

India preparing for tough negotiations at WTO talks on trade facilitation in services: Minister

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New Delhi, March 23

India's proposed trade facilitation agreement (TFA) in services is headed for a tough negotiating process at the WTO, said Commerce and Industry Minister Nirmala Sitharaman. Lessons learnt from negotiations on the trade facilitation pact in goods would play a crucial role in the services' pact's success, she added.

"We find that the countries that are driving the services industry and those with inputs from knowledge based spectrum are not willing to support a TFA in services. The lessons that have been learnt from coming to a consensus on TFA in goods through a dialogue process are very crucial,"



Commerce Minister Nirmala Sitharaman

Sitharaman said while addressing a workshop on TFA in services organised by the Commerce Ministry and the World Bank on Thursday.

Interestingly, it is not just developed countries but many developing countries as well that might require coaxing to give their consent to a TFA in services. New Delhi recently

gave a formal presentation on its proposal at the WTO which evoked a mixed response from members.

Several African countries including South Africa, which have been traditionally on the same page with India on most issues at the WTO, reportedly expressed their reservations on the compliance cost of such a pact.

While the EU broadly welcomed India's proposal, it may not be willing to extend special and differential treatment to the country which is reserved for the developing world, which could be a problem, a government official told *BusinessLine*.

Turkey, Argentina and Brazil came out in support of the pro-

posal. The Minister hoped that the negotiating process would not get stretched. "I hope it will not take too long because the disillusion that multilateral institutions are delivering slowly cannot be afforded any longer in the political reality of the globe today," Sitharaman said.

India's proposal on TFA in services was not specifically about new market access in services but was about removing hurdles, she added.

Measures proposed by India include clarity in work permits and visas, simplification in rules of temporary stay, rationalisation of taxes, fees and charges and sorting out social security contribution issues for short-term workers, among others.