

## 'TPP template could spell disaster for India's free-trade pacts'

Market access, government procurement and IP will be affected, say experts

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The provisions of the proposed Trans Pacific Partnership (TPP) — which is fast becoming the template for many free trade pacts being negotiated around the globe despite the US opting out of it — could spell disaster for the Indian industry and generic companies if applied to the country, according to some economists.

"As the existing provisions of the TPP could have a profound influence on the evolution of rules of international trade and the negotiations at the WTO forum and in bilat-

eral trade negotiations, it is crucial to understand how its provisions could affect developing countries, particularly India," said Abhijit Das, head of the Centre for WTO Studies, whose co-edited book with his colleague Shailja Singh, 'TPP: A framework for future trade rules', was released on Saturday.

Although the US has walked out of the TPP, the 11 remaining members, including Japan, Australia, Canada, New Zealand, Singapore, Malaysia, Brunei, Mexico, Peru, Chile and Vietnam, continue to be in talks to implement it. The US has indicated that it could

use the rules contained in the TPP in its bilateral trade negotiations.

With the threat of the TPP model looming large over the world, the book, which has a series of reports by economists and legal experts on various facets of the TPP, including market access for goods, intellectual property and government procurement, lays down how exactly India could be affected in each area.

The TPP envisages a zero tariff regime for most of goods being traded. "If India were to conform to the template of rules on market access in goods ...the domestic industry may not be able to face import competition in a duty-free regime. On the agriculture front, the farmers will be

continuously exposed to the risk of being knocked out of the market by cheap and subsidised exports, particularly from the US, Australia and New Zealand," the book cautioned.

The intellectual property rights chapter has many WTO/TRIPS plus provisions. "The TPP rules on patents will lead to ever greening of patents which will have serious adverse impact on the generic pharmaceutical industry in India and outside," the book pointed out.

If India were to conform to the provisions on government procurement in the TPP, its export prospects in government procurement markets may continue to remain low, the book said. This would be

on account of the low import penetration in government procurement markets in developed countries in general. On the other hand, India would lose the flexibility of using government procurement as a policy instrument for bolstering its manufacturing, undermining the 'Make in India' initiative.