

● 'FTA WITH ASEAN ILL-CONCEIVED'

India seeking review of FTAs with Japan, Korea: Goyal

Stakeholders were not consulted before these pacts, says minister

MUKESH JAGOTA
New Delhi, July 27

IN A VEILED attack on UPA, commerce and industry minister Piyush Goyal said on Thursday that the key free trade agreements with Asean, Japan and Korea signed during their term in office were done without giving much thought and have benefitted the partner countries more.

"We are requesting them (Asean, Japan and Korea) and asking them to renegotiate FTAs to make them more balanced, fair and equitable," he said at an industry event organised by FICCI.

"The three agreements have not benefited India's exports while imports from these nations have zoomed, he said.

"Our exports have not grown at all. It is at the same level it was 10 years back with Japan while their exports to India have grown 200% during that period," the minister said. The agreements were signed without stakeholder consultation with the industry and the attempt



Union minister Piyush Goyal speaks in Rajya Sabha during the Monsoon session of Parliament in New Delhi on Thursday.

being made to understand the pain points, if that would have been done the situation would not have come to such a pass, he said.

If anyone would have read the Asean agreement it would show that it is very unfair to the Indian industry. The ten Asean members are Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore,

Thailand, and Vietnam.

"Japan and Korea, we have opened our markets to them while they have not allowed our exports to their country."

The trade in goods agreement came into force between the 10-member Association of Southeast Asian Nations (ASEAN) and India on January 1, 2010. India and Japan

had implemented the Comprehensive Economic Partnership Agreement (CEPA) in August 2011 while a trade agreement with Korea was implemented in January 2010.

India's exports to Asean grew from \$37.47 billion in 2018-19 to \$44 billion in 2022-23. During the same period India's imports from Asean went up from \$42.62 billion to \$87.57 billion.

India's exports to Korea went up to just \$6.6 billion in FY 23 from \$4.7 billion in 2018-19. Imports from Korea increased from \$16.7 billion in FY19 to \$21.1 billion last year. Similarly exports to Japan remained flat at \$5 billion during the five year period ending March 2023 while imports from Japan increased to \$16.4 billion in the last financial year from \$12.7 billion in FY19.

The minister said that the Modi government held a series of consultations with industry and other stakeholders on Regional Comprehensive Economic Partnership (RCEP) and then decided to not to join that pact as it would have meant a free trade agreement with China as with other nations of the block our trade was minimal.

RCEP has Australia, Japan, South Korea, New Zealand, China, Vietnam and Singapore as its key members.