

Nov launch missed, India-GCC trade talks may resume in March

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New Delhi, 27 February

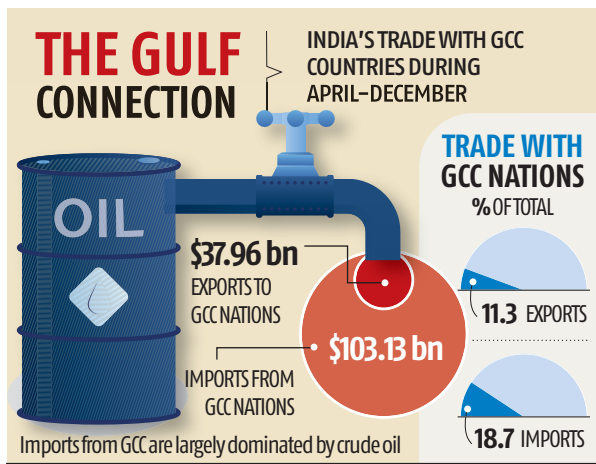
India and the Gulf Cooperation Council (GCC) will engage in discussions to finalise the terms of reference as soon as March before launching negotiations for a trade deal.

Both sides were expected to launch trade negotiations in November last year. However, it got delayed as India and GCC were not able to agree upon the terms of reference, a person aware of the development told *Business Standard*.

"The meeting can happen as early as next month," the official cited above said.

Besides, the term of the GCC's Secretary General — Kuwait's Nayef Al Hajraf — also ended last month and Jassim Al Budaiwi took over from February 1. The new secretary general is also from Kuwait.

This will be the first meeting since Al Budaiwi's taking over as the new secretary general. However, discussions on the terms of reference won't begin from scratch and



will focus on reaching a common ground.

GCC is a regional, intergovernmental political economic union comprising six countries—Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates (UAE).

Commerce & Industry Minister Piyush Goyal in November last year said the trade deal would be comprehensive, with substantial coverage of goods and services, including technology, food

security, climate change, energy security, among others.

India and the GCC had signed a framework agreement on economic cooperation to explore the possibility of a free trade agreement (FTA) more than 17 years ago. Thereafter, two rounds of negotiations took place in 2006 and in 2008. However, the economic union deferred its negotiations with all countries and economic groups.

Separately, India signed a

trade deal with the UAE in February last year.

The official said it would take more than a year to complete negotiations with GCC, because it might take time for all members of the group to reach a common ground on all issues.

Business Standard had earlier reported that other member countries of the GCC would also have the option to join the India-UAE trade deal on the same terms and conditions, if the launch of the FTA negotiations between New Delhi and the GCC is further delayed.

In the India-UAE free-trade agreement, the two have kept a clause that if both nations agree, a third country or a group of nations shall have the option to be a party to the trade pact. This means that the country would have to offer India the same concessions that the UAE had offered. The clarity on this front is yet to emerge, another official said.

India's exports with the six-member GCC nations stood at \$37.96 billion during April-December, up 21 per cent YoY.