

THIRD ROUND CONCLUDES

EU FTA Talks Focus on Data Flow, Privacy

Consumer protection, open government data, capital movement issues part of negotiations

Kirtika.Suneja@timesgroup.com

New Delhi: India and the European Union discussed data flows, privacy, consumer protection, open government data, and issues related to capital movements and payments under the ongoing free trade agreement negotiations.

The third round of talks took place earlier this month.

The two sides also discussed a system of self-certification for the origin of goods clause, people aware of deliberations told ET. The fourth round of talks is scheduled for March 2023.

"Text-based discussions have started on some issues, but these are preliminary talks," said an official.

The EU also proposed a free movement of capital to liberalise investment and other transactions.

Issues related to source code and customs duties in the chapter on digital trade were also taken up.

Experts said taking on commitments on digital trade will mark a permanent shift in India's trade policy stance on e-commerce at the World Trade Organisation where it is opposed to any binding commitments besides having implications for India's security.

"While China and the US are the main threats to India's digital space, giving concessions to the EU would mean giving concessions to everyone," said Parminder Jeet Singh, executive director of IT for Change. "The EU wants free cross-border data flows and the full opening of government data which will challenge India's sovereign rights over its data and the policy space to use such data for the benefits of Indian small enterprises and start-ups."

India has so far refrained from making any international commitments on digital trade to protect its policy space to design national digital sector policies in the future including on digital industrialisation.

The discussions are happening at a time when New Delhi is firming up its da-

Trade Winds

India, EU discuss digital trade in 3rd round of FTA talks

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Text-based negotiations begin on some issues

Experts cautious on giving concessions in digital trade

EU seeks free movement of capital for investment liberalisation

Fourth round of talks likely in March '23



India-EU
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ta protection laws. The draft Digital Personal Data Protection Bill 2022 has dropped provisions on localisation, social media, hardware, and non-personal data while introducing new concepts such as data transfer to trusted locations.

Sources said the EU raised concerns at the import restrictions on tyres imposed by India through standards. A chapter on good regulatory practices was also discussed.

The two sides re-launched negotiations for an FTA after a nine-year hiatus and started separate negotiations for an Investment Protection Agreement and an Agreement on Geographical Indications in June this year.

India's bilateral trade with the EU was \$116.36 billion in FY22, 43.5% higher than in 2021-22. At present, the EU is India's second-largest trading partner behind the US and the second-largest destination for Indian exports.

Expect to Sign At Least 2 More FTAs in '23: Goyal



Mumbai: Commerce minister Piyush Goyal on Thursday said he expects at least two more free trade agreements to be signed up in 2023. Negotiations are scheduled with the UK, EU and Canada, Goyal said at an event here, adding that his ministry does not have the bandwidth to tend to requests by smaller trading partners like New Zealand with which the

bilateral trade stands at \$350 million. "India today works from a position of strength, we negotiate with confidence," Goyal said.

Speaking at the event to mark the operationalisation of the India-Australia Economic Cooperation and Trade Agreement signed in April this year, Goyal said January itself is filled with meetings between Indian Commerce Ministry officials and their counterparts abroad. —PTI