

ASEAN pushes India to conclude RCEP this year

Bloc to Delhi: 'Don't disappoint us'; India calls for 'balanced and satisfactory' outcome

OUR BUREAU

New Delhi, January 22

Mounting pressure on New Delhi to give an early consent to the Regional Comprehensive Economic Partnership — a mega regional trade pact being negotiated by sixteen nations — the 10-member ASEAN expressed hope that India would not let the bloc down in its efforts to conclude the agreement this year.

"I believe India will stand with the ASEAN to conclude the RCEP this year...and will not disappoint," said Enggartiasto Lukita, Indonesian Trade Minister, at the ASEAN-India business and investment meet in New Delhi on Monday.

Indonesia played a key role in

pushing for negotiations on RCEP in 2011, and is keen, like most other ASEAN members, for its early conclusion. Other members of RCEP include China, South Korea, Japan, Australia and New Zealand.

India, however, refused to take responsibility for the long-winding negotiations. "It is important to address the sensitivities and aspirations of all participants," said Suresh Prabhu, Commerce and Industry Minister, at the meet.

New Delhi's discomfort

New Delhi is not comfortable with the ambitious dismantling of import tariffs being pushed for by the ASEAN, especially as it



Commerce Minister Suresh Prabhu with Indonesia Trade Minister Enggartiasto Lukita during the ASEAN-India Business and Investment Meet and Expo in New Delhi on MondayPTI

would also mean allowing duty-free access to Chinese goods. The Indian industry does not want the country to commit to high levels of liberalisation as it fears that it could get out-priced in

the domestic market.

Prabhu stressed on the need for other RCEP members to deliver in the area of services to arrive at an agreement. So far proposals in the area of services,

including on work-visas for movement of professionals, have been disappointing with no member ready to make meaningful contributions.

"The RCEP agreement is based on the three pillars of goods, investment and services. We have to work towards a balanced and collectively satisfactory outcome," the Minister said.

Representatives from Brunei, Cambodia, Myanmar and the Philippines also spoke at the meet which was co-organised by industry body CII as a run up to the Republic Day celebrations. Heads of state from the ASEAN countries are scheduled to participate in the celebrations.

The RCEP aims to be the largest free-trade bloc in the world, covering about 3.5 billion people and 30 per cent of the world's gross domestic product.

"The RCEP agreement is based on the three pillars of goods, investment and services. We have to work towards a balanced and collectively satisfactory outcome," said Prabhu.

While India improved upon its initial offers late last year, this was rejected by other RCEP members as they felt it was only a marginal improvement. India's offers range between an average of 70 per cent and 80 per cent, with the maximum elimination commitment for Asean countries.

All members have to submit their revised offers this month which will be discussed at the next round in Indonesia in February.