

Business partnership with Germany

1562. SHRI M.V. MYSURA REDDY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether India and Germany have agreed to take their business partnership forward and agreed to enter into an agreement;
- (b) if so, the details thereof;
- (c) the details of areas in which India and Germany agreed for mutual cooperation; and
- (d) to what extent this helps India in reducing its trade deficit with Germany?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a), (b) and (d) Germany is an important trading partner of India (rank 5 in 2009-10). India is keen to enhance bilateral trade with all countries including Germany. The India Germany Joint Commission for industrial and economic cooperation which last met on September 23, 2010 in Delhi is the available institutional mechanism for furthering economic engagement. No separate agreement with Germany is under consideration. However, negotiations are underway with the European Union (of which Germany is a part) for a Broad based Trade and Investment Agreement (BTIA). It can be reasonably expected that the BTIA will improve market access in goods and services mutually and expand trade opportunities in India and the EU. To what extent the trade deficit with Germany reduces on account of the BTIA (as and when it is finalized) cannot be predicted ex-ante.

(c) Some of the areas of Indo-German cooperation include Energy, Agro business, Manufacturing, Renewable Energy, skill training and Information Technology.

Reduction in requirement of SEZs in B1 category cities

1563. 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 requirement in respect of SEZs located in B1 category cities, has been reduced;
- (b) if so, the details thereof; and
- (c) to what extent it would help the SEZs and the local people?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) to (c) Keeping in view, the twin objectives of dispersal of SEZs to a larger area of the country and the generation of employment in non-metropolitan areas, Rule 5(b) of the SEZ Rules has been amended to relax the condition regarding minimum built-up area requirement. While in respect of A1 and A cities, there is no change in the requirement of minimum built up area, in respect of SEZs located in B1 category

cities, the minimum built up area has been reduced to 50% of the requirement prescribed in the SEZ Rules.

India's expected exports by 2014

1564. DR. K.V.P. RAMACHANDRA RAO: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether it is a fact that as per the Foreign Trade Policy, 2009-14, India's exports are expected to double by 2014;
- (b) if so, the details in this regard; and
- (c) what action plan has been prepared to achieve this?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) Yes, Sir.

(b) and (c) In order to meet this objective and to boost exports. Government and RBI have been closely monitoring the economic developments in the country and internationally on a continuous basis, with special emphasis on monitoring the performance of export sectors. Sectoral performance reviews of export sectors are being conducted at regular interval and need based support measures are undertaken, keeping in view the need based supports and the financial implications thereof.

Promotion of export of labour intensive products

1565. SHRI K.N. BALAGOPAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether Government has any scheme to promote export of labour intensive products;
- (b) if so, which are the schemes and what are the major items;
- (c) whether cashew export is included in the scheme; and
- (d) if not, considering the huge number of workers in the industry will it be included in Export Promotion Scheme?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) to (d) Some of the schemes/measures taken by the Government to promote exports include Vishesh Krishi and Gram Udyog Yojana (VKGUY), Focus Market Scheme (FMS), Focus Product Scheme (FPS), Market Linked Focus Product Scheme (MLFPS) for market expansion and product diversification; duty neutralization scheme under Advance Authorisation, Duty Free Import Authorisation (DFIA), Duty Entitlement Passbook (DEPB) and Duty Drawback schemes; concessional export credit and interest subvention for specified sectors; import of capital goods under Export Promotion Capital Goods (EPCG) scheme at concessional duty for technological upgradation; and financial assistance