

FTA by ASEAN countries

1089. SHRI KANWAR DEEP SINGH : Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether India and ten Association of South East Asian Nations (ASEAN) countries have recently discussed for early Free Trade Agreement in services and investment at their meeting held in the Cambodian capital in July, 2012;

(b) if so, whether all the ASEAN countries have agreed to the proposal of Free Trade Agreements in services and investment; and

(c) if so, the likely impact of Free Trade Agreement in services and investment on India?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA) : (a) No meeting between India and ten Association of South East Asian Nations (ASEAN) countries was held in the Cambodian capital in July, 2012.

(b) India and ASEAN are currently negotiating Agreement on Trade in Services and Agreement on Investment under the broader framework of Comprehensive Economic Cooperation Agreement (CECA).

(c) The likely impact of Free Trade Agreement in services and investment on India could only be assessed once the negotiations are completed.

SEZs in Madhyanchal and Poorvanchal areas of UP

†1090. SHRI NARESH AGRAWAL : Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the standards fixed by Central Government to approve Special Economic Zone (SEZ) area under the States;

(b) whether it is a fact that the State Government of Uttar Pradesh wants to setup one SEZ each in Madhyanchal and Poorvanchal so that the industrial development of the State could gear up;

† Original notice of the question was received in Hindi.

(c) if so, the objections of the department in according its approval and whether Government would declare SEZ area in Uttar Pradesh by removing the objections keeping in view the interest of Uttar Pradesh; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA) : (a) The SEZ Act, 2005 and SEZ Rules, 2006 provide the requirements for establishment of a Special Economic Zone. Rule 5 of the SEZ Rules, in particular, provides the requirements of minimum area of land and other terms and conditions for a class or classes of Special Economic Zone to be set up under the SEZ Act.

(b) to (d) 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 such proposal from Government of Uttar Pradesh is pending with this Department.

Trade through FDI from Pakistan

†1091. SHRI ISHWARLAL SHANKARLAL JAIN : Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government has given its approval to boost trade through Foreign Direct Investment (FDI) from Pakistan;

(b) if so, the details thereof; and

(c) the details of products of India and Pakistan, which would be traded mutually between both the countries through this trade?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA) : (a) and (b) D/o Industrial Policy and Promotion (DIPP), *vide* Press Note No. 3 (2012 Series), dated 1st August, 2012 reviewed the FDI Policy and decided to permit a citizen of Pakistan or any entity incorporated in Pakistan to make investments in India, under the Government route, in sectors/activities other than defence, space and atomic energy.

† Original notice of the question was received in Hindi.