

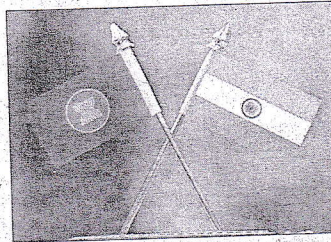
Asean FTA: India to seek more tariff cuts

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INDIA IS LOOKING for further tariff cuts in key items of its export interest such as chemicals, metals and alloys, machinery, plastic and rubber, textiles, leather, and gems and jewellery, as part of a "complete review" of the free trade agreement with the Association of South East Asian Nations (Asean).

It also wants streamlining of the rules of origin (RoR) norms amid concerns over an influx of goods into the country from third parties via the FTA's preferential access route. On the Asean side, the demand is expected to come for more concessions in some of the items that formed 25% of the list where India either did not offer any duty cuts or tariff elimination. Both parties are targeting to complete the process by 2025.

By next month the text that will form the basis for negotiations in



The text that will form the basis for negotiations between India and Asean will be ready by September, an official said

all eight areas covered by the review, which includes market access and rules of origin, will be ready, a senior official said. The plan is to make the chapter on RoR more detailed and in line with the trade agreements that are currently being negotiated. Under the FTA, domestic value addition of 35% of FOB (the cost at the frontier of the exporting country) value was mandated in manufactured products.