

In formulating the policy for allowing 51 per cent FDI in multi-brand, the Government was conscious of the livelihood concerns of the millions of small retailers. Informed studies of global experience have revealed that even in developing economies like China, Brazil, Argentina, Singapore, Indonesia and Thailand, where FDI is permitted up to 100%, local retailers have found innovative ways to co-exist along with organized retail and are integral to the organized retail chain. In Indonesia, even after several years of emergence of supermarkets, 99% of the fresh food retail and 70% of all food retail continues to be controlled by traditional retailers. In any case organized retail through Indian corporate entities is already allowed in India. The experience of the last one decade has shown that the small retailers have flourished in harmony with the large retail outlets. As per the ICRIER report referred to above, there was no evidence of a decline in overall employment in the unorganized sector as a result of the entry of organized retailers. Further, there was competitive response from traditional retailers through improved business practices and technology upgradation. A majority of unorganized retailers were keen to stay in the business and compete, while also wanting the next generation to continue likewise and most unorganized retailers were committed to remaining independent.

#### **Bilateral trade between India and EU**

†2810. SHRI RAGHUNANDAN SHARMA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether bilateral trade has increased between India and European countries including Portugal during the last three years;
- (b) if so, the quantity-wise, price-wise country-wise and year-wise details of the export and import made during the said period;
- (c) the percentage of services sector and industrial sector in the total export and import made between both trading partners;
- (d) the different sectors of priority identified by Government for extension of trade and economic cooperation with European Countries; and
- (e) the steps taken/being taken by Government to promote trade with the European Countries including Portugal?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI D. PURANDESWARI): (a) Yes, Sir.

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†Original notice of the question was received in Hindi.

(b) and (c) The details of the merchandise, export and import country wise with European Countries in value in Million US \$ is given in Statement (*See* below). Trade figures (both by Quantum and Value) are also available in the DGCI&S Publication 'Foreign Trade Statistics of India (Principal Commodities and Countries)'. The data in respect of the share of the services sector in our bilateral trade with Europe is not available.

(d) While Netherlands, Belgium, Germany, UK, Italy and France remain our traditional trading partners, India is looking at newer markets both in Europe and the world. In Europe, apart from Western Europe (our traditional market), India is focusing on exploring trade in Central and East European (CEE) countries.

(e) With a view to boosting bilateral trade with the European Union (EU) countries of which the European Union member states including Portugal are our key trading partners, interactions with the European Union and the individual countries (including Portugal) are held at various levels, on a regular basis, by way of Joint Commission Meetings. These Joint Commissions are held at regular intervals with 28 European countries and facilitate economic co-operation and trade between the two sides. Besides, a number of business to business interactions are organized regularly between Chambers of Commerce and Industry. Participation in major trade fairs is also encouraged and supported by the Government.

#### ***Statement***

##### *Country-wise details of Export and Import with European countries*

(Values in Million USD)

Country	Export			Import		
	2009-10	2010-11	2011-12	2009-10	2010-11	2011-12
1	2	3	4	5	6	7
Austria	252.74	593.77	341.67	789.37	817.07	1075.69
Belgium	3759.26	5784.42	7160.75	6019.20	8609.82	10450.98
Bulgaria	50.89	69.71	108.78	32.63	57.58	97.86
Cyprus	46.82	43.31	56.62	14.10	20.40	22.14
Czech Republic	177.76	215.77	271.90	562.45	676.78	713.64

1	2	3	4	5	6	7
Denmark	580.42	690.75	757.39	592.37	472.82	619.85
Estonia	28.92	52.91	110.24	32.94	44.90	232.62
Finland	208.36	254.93	314.47	1010.66	1653.02	2051.17
France	3819.83	5209.70	4563.69	4192.17	3704.57	3832.85
Germany	5412.89	6754.35	7938.73	10318.18	11891.37	15719.46
Greece	452.80	364.88	789.45	154.13	93.39	116.18
Hungary	269.68	212.85	316.06	194.95	342.97	425.99
Ireland	260.57	270.52	422.68	264.82	259.26	394.30
Italy	3400.25	4554.06	4878.49	3862.06	4256.02	5416.31
Latvia	47.17	103.19	96.15	154.94	196.32	141.56
Lithuania	66.39	83.30	134.75	72.69	125.45	201.88
Luxembourg	4.78	18.76	8.91	33.85	36.62	55.81
Malta	708.85	746.78	848.99	12.11	35.87	44.54
Netherland	6397.56	7681.47	9145.45	2130.00	1853.10	2672.35
Poland	421.13	666.41	785.95	387.29	386.04	657.67
Portugal	374.57	526.84	524.66	71.06	85.37	310.66
Romania	330.81	426.03	269.43	225.35	237.45	416.74
Slovak Rep	35.76	59.47	94.71	40.30	88.03	90.86
Slovenia	192.58	187.46	227.01	118.14	92.00	137.02
Spain	2029.26	2566.28	2981.58	1095.53	1487.58	1802.23
Sweden	476.63	627.74	824.65	1590.14	1619.38	2004.44
U K	6221.39	7311.98	8597.19	4461.67	5396.78	7595.34
Albania	8.51	11.50	12.63	0.27	0.12	105.89
Bosnia-Hrzgovin	2.71	3.20	5.78	0.50	19.09	18.91

1	2	3	4	5	6	7
Croatia	89.68	97.69	114.56	26.89	28.06	27.34
Macedonia	7.00	8.34	8.86	26.65	1.02	14.74
Serbia Montngro	12.74	23.56	41.72	5.76	3.08	2.22
Iceland	17.08	84.36	34.03	9.97	4.63	4.61
Liechtenstein	0.06	0.16	0.14	0.04	0.22	0.59
Norway	228.91	179.35	334.16	907.35	961.49	843.36
Switzerland	589.39	690.55	1103.31	14698.43	24802.00	32307.72
Turkey	1539.20	2749.15	3536.65	1603.64	821.06	921.97
TOTAL	38523.34	49925.52	57762.18	55712.63	71180.68	91547.48

#### Setting up leather clusters in Maharashtra

2811. SHRI RAJ KUMAR DHOOT: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) the present status of leather industry in Maharashtra;
- (b) whether Government proposes to set up leather clusters in the State to promote the leather industry in the State; and
- (c) if so, the details thereof and if not the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. S. JAGATHRAKSHAKAN): (a) (i) As per Reports of Working Group on Leather and Leather Products for Twelfth Plan, Leather industry in Western India is primarily located in the State of Maharashtra. The State having leather clusters at Andheri (East) in Mumbai, Kolhapur and Bhiwandi are mainly engaged in the production of leather shoes, sandals and leather goods. Maharashtra accounts for 32% of the country's production capacity of leather sandals and 15% of leather goods.

(ii) As per reports of Council for Leather Exports, Chennai, export of leather and leather products from Maharashtra has increased from Rs. 9761.40 mn in 2010-11 to Rs. 9915 mn in 2011-12, recording an increase of 1.58%. Export of leather footwear alone accounts for a major share of 60.83% in total leather export trade of