

Trade Agreement with Singapore

4662. SHRI K. NATWAR SINGH :
DR. T. SUBBARAMI REDDY :

Will the Minister of FINANCE be pleased to state :

(a) whether during Singapore PM's visit to India, Singapore has set up \$ 1 billion fund to invest in India;

(b) if so, whether this declaration was signed between the Commerce and Industry Ministers of the both countries in the presence of the Prime Minister;

(c) if so, the main projects on which Singapore has agreed to invest in India;

(d) to what extent trade relations between the two countries have been further strengthened;

(e) whether India-Singapore bilateral trade earlier had been on a low key; and

(f) to what extent this agreement will improve trade between the two countries ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL) : (a) to (f) In pursuance to a bilateral agreement between the Prime Ministers of India and Singapore on 8th April 2002, an India-Singapore Joint Study Group was established to study the benefits of an India-Singapore, Comprehensive Economic Cooperation Agreement (CECA). The Joint Study Group submitted its report which includes a recommendation on the setting up of an India-Singapore Fund with an eventual target size of US \$ 1 billion. A Declaration of intent was signed by the Trade Ministers of both the countries during the visit of the Prime Minister of Singapore to India on April 8, 2003. According to this Declaration of Intent, negotiations for the India-Singapore CECA should begin as soon as possible and aim to conclude with the signing of the relevant agreements as early as possible. The CECA, when negotiated and implemented, is expected to be of mutual benefit to both the countries and help increase bilateral trade and investment flows in view of the extent of economic complementarities existing between the two countries.