

WRITTEN ANSWERS TO UNSTARRED QUESTIONS**Issue of MSP in Ninth WTO Ministerial Conference**

621. SHRI D. RAJA:

SHRI M.P. ACHUTHAN:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the issue of our Minimum Support Prices (MSP) for farmers and food subsidies are likely to come up in the forthcoming Ninth WTO Ministerial Conference scheduled for December, 2013 in Bali; and

(b) if so, the details thereof and the position India is expected to take in the conference on this issue?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. E.M. SUDARSANA NATCHIAPPAN): (a) As per WTO rules, since India procures foodstuffs for its public stocks at administered prices (*i.e.* Minimum Support Prices), this has to be accounted for in the calculation of the support provided. The support provided has to be kept within a limit. Since this can be a constraint on the procurement operations of developing countries, India, along with other developing countries submitted a proposal in the WTO for a suitable amendment in the rules to address this issue. India took a firm stand that food security is non-negotiable. The need of public stockholding of foodgrains through administered prices (MSP in India) to ensure food security must be respected and WTO rules must be updated.

(b) During the Ninth Ministerial Conference of the World Trade Organisation (WTO) held in Bali, Indonesia from 3 to 7 December, 2013, Ministers agreed on a Decision that provides for an interim period of protection to public stockholding programmes for food security purposes of developing country Members from being challenged in the WTO on allegations of exceeding the support which they are entitled to provide. It further provides that Members must agree on a permanent solution on this issue for adoption by the Eleventh Ministerial Conference of the WTO.

FDI in Pharma sector

622. SHRI D. RAJA:

SHRI M. P. ACHUTHAN:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the Standing Committee on Commerce has

recommended a blanket ban on Foreign Direct Investment (FDI) in existing pharma projects and urged that further takeover/acquisition of domestic pharma units be stopped;

(b) whether it is also a fact that important Ministries like Finance and Health and Family Welfare are strongly pitching for urgent reversal of the current policy of allowing FDI in Pharmaceutical companies; and

(c) if so, the details thereof and Government's decision thereon?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. E.M. SUDARSANA NATCHIAPPAN): (a) Yes, Sir.

(b) and (c) The Government considered a proposal to review the FDI cap in brownfield pharmaceutical sector to curb the takeover/acquisition of domestic pharmaceutical companies. Department of Health & Family Welfare supported the proposal. Ministry of Finance supported the continuance of the existing policy. Government has not approved the proposal to review the FDI cap in brownfield pharma sector.

Promotion of coffee production at Palani Hills, Tamil Nadu

623. SHRIMATI KANIMOZHI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the coffee production at Palani Hills, Tamil Nadu has come down by half due to lack of promotion by Government;

(b) the steps, if any, taken by Government to boost export potential of coffee grown at Palani Hills; and

(c) whether the Coffee Board of India has been working with coffee cultivators to sustain coffee production in this region, and if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. E.M. SUDARSANA NATCHIAPPAN): (a) No, Sir. The production of coffee in Palani hill/zone has increased from 6025 MT in 2010-11 to 7550 MT in 2013-14. The type wise details of the coffee produced in Palani hill/zone during the last three years and the current year are indicated below: