

# 'May retaliate if Asean non-trade barriers persist'

## Goyal says e-commerce policy likely by FY25-end

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India may consider taking retaliatory measures if non-trade barriers imposed by the Association of Southeast Asian Nations (Asean) are not addressed as part of the ongoing review of the trade deal, Commerce and Industry Minister Piyush Goyal said.

"If they (Asean countries) give us a fair deal in terms of the review, that will help us right-size the huge trade deficit. If they don't, then we will have to look at the non-tariff barriers imposed on us, and I will have to consider retaliatory measures," Goyal told *Business Standard* in an interview.

Regarding the much-delayed e-commerce policy, the minister said it was in the final stages of

consultations and can be expected by the end of the current financial year.

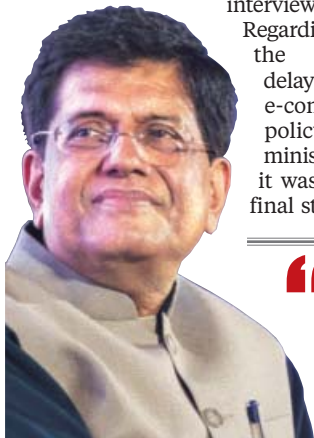
As for the fast-growing quick commerce segment, Goyal said that while the government had not studied potential violations, the industry department would examine their compliance with the law.

India's trade deficit with the 10-member Asean bloc has grown five-fold in 14 years, reaching \$38.5 billion in FY24, compared to FY10. The free-trade agreement (FTA) between the two sides came into effect in January 2010.

India, for more than half a decade, has flagged the need for an urgent review of the trade agreement, since imports from Asean nations have grown at a much faster pace than exports from India.

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**“I HAD GONE TO ASEAN-INDIA ECONOMIC MINISTERS' MEETING ONLY TO CONVEY THE URGENCY OF THIS REVIEW AND I HAVE RECEIVED ASSURANCES”**

**PIYUSH GOYAL**, Commerce & Industry minister

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# In US, Goyal to meet Tai, Raimondo

In August last year, both sides agreed to complete the review of the existing agreement on goods by 2025. However, India is not happy with the tardy pace of the review process. "I had gone to the Asean-India Economic Ministers meeting only to convey to them the urgency of this review and I have received assurances from my counterparts," Goyal said.

Citing an example of non-trade barriers faced by Indian exporters, Goyal said one Asean country imposes quotas on the number of automobiles India can export, without naming the country. "We will have to look at whether we can

put a quota on any of their products of interest coming into India," he added.

Under the current trade deal, India has granted uniform market access to all 10 Asean members, while Asean countries have provided market access to India based on their level of development, which India considers unfair. "Through the review, we are pushing that it (India's market access) should have different buckets for less developed countries, developing countries, and middle-income countries (of the Asean grouping)," Goyal said.

The minister said China was now able to shift much of its pro-

duction to Asean countries as part of the Regional Comprehensive Economic Partnership and take advantage of India's trade agreement with Asean.

Goyal, currently on a five-day visit to the US until October 4, will meet with US Secretary of Commerce Gina Raimondo, US Trade Representative Katherine Tai, and top industry officials. Both countries are set to discuss steps to strengthen the semiconductor and electronics industries, promote investment in manufacturing and services, and explore collaboration in emerging technologies and critical minerals.