

China promises to address bilateral trade issues

Wants New Delhi to focus more on RCEP pact

OUR BUREAU

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China has yet again promised to address India's concern on the growing bilateral trade deficit — which has now ballooned to \$51 billion — and agreed to focus on preparation of an action plan.

In a meeting with Chinese Trade Minister Zhong Shan on Monday, Commerce and Industry Minister Suresh Prabhu stressed on the need for greater market access for Indian agricultural products, including rapeseed, soyabean, basmati and non-basmati rice, fruits, vegetables and sugar, according to an official release.

“Another commodity which could be exported from India to China is high quality pharmaceutical products. Export of India's IT and IT-enabled Services (ITeS) to China and cooperation in the sectors of tourism and healthcare need to be focussed on,” the release added.



Trade parleys Commerce Minister Suresh Prabhu and his Chinese counterpart Zhong Shan at the 11th meeting of the India-China Joint Group on Economic Relations, Trade, Science and Technology, in New Delhi on Monday

The two ministers held their dialogue as part of the 11th meeting of the India-China Joint Group on Economic Relations, Trade, Science and Technology.

In 2016-17, India's trade deficit with China was over \$51 billion, which was almost half of the country's total trade deficit with all trade partners. While India imported goods worth \$61 billion, its exports were at \$10 billion. The Chinese Minister promised to address the

trade deficit, the release said.

In the past, China has agreed to work towards more balanced trade with India several times, but failed to take any concrete steps.

RCEP push

Detailed plans, including a five-year plan, had been made in 2014 to increase market access in farm products, including buffalo meat, pharmaceuticals and ITeS, but very little has been executed.

Commerce Minister Suresh Prabhu stressed on the need for greater market access for Indian agricultural products, including rapeseed, soyabean, basmati and non-basmati rice, fruits, vegetables and sugar

At the meeting, Beijing urged New Delhi to also focus on the Regional Comprehensive Economic Partnership (RCEP) being negotiated by 16 countries, including the 10 Asean nations.

While China has been pushing India to eliminate import tariffs on most traded products as part of the RCEP, India has been hesitant as its industry is not ready for increased competition from Chinese companies.

Shan, who urged India to start an e-dialogue with the country, said the candid and effective discussions with India on trade relations could propel growth not only between the two countries but also the entire region.