

Services agreement with ASEAN countries

1106. SHRI NARESH GUJRAL : Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) the details of Association of South East Asian Nations (ASEAN) countries with whom India has signed Free Trade Agreements (FTAs);
- (b) what is the extent of Indo-ASEAN trade in the last two years; and
- (c) whether Government proposes to sign services agreement with ASEAN, if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA) : (a) India has signed Agreement on Trade in Goods under the broader framework of Comprehensive Economic Cooperation Agreement (CECA) with Association of South East Asian Nations (ASEAN) comprising Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam. India has also signed bilateral CECA with Singapore and Malaysia.

(b) During the year 2010-11 and 2011-12, export to ASEAN countries was US\$ 25.628 billion and US\$ 36,645 billion respectively. During the year 2010-11 and 2011-12, import from ASEAN countries was US\$ 30.608 billion and US\$ 42.564 billion respectively.

(c) Negotiations for Agreement on Trade in Services are currently underway and thirteen meetings of Working Group on Services have been held so far.

Setting up it SEZ in Bihar

1107. SHRI RAM KRIPAL YADAV : Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether Government has any plan to set up an IT Special Economic Zone (SEZ) in Bihar;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA) : (a) to (c) As per the Special Economic Zones Act, 2005, a Special Economic Zone (SEZ) may be established either jointly or severally by the Central Government, State Governments or any person for manufacture of goods or rendering services or for both or as a Free Trade and Warehousing Zone. Proposals for setting up of SEZs are considered by the Board of Approval only after written consent of the concerned State Government. SEZs being set up under the Act are primarily private investment driven. No proposal for setting up an IT Special Economic Zone in Bihar has been received.

Making India an attractive destination for FDI

1108. DR. V. MAITREYAN : Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether it is a fact that India slipped from being the 8th largest recipient of Foreign Direct Investment (FDI) in 2009 to the 14th largest in 2010;
- (b) if so, the reasons therefor;
- (c) what are the steps being taken by Government to make India a more attractive destination for FDI; and
- (d) whether it is also a fact that many countries are offering more sops for FDI than what India offers?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA) : (a) According to the UNCTAD's World Investment Report, 2011, India's global ranking, in terms of FDI inflows, was eighth in 2009 and fourteenth in 2010.

(b) Under the liberalized economic environment, investment decisions of investors are based on the macro-economic policy framework, investment climate in the host country, investment policies of the trans-national corporations and other commercial considerations.

(c) Foreign Direct Investment (FDI) policy is reviewed on an ongoing basis, with a view to making it more investor friendly. Government has put in place an investor-friendly policy on FDI, under which FDI, up to 100%, is permitted, under the automatic route, in most sectors/activities. Significant changes have been made in the FDI policy