

# Review of India-ASEAN FTA will be completed as soon as possible: MEA

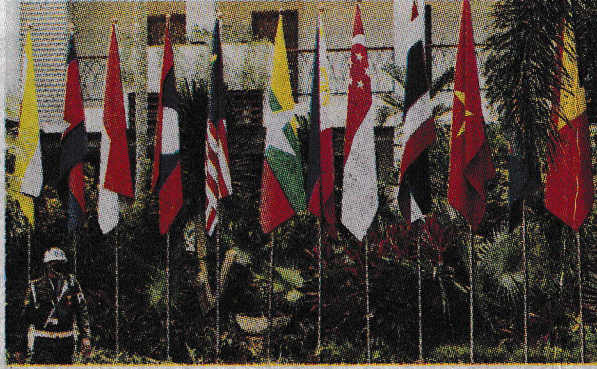
**FLIP SIDE.** Commerce Minister Piyush Goyal said recently that a free trade pact with competitors was silly

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India hopes to complete the India-ASEAN FTA review as early as possible and wants to continue its engagement with the bloc on the matter, said the Ministry of External Affairs (MEA).

The MEA expressed its optimism on the review of the trade pact, officially called the ASEAN-India trade in goods agreement (AITIGA), barely a few days after Commerce & Industry Minister Piyush Goyal argued that it was "silly" to open markets to competitors.

"We have been having negotiations with ASEAN in regard to the FTA ... on AITIGA. We are working with



**NO HEADWAY.** India signed FTA with ASEAN in 2009 during the UPA regime and it was implemented in 2010

our ASEAN partners. It is our expectation that this needs to be completed as soon as possible. That is our hope, and we look forward to continue our engagement with ASEAN on this particu-

lar matter..." said MEA spokesperson Randhir Jaiswal at a press briefing on Wednesday, responding to a question on the review running into trouble.

Speaking at the India

Global Forum (IGF) session in London recently, Commerce & Industry Minister Goyal pointed out that 15 years ago when the trade pact with ASEAN was signed, India was more focused on doing FTAs with countries who were competitors.

"So, if I am doing an ASEAN agreement, it really is silly because [that is] opening up my market to my competitors, many of whom have now become the B team of China....So, effectively and indirectly, I have opened up my market for goods that find their way from China into India," he said.

## TRADE DEFICIT

India signed the free trade pact with the 10-member ASEAN in 2009 during the

UPA regime and it was implemented in 2010.

The pact resulted in widening of trade deficit between India and the bloc. India's trade deficit with the ASEAN was at \$45.2 billion in FY25 compared to around \$8 billion in 2010.

"While India offered duty concessions on 71 per cent of tariff lines, ASEAN countries such as Indonesia opened just 41 per cent of its tariff lines, Vietnam 66.5 per cent and Thailand 67 per cent," said a source.

The ASEAN agreed to a review of the AITIGA following India's insistence and negotiations started in 2023. But not much progress has been made in the talks, according to the Commerce Ministry.