

Govt mulls strategy to promote FTA benefits

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The commerce department is working towards setting up an 'export advisory panel', comprising senior industry officials, as part of India's strategy to promote the benefits of the free-trade agreements (FTAs) that have been signed and help exporters leverage them better, people aware of the matter said.

The government also plans to set up a digital architecture to help the industry overcome the challenges that are specific to FTAs.

This will also help exporters make the best use of the opportunities that are available because of the FTAs, one of the persons cited above told *Business Standard*.

The development comes in the backdrop of India's revamped foreign trade strategy to negotiate a spate of FTAs with its top trading partners.

To date, India has signed 13 FTAs with its trading partners, including three agreements signed since 2021 with Mauritius, United Arab Emirates (UAE) and Australia.

India is also gearing up to ink more such pacts. It is currently negotiating deals with the United Kingdom (UK), European Union (EU), Oman, Peru

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TRADE ROAD MAP

- ▶ Export advisory panel will be set up
- ▶ Digital platform will help industry overcome FTA-related challenges
- ▶ Social media will be used to get feedback on proposed FTAs
- ▶ India has signed 13 FTAs to date

and the European Free Trade Association (EFTA) countries.

Despite signing more than a dozen

trade agreements, the utilisation of most deals by Indian exporters has been low, especially the ones signed 10-15 years ago.

In the case of those agreements, the value of goods exported to most of the FTA partners, including Japan, South Korea and the Asean region, has been substantially lower than what India imported from those countries.

There are a number of reasons for running a high trade deficit with these countries. Some reasons why exporters didn't use the benefit of concessional tariffs under FTA include the cumbersome manual process of getting a certificate of origin and related verification, low awareness about FTAs and non-tariff barriers, such as adhering to certain standards. As a result, the fresh strategy to leverage the FTAs better will include the launch of a new digital platform. It will help Indian exporters get information on various regulations to access markets, sectors, export trends, as well as easy access to benefits under FTAs, the person cited above said.

"The government also wants that there is proper dissemination of information with respect to FTAs. Towards this, social media platforms will be used to get feedback on proposed FTAs," the person said.