

Goyal to stress on safeguards against import surges, seek better services deal at RCEP meet

Members, including the ASEAN and China, want liberal rules of origin

AMITI SEN

New Delhi, October 11

India is grappling with the challenge of gaining at least some concessions in the services sector and putting in place the necessary safeguards to protect its domestic industry and agriculture against import surges at the on-going Regional Comprehensive Economic Partnership (RCEP) Ministerial meet in Bangkok where the proposed pact is to be given a final shape.

"The services agreement is in a pathetic shape. Most of the members, especially the ASEAN, are unwilling to give commitments that improve upon their present levels of openness. Members are also not keen to include sufficient number of items under the auto trigger mechanism for imposition of automatic safeguard duty in case there is an import surge once tariffs are eliminated," a person close to the negotiations told

BusinessLine. Trade and Economic Ministers from all 16 RCEP countries, which includes India, China, the 10-member ASEAN, Japan, South Korea, Australia and New Zealand, will hold an inter-session meeting in Bangkok on Saturday to move towards concluding the negotiations. Directions will be given to officials to give the required finishing touches over the next couple of weeks so that a conclusion of the RCEP agreement can be announced at the RCEP Leaders Summit in Bangkok on November 4.

Difficult call

Commerce & Industry Minister Piyush Goyal has his party's support to go ahead with the RCEP pact, but he has also been advised to make some gains in the services sector and put in place necessary safeguards to protect vulnerable industrial and agriculture sectors. This is proving to be a difficult



Commerce and Industry Minister Piyush Goyal

call. "Most of India's demands for improving movement of workers and professionals are being denied or delayed. There are no clear commitments for increase in work visas or spouse visas and no immediate movement in RCEP travel cards while members are insisting on retaining their right to deny visas whenever they want. The services chapter is a total disappointment," the source said.

RCEP members are also reluctant to offer India adequate safeguards against import surges. "India had

proposed putting in place an auto trigger mechanism for automatic imposition of safeguard duties once imports cross a given threshold limit has also been met with a lukewarm response. Most members are insisting that it be restricted to just a handful of items (about 100) and be implemented for a short period.

Seeking protection

The Commerce Ministry has been flooded with submissions for protection against import tariff cuts from sectors such as steel, copper, heavy industry, automobiles, engineering goods, chemicals, plastics, electronics as well as dairy and agriculture.

"Very few of these sectors can actually be accorded protection under the RCEP as tariffs may be eliminated on about 74 per cent-80 per cent for China, Australia and New Zealand and on more than 90 per cent items for the ASEAN, Japan and South Korea. However, the Minister is expected to try his best to lower these numbers and lobby for better safeguards in his bilateral meetings scheduled on Thursday," the official said.

New Delhi's other pro-

Scan & Share

