. Both the production and exports of tea from India has marginally improved during the year 2008 over 2007 in the World Tea Market.

(f) The steps taken by the Government to increase production and export of tea are given below:

#### **Production of Tea**

- (i) New planting by the Small Growers
- (ii) Replanting, Rejuvenation pruning, infilling and consolidation of existing tea areas.
- (iii) Creation of irrigation and drainage facilities in the tea gardens.
- (iv) Organising Self Help Groups of small growers
- (v) Setting up of new factories, modernization of existing factories, creation of new facilities for product diversification, ISO/HACCP Certification and Quality Awareness Programme.