

Will soon place TFA proposal before WTO: Sitharaman

fe Bureau

New Delhi, June 7: India will soon place a formal proposal on trade facilitation agreement (TFA) in services before the World Trade Organization (WTO) for the first time, commerce and industry minister Nirmala Sitharaman said on Tuesday.

The move is aimed at developing a broader framework governing global services trade, just like a TFA in goods. A TFA in services would focus on issues like liberalised visa regime, long-term visas for business community and freer movement of professionals for the greater benefit of both India and the world, among others. It could also focus on all issues concerning the services sector within the WTO framework, which could also include dispute settlement mechanism in such trade.

Although India has been seeking the TFA in services since the December 2015 WTO ministerial conference in Nairobi, this will



**Commerce and industry minister
Nirmala Sitharaman**

be for the first time that the country will formally put up such a proposal at the multilateral trade body.

The decision follows an informal meeting of trade ministers from 25 WTO members on the sidelines of the Organisation for Economic Co-operation and Development (OECD) ministerial council meeting in Paris last

week where WTO director general Roberto Azevedo welcomed India's proposal for the TFA in services.

The encouragement by the WTO DG is crucial as, although half of the 162 members have so far endorsed the TFA in goods, the WTO doesn't have a similar mechanism for services trade. India has already endorsed the TFA in goods at the WTO, which will take effect once two-thirds of the members formally ratify it. India is keen on services, as they account for over a half of its GDP.

Sitharaman said it's early to say whether or not such the TFA in services, once it takes shape, will subsume all existing frameworks being discussed or adhered to by WTO members, such as The Trade in Services Agreement (TiSA) is a proposed trade treaty between several WTO members, including the European Union and the US.

Sitharaman said a TFA in services will benefit emerging economies more.