

# India-Aus larger trade deal talks next week

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After the implementation of an interim trade deal in December, India and Australia will begin negotiations towards a comprehensive economic cooperation agreement (CECA) from February 20, a person aware of the matter said.

Both nations had signed the interim trade deal, also known as Economic Cooperation and Trade Agreement (ECTA), in April that kicked in only from December 29. When the ECTA was signed, it was decided that the larger idea would be to use the foundation of the interim deal to resume negotiations on the more ambitious trade deal or CECA.

The CECA will include discus-

sions on deeper market access and outcomes in new areas, including digital trade, government procurement, and cooperation.

A team of officials from Australia will visit the national capital for a week-long meeting, the person cited above told *Business Standard*.

Economists said a comprehensive trade deal with Australia was a step in the right direction.

“Such an agreement always benefits exporters and businesses. Australia has signed several trade deals over the past few years with countries such as the

United Kingdom. It is currently negotiating trade agreements with the European Union. That’s why it is important for India to evaluate what Australia has offered other countries and a comprehensive pact to give Indian exporters a level playing field,” Arpita

Mukherjee, professor, Indian Council for Research on International Economic Relations said.

While India has been cautious about opening up the government procurement market to other countries,

Mukherjee said India’s trade agreement with the UAE on the government procurement chapter can be a template during negotiations with Australia.

Under a free trade agreement last year, India for the first time agreed to treat UAE companies on a par with domestic firms while bidding for tenders put out by certain central government departments and ministries for buying goods and services.

Experts, however, believe India has been very cautious, with several carve-outs while finalising the government procurement chapter with respect to the trade deal with the UAE.

The deal with Australia is crucial since it is among the first developed nations to finalise a trade pact with India.

