

[5 July, 2004]

RAJYA SABHA

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) For export marketing and sales promotion activities a "Market Access Initiative" Scheme is operational with an outlay of Rs. 552.00 crore during the Tenth Five Year Plan Period.

(b) No, Sir.

(c) The question does not arise.

(d) No, Sir.

(e) The question does not arise.

Export of basmati rice

11. SHRI RAMA MUNI REDDY SIRIGIREDDY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) to what extent the country has succeeded in getting preferential access for all basmati varieties of rice that are exported to various countries;

(b) the plans Government have to get support from the European Union before switching over to the new regime;

(c) whether it is a fact that India is facing a lot of problems in convincing the European Union for preferential access to our varieties; and

(d) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) to (d) Under their Uruguay Round commitments on agricultural products, the Member States of the European Union (EU) agreed to extend preferential access on imports of certain varieties of rice from Members of the World Trade Organization (WTO), which also covered basmati rice imports from India. Since July, 1995 a duty derogation of 250 ECUs per Metric Tonne was available on all basmati varieties, notified under Seed Act of India, 1966. Effective 1st January, 2004 EU had restricted this duty derogation to only 6 Traditional Basmati Varieties. Pursuant to reform of its agriculture sector under the Common Agricultural Policy (CAP) of 2003, the EU Member States have

invoked the provisions of Article XXVIII of the General Agreement on Tariffs and Trade (GATT) 1994 with the view to renegotiating the margin of preference afforded to WTO Members on rice.

International Trade Talks

12. SHRIMATI N.P. DUGRA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the US trade representative, Mr. Robert Zoellick, has urged the member-countries of the WTO, in the second week of January, 2004, to restart the stalled International Trade Talks;

(b) if so, the details of the statement made by him; and

(c) Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) to (c) In his letter, dated 11 January, 2004, addressed to the Trade Ministers of WTO Member countries, Mr. Robert B. Zoellick, United States Trade Representative, gave his assessment of the state of play of the on-going WTO negotiations under the Doha Work Programme which were affected due to the stalemate at the Cancun Ministerial Conference and made some suggestions for way forward in these negotiations. He suggested that WTO Members should focus further work on the core market access issues, namely agriculture, non-agricultural products and services. In addressing these market access issues, special and differential treatment provisions for developing countries should be incorporated. On agriculture, he pointed out that the Doha Work Programme can be successful only if an agreement on elimination of export subsidies by a certain date could be reached. The US Trade Representative also proposed that the WTO Members could agree to a 'framework' on negotiations by the mid-year 2004 with a Ministerial Conference planned for the year-end. India is receptive to the idea of a framework agreement by July 2004, as being proposed, as it could be useful in tracking movements in the on going negotiations, provided, however, that it will not compromise India's national interests. The framework agreement should satisfy three basic criteria, namely, conformity with the Doha Ministerial mandate; these must be clear and unambiguous; and must not constrain possible trade-offs in future