

W.P.No. EC-12-16  
November 2012



INDIAN INSTITUTE OF FOREIGN TRADE

# Working Paper

*EU- India Bilateral Trade and  
Investment Agreement:  
A Review of Issues*

*Debashis Chakraborty  
Julien Chaisse  
Animesh Kumar*

## Working Paper Series

### Aim

The main aim of the working paper series of IIFT is to help faculty members share their research findings with professional colleagues in the pre publication stage.

### Submission

All faculty members of IIFT are eligible to submit working papers. Additionally any scholar who has presented her/his paper in any of the IIFT campuses in a seminar/conference will also be eligible to submit the paper as a working paper of IIFT.

### Review Process

All working papers are refereed

### Copyright Issues

The copyright of the paper remains with the author(s).

### Keys to the first two digits of the working paper numbers

- GM:** General Management
- MA:** Marketing Management
- FI:** Finance
- IT:** Information and Technology
- QT:** Quantitative Techniques
- EC:** Economics
- LD:** Trade Logistics and Documentation

### Disclaimer

Views expressed in this working paper are those of the authors and not necessarily that of IIFT.

### Printed and published by

#### Indian Institute of Foreign Trade

Delhi Centre

IIFT Bhawan, B-21, Qutab Institutional Area, New Delhi – 110016

Kolkata Centre

J1/14, EP & GP Block, Sector –V, Salt Lake, Kolkata - 700091

### Contact

[workingpapers@iift.ac.in](mailto:workingpapers@iift.ac.in)

### List of working papers of IIFT

See end of the document

### Series Editor

Ranajoy Bhattacharyya

# EU-India Bilateral Trade and Investment Agreement: A Review of Issues

Debashis Chakraborty\*

Julien Chaisse\*\*

Animesh Kumar\*\*\*

## Abstract

India has a long history of economic linkages with the EU member states. In recent period, the volumes of Indo-EU trade both in case of merchandise products and services have considerably increased and a number of investment collaboration opportunities are emerging. Since 2007 the two sides are engaged in the negotiations on concluding a Bilateral Trade and Investment Agreement (BTIA), which is expected to augment the present level of economic exchange further. Once completed in coming months, the BTIA will be the biggest trade agreement involving India, surpassing its earlier RTA with the ASEAN countries. However, while EU and India can collaborate in several spheres, the potential conflict of interest may not be uncommon either. In particular, the provision of farm subsidies offered by the EU to local producers, imposition of anti-dumping measures on several Indian export categories in EU markets, barriers on movement of professionals, EU interest in inclusion of several WTO-Plus provisions in the agreement etc. are among the concern areas of India. By looking at the trade data and the negotiating dynamics, the present analysis attempts to understand the challenges and opportunities for India in the EU market. The paper concludes that India needs to focus on augmenting its competitiveness for benefiting from the integration exercise.

**JEL Classification:** F13, F15

**Keywords:** Trade Policy, International Trade Organizations, Economic Integration

---

\* Assistant Professor, Indian Institute of Foreign Trade, Delhi Campus, IIFT Bhawan, B-21, Qutab Institutional Area, New Delhi-110016, India. E-mail: [debchakra@gmail.com](mailto:debchakra@gmail.com).

\*\* Associate Professor of Law, Centre for Financial Regulation and Economic Development, Chinese University of Hong Kong E-mail: [julien.chaisse@cuhk.edu.hk](mailto:julien.chaisse@cuhk.edu.hk).

\*\*\* Research Fellow, Centre for WTO Studies, Indian Institute of Foreign Trade, New Delhi. E-mail: [animesh012@gmail.com](mailto:animesh012@gmail.com)

## 1. Introduction

The inception of World Trade Organisation (WTO) in 1995 has been instrumental in enhancing the global flow of cross-border merchandise and services trade. Over 1995 to 2009, the value of global merchandise and services exports has increased by 2.46 and 2.82 times respectively. However, the reliance of the WTO Member countries on the process of multilateral tariff and non-tariff reforms has been weakened by the slow progress of the Doha Development Round, which was launched in 2001 (Chakraborty and Khan, 2008). The urge to enhance market access has therefore forced both developed as well as developing countries to further trade objectives through Regional Trade Agreements (RTAs), and the tendency has deepened especially over the last couple of years. Two major features of the recent RTAs deserve special mention. First, the number of trade agreements between developed and developing countries have increased considerably (e.g. Australia-Thailand CFTA, EU-Caribbean EPA, and Japan-ASEAN FTA). Second, the number of inter-continental agreements is also on the rise in recent period (e.g. US-Bahrain FTA, US-Singapore FTA etc.)<sup>1</sup>.

Both EU and India has been eyeing the RTA route for enhancing market access for their exports in recent period. The EU is the largest trading bloc in the world and has been involved with a number of developing countries through trade and partnership agreements. The diplomatic, economic and technological relationship between EU and India dates back for decades. India as a labour-abundant economy stands to gain significantly from the investment and technical know-how cooperation from the EU. For instance, Indian iron and steel industry immensely benefited at the nascent stage by the helps provided by Germany and United Kingdom, who helped in establishment of Rourkela (1959) and Durgapur (1965) plants respectively. However, from sixties to eighties the Indian focus on import-substitution led development strategy somewhat limited their trade integration with Western Europe.

The EU extended Generalized System of Preferences (GSP) to India in July 1, 1971, thereby enabling the latter to export manufacturing products at preferential tariff. The two sides subsequently entered into Indo-EC Commercial Cooperation Agreement (1974) and Indo-EC Commercial and Economic Cooperation Agreement (1981) (Bhattacharya, 2002). The post-1991 economic reforms in India resulted in adoption of export-promotion led growth model, as a result of which the urgency to enhance trade collaboration with rest of the world deepened. Europe with its rich history of collaborations with India emerged as a natural trade and development partner. The EU-India Cooperation Agreement (1994) included areas such as respect for human rights and democratic principles, development and diversification of trade and investment in mutual interest, support of environmental protection and

---

<sup>1</sup> See Julien Chaisse and Mitsuo Matsushita (2013) Maintaining the WTO's Supremacy in the International Trade Order- A Proposal to Refine and Revise the Role of the Trade Policy Review Mechanism' 16(1) Journal of International Economic Law.

sustainable management of natural resources etc. (Europa resources). The Cooperation led to Annual EU-India Summits, which are instrumental in providing further focus to the growing EU-India relationship. For instance, India became a strategic partner of the EU at the fifth India-EU Summit at the Hague (2004), where both parties agreed to jointly create a comprehensive EU-India Action Plan for a strategic Partnership (EU, 2004). The Joint action Plan subsequently came into existence in 2005, with five broad goals, namely: (a) strengthening dialogue and consultation mechanisms; (b) deepening political dialogue and cooperation; (c) bringing together people and cultures; (d) enhancing economic policy dialogue and cooperation and (e) developing trade and investment (EU, 2005). Subsequently, the Joint Statement of the EU-India Summit held in Helsinki (2006) recognized the role and mutual benefits of strengthening joint research and cooperation in the area of science and technology (EU, 2006). The discussion set the tone for the India-EU Ministerial Conference on Science during 7-8 February, 2007 in New Delhi (EU, 2007). The Joint Action Plan was revised later at the next EU-India Summit at Marseille (2008), by including promotion of - (a) peace and comprehensive security; (b) sustainable development; (c) research and technology cooperation and (d) people-to-people and cultural exchanges in the agenda (EU, 2008).

From 2007 onwards, both EU and India started discussing the possibilities of entering into a bilateral trade and investment agreement (BTIA) and several rounds of negotiations have taken place since then. The Joint Statement at the eleventh EU-India Summit at Brussels (2010) noted the need for an ambitious and balanced Trade and Investment Agreement, in a mutually beneficial manner. The delegations hoped to conclude the negotiation by the spring of 2011. The declaration also talked about collaborations in the areas of security and defense; energy, clean development and climate change; maritime transport; research and innovation; culture; statistics etc. (EU, 2010).

Nevertheless, despite the growing Indo-EU collaborations and areas of potential cooperation<sup>2</sup>, the conflict of interest is not uncommon either. For instance, EU has often been vocal on the special additional duties and other procedural hassles on India's imports, especially on the wine and spirit products (WTO DS 380, DS 352). It has also raised dissatisfaction over the investment issues in the automotive sector (WTO DS 146). India on the other hand, has been apprehensive about the provision of agricultural subsidies in the EU, imposition of a number of anti-dumping and countervailing duties on its exports etc. These issues are playing important roles during the BTIA negotiations.

The current analysis attempts to analyze the potential of the economic cooperation between EU and India through the proposed BTIA, by analyzing the opportunities and challenges. The paper is arranged along the following lines. First, the multilateral and regional trade relations of EU and India are briefly analyzed. The deeper trade and

---

<sup>2</sup> On the new EU power in the field of external FDI policy, see Julien Chaisse (2012) Promises and Pitfalls of the European Union Policy on Foreign Investment' 15(1) Journal of International Economic Law 51-84.

investment integration between the EU and India in recent years are considered next. The areas of potential trade conflicts and associated concerns are presented in the following section. Finally on the basis of the observations, certain policy conclusions are drawn.

## **2. Multilateral and Regional Trade Relations: EU and India**

The integration process in West Europe started in early fifties when France, Italy, Belgium, Netherlands, Luxembourg and West Germany joined hands to form the European Coal and Steel Community. Subsequently, the European Economic Community and European Communities emerged from the Treaties of Rome (1957) and the Brussels Treaty (1967) respectively. The resulting economic bloc considerably enhanced the negotiating capability of the European countries vis-à-vis the US (World Bank, 2000). The Single European Act (1987) in the following period was a major step to create the 'Single Market' by ensuring free-flow of merchandise products across member countries. The freer movement of people across frontiers evolved following the Schengen Agreement (1985) and Euro as a common currency for several member states came into existence from 2002 onwards. The community expanded several times to include new members, and Treaty of Nice (2001) opened the door for 10 central and eastern European countries (Europa resources). Democratic principles and multilateralism however remained the core principle followed by the community (World Bank, 2000), as Greece, Portugal and Spain could join only after the autocratic regimes collapsed. At present the EU membership stands at 27 and several other European countries, e.g., Croatia, Iceland may join the bloc in coming future.

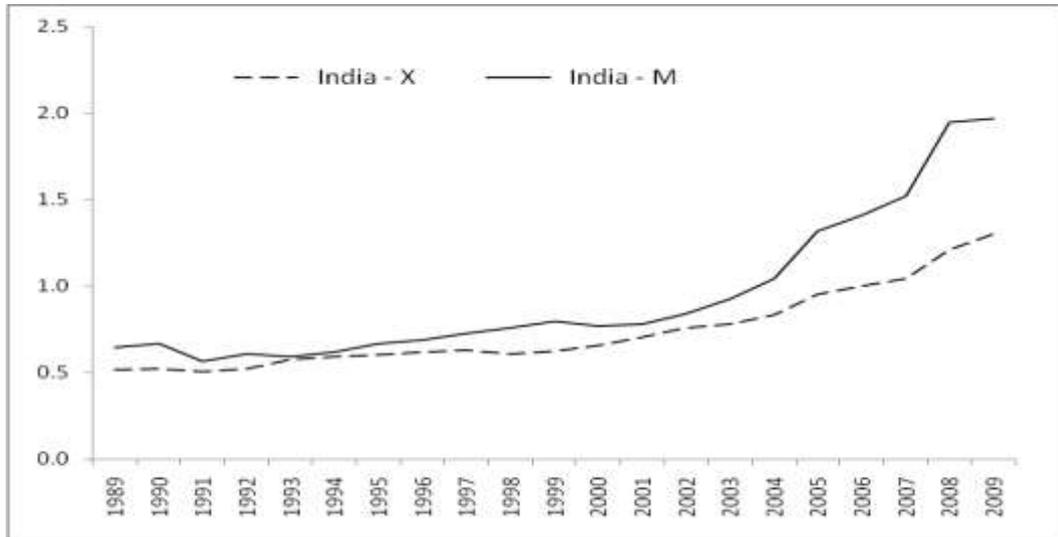
Over the years, the EU has entered into a number of trade agreements involving developed and developing countries. It has entered into Customs Union (CU) with Andorra, Turkey, San Marino and Free Trade Agreements (FTA) with Faroe Islands, Norway, Iceland, Switzerland, Macedonia, Croatia, Albania, Montenegro, Bosnia and Herzegovina, Serbia and South Korea. It is also partly to Association Agreements with a number of Mediterranean countries, namely Algeria, Egypt, Israel, Jordan, Lebanon, Morocco and Tunisia, and Chile in Latin America. The EU also has a Co-operation Agreement with Syria. It is involved with Mexico, CARIFORUM, Ivory Coast and Cameroon through Economic Partnership Agreements (EPA) and with South Africa through Trade, Development and Co-operation Agreement (TDCA). At present it is engaged in RTA negotiations with India, ASEAN, Singapore, Malaysia, Canada, Mercosur etc. (Europa resources).

India on the other hand has focused on the RTAs route for trade expansion only during last decade. Although the country was member of several preferential arrangements under 'Enabling Clause' (e.g. – SAPTA, Bangkok Agreement), it mostly depended on multilateral trade liberalization route for greater market access till late nineties (Chakraborty, 2003). However, India became increasingly dissatisfied with the progress of multilateral market access reform after Cancun Ministerial (2003), and started RTA negotiation process with several WTO members in the subsequent period. The current

trade agreements of India includes Indo-Lanka FTA (ILFTA), South Asian Free Trade Area (SAFTA), Asia-Pacific Trade Agreement (APTA), India-Thailand FTA (Early harvest Programme), India-Singapore Comprehensive Economic Cooperation Agreement (CECA), India-ASEAN FTA, India-South Korea Comprehensive Economic Partnership Agreement (CEPA), India-Malaysia CECA, India-Japan (CEPA), India-Finland Economic Cooperation Agreement (ECA), Indo-Chile Preferential Trade Agreement (PTA), Indo-MERCOSUR PTA etc. It is currently involved in negotiations on the India-GCC Framework Agreement on Economic Cooperation, Indo-Israel PTA, India-SACU Comprehensive Free Trade Agreement (CFTA), India-Mauritius Comprehensive Economic Cooperation and Partnership Agreement (CECPA). Only in the recent period, the country has been involved in negotiations with developed countries like Australia, New Zealand and the EU (Chaisse et al., 2011).

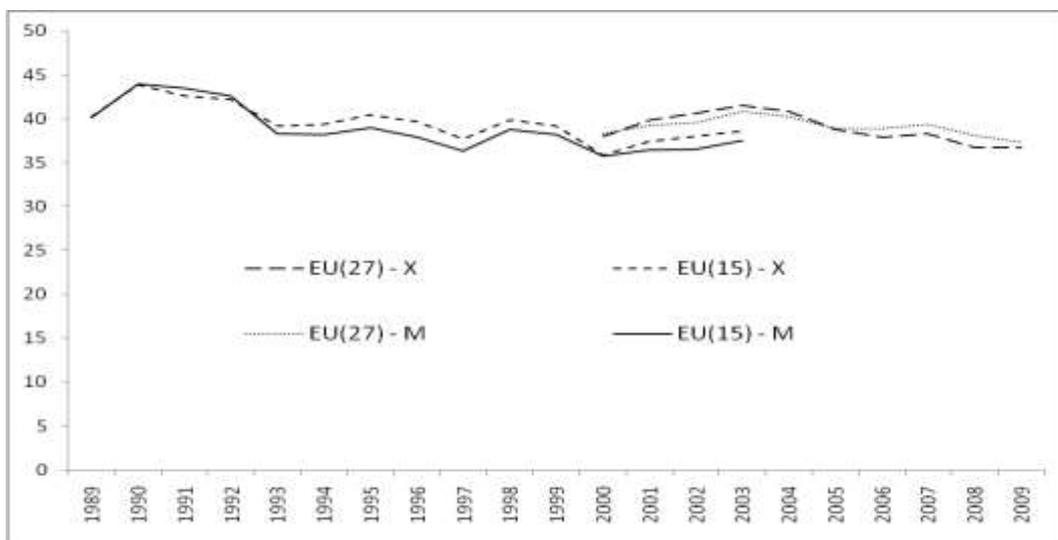
The multidimensional RTA strategy followed by both the EU and India while has enabled them to enhance their presence in global trade on one hand, it has also made the subsequent RTA collaboration difficult on the other. In particular, the presence of several competing countries already enjoying preferential access in the potential partner market forces the late entrant to adopt a strong negotiating stand to ensure actual benefits. In other words, the two parties often adopt a hard attitude to further their goals. For instance, the EU negotiations with GCC were suspended in 2008 due to the former's willingness to include social and political concerns in the agenda (CII, undated). Similarly, India's negotiations with ASEAN continued for a long time due to the difference of opinion on the application of rules of origin provisions (Chakraborty, Banerjee and Sengupta, 2011).

Fig.1 and Fig.2 show the market shares of India and EU respectively in global merchandise trade. EU collectively explains a significant proportion of global merchandise commerce over the last two decades, though the figure is showing a decreasing trend during the last couple of years. Germany, France, Netherlands, Italy, UK are among the major players from within the bloc. On the other hand, the global presence of India is gradually increasing over the period. Given the deepened trade relationship with Asian partners over the last decade, India's trade share has been affected by lesser degree in the aftermath of the global recession. It can be argued that a trade agreement with India will enable EU to secure a tariff and procedural hassle free access to a large market, while EU as a supplier of capital and technology will considerably influence the trade and production structure of India. It is expected that the benefits of India's deeper association with the EU will be greater than the costs (CARIS and CUTS, 2007).



**Fig. 1: Global Merchandise Export and Import shares of India (%)**

Source: Constructed by the authors from International Trade Statistics, WTO, various issues



**Fig. 2: Global Merchandise Export and Import shares of EU (%)**

Source: Constructed by the authors from International Trade Statistics, WTO, various issues

Table 1 provides a deeper insight on the presence of EU and India in the global market for various commodity groups. While EU is the established player in several product categories, India has been able to increase its market presence only in the recent period. Nevertheless both sides can considerably benefit from the existing complementarities.

**Table 1: Global Presence of EU and India in Merchandise Trade Sphere (%)**

Product Group	EU (27)				India			
	Export		Import		Export		Import	
	2000	2009	2000	2009	2000	2009	2000	2009
Agricultural products	41.8	42.3	42.6	43.9	1.1	1.4	0.7	1.2
Food	43.9	43.2	43.4	44.8	1.3	1.4	0.5	1.0
Manufactures	42.8	43.2	39.9	39.1	0.7	1.3	0.5	1.3
Iron and Steel	46.8	41.1	41.2	35.4	0.9	1.9	0.5	2.3
Chemicals	53.9	54.1	43.8	44.9	0.7	1.3	0.8	1.8
Office and telecom equipment	29.2	24.8	33.8	30.7	0.0	0.3	0.3	1.2
Telecom equipment	38.3	29.7	38.8	36.6	0.0	0.7	0.2	2.0
Integrated circuits and electronic components	19.1	13.5	22.6	15.2	0.0	0.1	0.2	0.5
Automotive products	49.7	53.8	42.3	45.0	0.1	0.6	0.1	0.4
Textiles	36.0	29.5	34.6	29.7	3.5	4.3	0.4	1.0
Clothing	28.5	30.7	41.0	48.5	3.0	3.6	0.0	0.0

Source: Compiled by the authors from International Trade Statistics, WTO (2010)

The WTO Members are showing enhanced inclination towards RTA strategy for export promotion in the post-recession period, when a neo-protectionism in terms of tariff and other non-tariff barriers across countries has been witnessed (Chaisse et al, 2011; UNESCAP, 2011a). The phenomenon becomes clear from the average applied tariff levels in the EU and India, reported for both pre and post recession period (Table 2). It is observed that for a number of product categories, the tariff rate in 2009 increased from the 2006 level. The move does not constitute a WTO-incompatible strategy *per se*, as both the EU and India have sufficient 'tariff waters'. Presence of high average tariff in the partner country is a motivating factor for ensuring a near-zero tariff during negotiations. From this perspective, both EU and India should have sufficient interest in each other's market.

**Table 2: Average Applied Tariff Scenario (%)**

Product Category	EU		India	
	2006	2009	2006	2009
Animal products	25.9	23.2	31.6	33.1
Dairy products	62.4	49.4	34.5	33.7
Fruits, vegetables, plants	11.6	11.3	30.8	30.4
Coffee, tea	6.9	6.6	55.9	56.3
Cereals and preparations	19.8	17.5	31.1	32.2
Oilseed, fat and oils	6.0	5.5	48.8	18.2
Sugar and confectionary	29.8	27.5	34.4	34.4
Beverages and tobacco	20.0	19.0	63.3	70.8
Cotton	0.0	0.0	17.0	12.0
Fish and fish products	10.6	11.8	29.6	29.8
Chemicals	3.8	4.6	8.0	7.9
Wood, paper	0.9	0.9	9.1	9.1
Textiles	6.6	6.6	20.9	13.6
Clothing	11.5	11.5	22.2	16.1
Leather, footwear	4.1	4.2	10.1	10.2
Non-Electrical machinery	1.7	1.9	7.0	7.3
Electrical machinery	2.6	2.8	6.6	7.2
Transport equipments	4.1	4.3	20.8	20.7

Source: Compiled by the authors from World Tariff Profile, various issues

The EU and India started the negotiations for a BTIA in 2007, and recently the Minister of Commerce, Government of India has indicated that the negotiations are at an advanced stage (The Hindu, 2011). In this background, the next section of the analysis attempts to understand the extent of trade integration between the two sides. It has often been noted that the twelve new EU member states are having a different economic structure as compared to original EU-15 countries (Brandes et al, 2007). Given this perspective, India's trade dynamics with these two sub-groups within the EU are analyzed separately.

### 3. Growing Merchandise Trade Integration between EU and India?

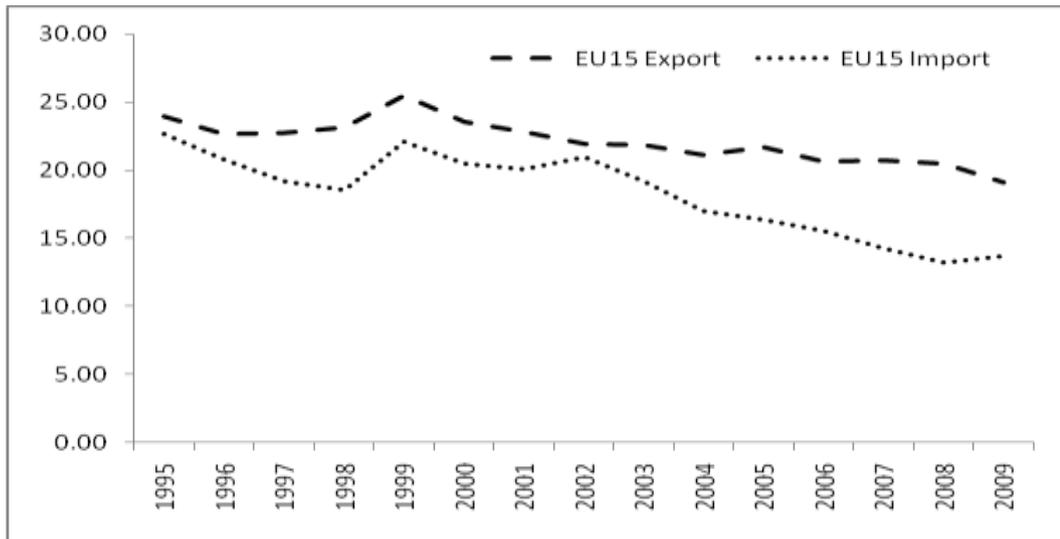
During eighties, India's export basket had a considerable presence of the Soviet Bloc and Eastern European countries (Nachane and Ranade, 1996). Only from mid-nineties onwards, the importance of EU countries started increasing in India's trade basket. In 2009, India's exports to and imports from EU stood at €25.4 and €27.5 billion respectively. The recent increase in Indo-EU trade is fueled by the growing trade relationship with both EU 15 as well as the newer EU members<sup>3</sup>, many of which belonged to the former Soviet Bloc. The increase in trade volume has occurred both in intermediate goods and final products, indicating possibilities of deepened intra-industry trade as well.

The relative presence of EU and India in each other's market provides interesting insights. Figures 3-5 reveals EU's presence in India's trade basket and vice versa. It is observed from Fig.3 that EU 15's presence in India's export and import basket has decreased considerably over 1995-2010 (Chakraborty, 2012). The decline is in line with India's growing trade with West Asia and East Asia as a result of increased oil imports and the 'Look East Policy' respectively. The decline has been sharper for imports, given India's growing import of energy products from oil-exporting countries. Nevertheless, EU as a whole remains as the largest trade bloc partner of India. Interestingly, India is witnessing an increasing trade association with the new EU Member countries (EU 12) as well, in particular in the area of exports since 2006 (Fig. 4).

On the other hand, Fig.5 shows that India's presence in EU 15's trade basket has improved over the time, but still remains at a marginal level. A similar conclusion concerning new EU member countries emerges by looking at India's trade shares from the same diagram. Clearly both EU and India hold considerable scope for enhancing the penetration in each others' market through the formal trade agreement.

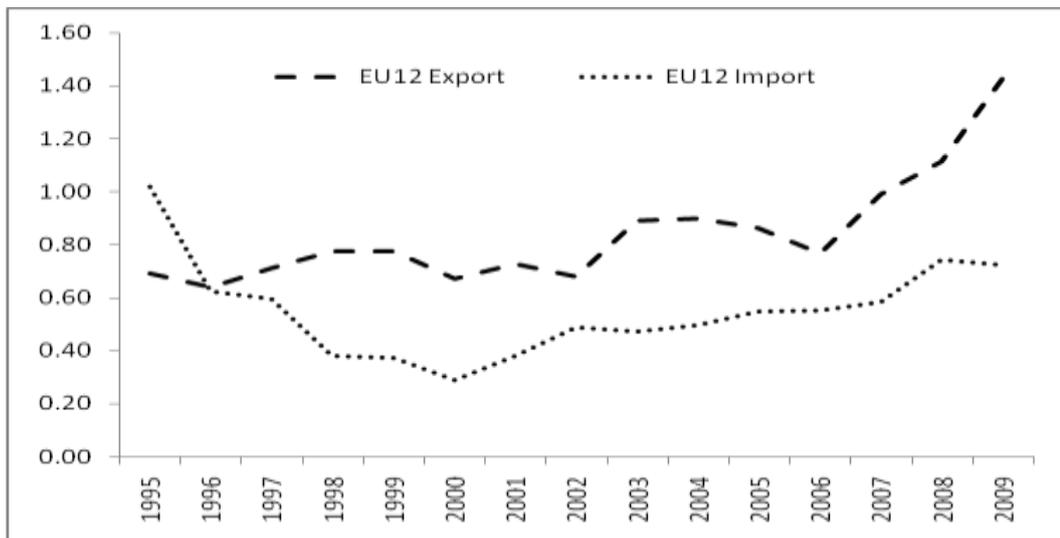
---

<sup>3</sup> On the implementation of the EC external trade policy, see the Julien Chaisse (2006) 'Adapting the European Community Legal Structure to the International Trade' 17 (6) European Business Law Review 1615-1635.



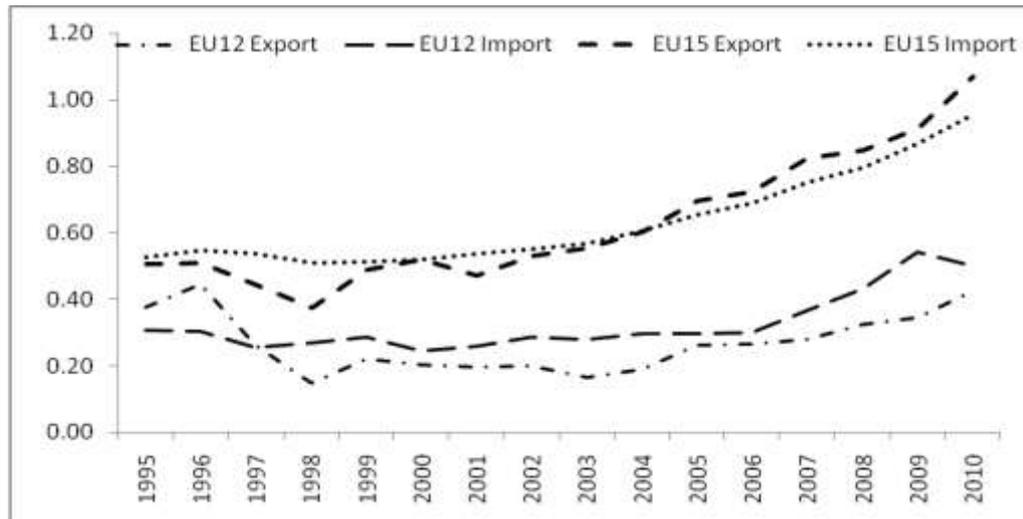
**Fig.3: Dynamics of EU 15’s Presence in India’s Trade Basket (%)**

Source: Calculated by the authors from WITS data, World Bank



**Fig. 4: Dynamics of New EU Member’s Presence in India’s Trade Basket (%)**

Source: Calculated by the authors from WITS data, World Bank



**Fig. 5: Dynamics of India's Presence in EU's Trade Basket**

Source: Calculated by the authors from WITS data, World Bank

The importance of India for individual EU member countries and vice versa can be understood with the help of Tables 3 and 4. Table 3 indicates that in line with the macro trend, the share of individual EU member countries barring exceptions like Netherlands are declining in case of exports. India's share in EU member countries on the other hand is showing an increasing trend over the years, although the figure is at a modest level (Table 4). It can be argued on the basis of the observation that both EU and India stand to gain by enhancing presence in each others' market.

**Table 3: Share of EU in India's trade basket**

EU Country	Export share (%) (India's export to EU Partner) / (India's global export)			Import Share (%) (India's import from EU Partner) / (India's global import)		
	1995	2002	2009	1995	2002	2009
Belgium	-	3.23	2.01	-	6.21	2.06
France	2.35	2.07	1.87	2.11	1.80	1.65
Germany	6.22	4.05	3.31	8.57	4.02	4.12
Italy	3.19	2.53	1.87	2.47	1.37	1.38
Netherlands	2.42	1.93	3.66	1.51	0.67	0.74
Portugal	0.29	0.33	0.19	0.01	0.03	0.02
Spain	1.31	1.50	1.10	0.48	0.33	0.40
United Kingdom	6.33	4.81	3.69	5.20	4.60	1.52
European Union (27)	28.17	22.63	20.54	28.29	21.48	14.38

Source: Calculated by the authors from WITS data, World Bank

**Table 4: Share of India in EU's trade basket**

EU Country	Export share (%) (EU Member's export to India) / (Its global export)			Import Share (%) (EU Member's import from India) / (Its global import)		
	1995	2002	2009	1995	2002	2009
Belgium	-	1.79	1.70	-	0.85	1.06
France	0.37	0.31	0.74	0.41	0.45	0.75
Germany	0.61	0.36	0.99	0.54	0.48	0.76
Italy	0.48	0.38	0.92	0.67	0.61	0.98
Netherlands	0.21	0.22	0.54	0.43	0.43	0.87
Portugal	0.11	0.06	0.13	0.35	0.46	0.52
Spain	0.24	0.21	0.50	0.41	0.58	0.88
United Kingdom	1.02	0.95	1.29	0.84	0.78	1.35
European Union (27)	0.58	0.51	0.85	0.53	0.53	0.83

Source: Calculated by the authors from WITS data, World Bank

One major concern to be addressed during the negotiation of any trade bloc is however the domestic oppositions fuelled by the fear of potential losses. The current trade balance pattern provides an indicative scenario in this regard. Tables 5 and 6 reveal that while India has trade deficit vis-à-vis EU-15, it enjoys a surplus with respect to EU-12 countries. The aggregate trend is repeated at the country-level scenario as well, as India enjoys surplus with respect to several EU 12 countries. India's trade deficit with the EU 15 countries on the other hand can be explained by their heavy imports of machinery and appliances, electrical machinery and equipments, chemical products, iron and steel products, precision equipments etc. from the latter. On the other hand, India enjoys trade surplus with respect to EU 12 countries, given its export of automotive products, textile fibres and clothing products, iron and steel products, pharmaceutical products, machinery and appliances etc. to these markets and the limited diversity of the present import basket from them.

**Table 5: Bilateral Balance of Trade between India and EU 15 Countries expressed as a percentage of India's GDP**

Country	1995	2000	2005	2009
Austria	-0.007	0.001	-0.023	-0.038
Belgium	0.000	-0.393	-0.285	-0.141
Denmark	-0.035	0.011	0.003	-0.001
Finland	-0.033	-0.034	-0.033	-0.076
France	-0.007	0.073	-0.024	-0.079
Germany	-0.327	0.001	-0.248	-0.371
Greece	0.023	0.018	0.050	0.036
Ireland	0.007	0.007	0.002	0.005
Italy	0.030	0.125	0.092	-0.028
Luxembourg	0.000	0.000	-0.001	-0.002
Netherlands	0.060	0.104	0.162	0.325
Portugal	0.024	0.027	0.026	0.020
Spain	0.067	0.102	0.128	0.065
Sweden	-0.027	-0.020	-0.087	-0.081
United Kingdom	0.029	-0.207	0.079	0.179
EU 15 (Aggregate)	-0.197	-0.186	-0.157	-0.188

Source: Calculated by the authors from WITS data, World Bank

**Table 6: Bilateral Balance of Trade between India and Newer EU Member Countries expressed as a percentage of India's GDP**

Country	1995	2000	2005	2009
Bulgaria	-0.007	-0.001	0.000	0.001
Cyprus	0.005	0.007	0.003	0.000
Czech Republic	-0.008	0.000	-0.014	-0.023
Estonia	0.000	0.001	0.001	0.000
Hungary	0.002	0.005	0.006	0.015
Latvia	0.000	0.001	0.003	-0.008
Lithuania	0.000	0.002	0.001	-0.007
Malta	0.002	0.006	0.012	0.034
Poland	-0.012	0.010	0.014	0.005
Romania	-0.016	-0.002	-0.020	0.019
Slovak Republic	-0.001	0.000	-0.002	0.000
Slovenia	-0.007	-0.001	0.006	0.007
EU New 12 (Aggregate)	-0.043	0.028	0.011	0.043

Source: Calculated by the authors from WITS data, World Bank

The diversification of Indo-EU trade pattern over time can be analyzed in the light of *Herfindhal Concentration Index* (H) of India's trade vis-à-vis EU and the world. The H index can be calculated by the formula:  $H = \sum s_i^2$ , where  $s_i$  indicates the share of HS 2-digit level commodities in India's trade basket. When H for exports is equal to one, it implies that the country in question is exporting only a single product. Conversely, when the value of H approaches zero, the export structure becomes more diversified. The H indices reported in Table 7 reveals a greater concentration for Indo-EU trade involving agricultural products vis-à-vis the global scenario, while a reverse trend is noticed for non-agricultural products. However, agricultural imports from the EU are much less concentrated. Moreover, the export concentration is not showing any major decline over 2005-09 period. The findings suggest that there is considerable scope for India to diversify its agricultural and non-agricultural export basket to the EU.

**Table 7: India's Trade Concentration with EU and World**

Year	Export		Import	
	EU 27	World	EU 27	World
Agriculture (HS 1 - 24)				
1995	0.14	0.13	0.13	0.29
2000	0.13	0.11	0.27	0.44
2005	0.12	0.10	0.11	0.30
2009	0.11	0.10	0.12	0.29
Non-Agriculture (HS 25-99)				
1995	0.07	0.08	0.14	0.11
2000	0.06	0.08	0.26	0.20
2005	0.05	0.07	0.14	0.17
2009	0.07	0.09	0.10	0.16
Total (1 -99)				
1995	0.05	0.05	0.13	0.10
2000	0.05	0.06	0.26	0.19
2005	0.05	0.06	0.14	0.16
2009	0.06	0.07	0.10	0.15

Source: Calculated by the authors from WITS data, World Bank

Note: Calculated at HS 2-digit Level

Table 8 attempts to analyze the evolving complementarities in India's trade pattern with select EU 15 countries by calculating the *Trade Complementarity Index* (TCI). TCI is calculated by the following formula:  $TCI_{ij} = 100 - (\sum |M_{jk} - X_{ik}|)/2$ , where  $X_{ik}$  is share of commodity  $k$  in country  $i$ 's total exports, and  $M_{jk}$  is share of commodity  $k$  in country  $j$ 's total imports. Higher values of TCI over time indicate increasing similarities between export basket of a country and import basket of its trade partner. The indices reported in the table suggest that India's export complementarity with imports of EU 15 countries has increased over the period. On the other hand, a fluctuating trend is being noticed when the similar analysis is repeated with India as an importer. Interestingly, India's

trade complementarities with the newer EU member countries reveal an increasing trend for exports, while the same for imports show a decreasing trend (Table 9). The result suggests that, EU export and Indian import demand has shown divergence over 1995-2002, but greater similarity has been noticed in the following period. The result underlines India's export interest to partner EU through BTIA on one hand, and the EU urge to negotiate hard for greater access in Indian market on the other.

**Table 8: India's Trade Complementarities with Select EU 15 Countries**

EU Country	India as Exporter to EU 15			India as Importer from EU 15		
	1995	2002	2009	1995	2002	2009
Belgium	-	53.72	60.46		48.46	47.35
France	43.51	49.70	59.82	52.15	42.72	45.93
Germany	45.39	47.60	59.66	49.36	40.28	44.11
Italy	45.02	52.31	63.86	48.50	41.67	43.77
Netherlands	43.80	46.78	59.82	57.22	46.99	53.12
Portugal	48.71	52.31	60.53	35.66	35.62	42.90
Spain	45.21	50.08	62.97	47.18	42.58	44.81
United Kingdom	42.91	47.20	57.77	54.75	48.98	54.61
European Union (15)	44.80	49.76	62.02	52.70	45.87	50.35

Source: Calculated by the authors from WITS data, World Bank

Note: Calculated at HS 4-digit Level

**Table 9: India’s Trade Complementarities with Select EU 12 Countries**

EU Country	India as Exporter to EU 12			India as Importer from EU 12		
	1995	2002	2009	1995	2002	2009
Bulgaria	-	52.70	60.95	-	39.75	51.40
Czech Republic	41.39	44.00	51.00	50.97	40.28	41.13
Hungary	43.02	40.33	46.90	42.25	34.01	37.42
Poland	46.11	46.74	56.09	49.52	41.28	41.06
Slovakia	41.59	44.94	53.29	46.34	40.84	41.89
Slovenia	42.35	49.14	56.29	41.54	35.99	40.81
Romania	47.87	57.99	63.18	46.19	41.79	47.39
European Union (12)	44.45	46.93	55.90	50.77	41.62	44.15

Source: Calculated by the authors from WITS data, World Bank

Note: Calculated at HS 4-digit Level

The growing trade integration between the EU and India, especially in semi-finished and intermediate products can be understood from the Intra-Industry Trade (IIT) Index for their trade, as proposed by Grubel and Lloyd. The IIT index for country j can be

calculated by the following formula:  $GL_j = \frac{\sum_{i=1}^n [(X_i + M_i) - |X_i - M_i|]}{\sum_{i=1}^n (X_{ij} + M_{ij})}$ . Here  $X_{ij}$  and  $M_{ij}$

denote the value of Indian export and imports from respective EU countries at HS 4-digit level. When GL is equal to one, the entire trade is explained by IIT, while a GL with zero value implies presence of inter-industry trade. The IIT between India and EU countries, reported in Table 10, indicates the growing trade integration between both sides. Interestingly, the increase in India’s IIT index over 2000 to 2009 has been greater with respect to newer EU members, given the relatively lower trade overlap with them in the earlier period. The increasing value of IIT index indicates that deeper production networks can be built between Indian and European players in long run.

**Table 10: India’s Intra-Industry Trade with Select EU Member Countries**

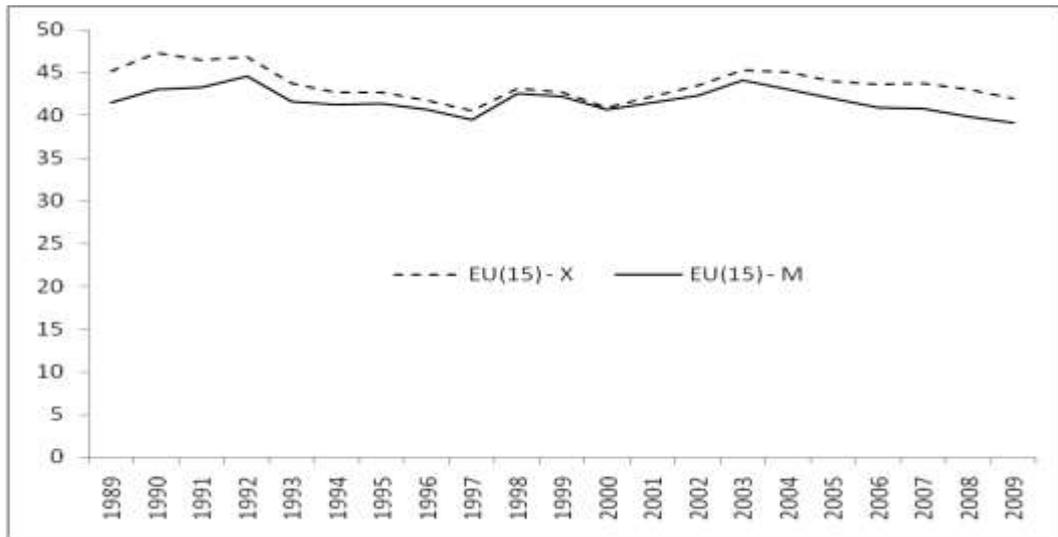
EU (15)	2000	2009	New EU Members	2000	2009
Belgium	0.42	0.39	Bulgaria	0.02	0.06
France	0.16	0.20	Czech Republic	0.17	0.14
Germany	0.20	0.24	Hungary	0.10	0.27
Italy	0.20	0.24	Poland	0.05	0.12
Netherlands	0.13	0.14	Romania	0.02	0.04
Portugal	0.08	0.08	Slovakia	0.04	0.06
Spain	0.14	0.19	Slovenia	0.10	0.20
United Kingdom	0.13	0.22			
EU (15)	0.26	0.29	EU (12)	0.14	0.20

Source: Calculated by the authors from WITS data, World Bank

Note: Calculated at HS 4-digit Level

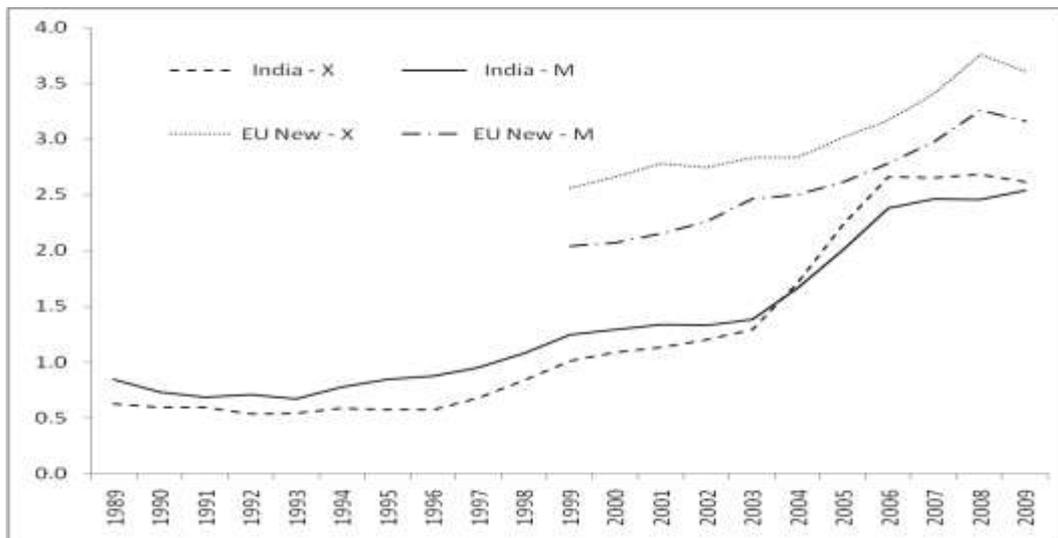
#### 4. EU-India Association on Trade in Services

The EU 15 countries have long evolved as a major provider of tech-intensive professional services. Conversely, the EU 12 countries are on the learning scale for the professional service categories on one hand and are evolving as major providers of travel and tourism services on the other. India is arguably located somewhere in between, as the country since nineties has moved from provision of traditional labour-intensive services to higher skill-intensive and innovative tradable services. It is observed from *International Trade Statistics* data on services trade that both EU and India holds a trade surplus in this category. However, the EU 15 countries are recently witnessing a decline of their share in global services exports; arguably owing to labour cost disadvantage (Fig. 6). On the other hand, India as well as EU 12 countries are witnessing an increase in their global presence (Fig. 7).



**Fig. 6: Global Services Export and Import shares of EU 15 Countries (%)**

Source: Constructed by the authors from International Trade Statistics, WTO



**Fig. 7: Global Services Export and Import shares of EU 12 Countries and India (%)**

Source: Constructed by the authors from International Trade Statistics, WTO

The category-wise market share of EU 27 and India in commercial services is reported in Table 11 in the following. It is observed from the table that EU countries are currently the leading players in case of all three service categories, namely – transportation, travel and other commercial services. On the other hand, India is still a marginal player in case of transportation and travel service exports, but has evolved as a major service provider in case of other commercial services. In particular, export of computer and IT-

related services and professional services have evolved as a major item in India's services export basket.

**Table 11: Global Presence of EU and India in Commercial Services Sphere (%)**

Service Category	EU (27)				India			
	Export		Import		Export		Import	
	2000	2009	2000	2009	2000	2009	2000	2009
Transportation	42.5	45.4	35.5	33.5	0.6	1.5	2.1	4.2
Travel	42.0	39.2	45.3	42.3	0.7	1.2	0.6	1.0
Other commercial services	45.1	48.8	46.0	47.1	-	3.7	-	2.4

Source: International Trade Statistics, WTO (2010)

The trade in services between EU and India has increased continuously over the last decade, with India's services imports from EU reaching €8.6 billion in 2009, while the corresponding figure for exports stood at €7.4 billion. The Indian services import from the EU mainly occurs in the area of financial services, professional services, travel services etc. On the other hand, Indian interest in the EU market has been mixed, as export earnings from all types of operations, e.g. - export by BPO units (Mode 1 of services trade), tourism (Mode 2), setting up of subsidiaries through investment (Mode 3) and movement of professional service providers (Mode 4) have increased over the period. For instance, inflow of medical patients from European countries to India has gradually increased (Chakraborty and Dilwaria, 2011). Similarly, several acquisitions by Indian software players in EU countries in the post-recession period have been reported (Sinha, 2010).

The growing concern for India in the post-recession period has however been the stringency on several fronts, especially in the area of Mode 4 (HT, 2010). The EU-India Summit Joint Statement at Brussels (2010) tried to respond to India's concern by noting, 'Recognizing the important implications of the movement of people for India and EU, they agreed to explore initiatives that could lead to a regular, comprehensive and structured dialogue on migration issues, with a view to deepening cooperation in this field' (EU, 2010).

The services negotiation with the EU as part of the BTIA holds a major opportunity for India, as the deadlock at the Doha Round lowers the market access on outward movement of Indian professionals, namely - software engineers, doctors and nurses etc. both to the developed and developing countries. EU being a major importer of all types

of services holds a major opportunity for Indian exporters. India's major requests to the EU are concentrated in the area of recognition of the qualifications, training and professional standards of Indian service providers; removal of market access limitations; creating a transparent and objective visa and work permit regime with easier and faster renewal procedure; ensuring a mechanism to find out the causes of visa rejection and requirements to be fulfilled etc. Another major agenda of India is to ensure that the EU practice to link investment issues under Mode 3 with movements of professionals under Mode 4 is discontinued. The sector-wise Indian requests to the EU on trade in services are noted in Annex 1. It is expected that the Indian concerns raised to the EU from time to time will be responded to in the final BTIA.

## **5. Investment Collaborations between EU and India**

Since the adoption of an active RTA strategy in 2003, India started engaging with developed countries spread over Asia, Africa and Latin America. However, the investment and technology-related expectations of India has not been adequately fulfilled by many of these RTAs and its recent bid to engage with South Korea, Japan, EU, Canada, and Australia needs to be viewed in this light. Moreover, the Indo-ASEAN FTA negotiation experience underlined the fact that there is a need to compensate the losses under trade in merchandise products with a comprehensive services and investment agreement (Chakraborty and Sengupta, 2010). Currently, a number of recent Indian PTAs involving Singapore, Japan, Australia and South Korea incorporate investment provisions. This changed focus responds to the growing Indian compulsion of attracting investment inflows on one hand, while facilitating the growing investment outflows on the other. In this regard the Indian focus on EU, which has been a major source of FDI for the country (Kebschull, 2002), is obvious.

A similar focus on investment provisions is accorded by the EU as well through their EPAs (e.g. EU-ACP EPAs). Interestingly, the EU-centric EPAs are geared to facilitate the growth process in the developing country partner<sup>4</sup>, while protecting interest of EU players, which otherwise may not be possible given the current state of multilateral negotiations. For instance, the EU-MERCOSUR Interregional Framework Cooperation Agreement focuses on investment, but the role of IPR promotion is strongly incorporated in related provisions. A similar provision is noticed in case of the cooperation agreement between EU and six Central American countries. In other words, the stress on investment as accorded by the EU and India are genuine, but revolve around different concerns.

India's current level of investment cooperation with EU countries can be observed from Table 12. Presently nineteen EU member states are having operational Bilateral Investment Promotion and Protection Agreements (BIPA) with India while the same signed with Greece is not yet implemented. Negotiations for entering into BIPA with four new EU member states are currently on. India has signed BIPA with several EU-15 countries in mid-nineties, but similar agreements with newer EU members are recent

---

<sup>4</sup> See Julien Chaisse (2012) Promises and Pitfalls of the European Union Policy on Foreign Investment' 15(1) Journal of International Economic Law at 78.

phenomenon. In addition, there exists a number of bilateral Double Taxation Avoidance Agreements (DTAA) between India and EU member states, for avoiding simultaneous taxation of the same earning, asset or transaction. Since India has signed DTAA with Bulgaria and Cyprus in 1994 and 1995 respectively, their investment collaboration with India predates their entry in the EU.

**Table 12: India’s Bilateral Investment Agreements with EU Member states**

Type of Agreement involving India and EU Members	EU 15 countries	New EU 12 entrants
Bilateral Investment Promotion and Protection Agreements (in force in 2007)	Austria, Belgium, Denmark, Finland, France, Germany, Italy, Netherlands, Portugal, Spain, Sweden, UK	Bulgaria, Cyprus, Czech Republic, Hungary, Poland, Romania, Slovak Republic
India has signed Bilateral Investment Promotion and Protection Agreements (BIPA), but the agreement is not yet in force	Greece	-
Negotiations on Bilateral Investment Promotion and Protection Agreements (BIPA) are underway	-	Latvia, Lithuania, Malta, Slovenia
Double Taxation Avoidance Agreements (DTAA)	Austria, Belgium, Denmark, Finland, France, Germany, Greece, Italy, Netherlands, Spain, Sweden, UK	Bulgaria, Cyprus, Czech Republic, Hungary, Malta, Poland, Romania

Source: Constructed by authors from Government of India documents

In absolute sense, the EU-India investment collaboration has increased considerably over the years. In 2009, India received FDI inflows worth €3.2 billion from EU countries, while its outward investment to EU stood at €0.4 billion. Table 13 analyzes the importance of EU member states in India’s overall FDI inflow (expressed as a percentage of total FDI inflow). A fluctuating trend is noticed in the overall EU (27) investment in India. Interestingly, investment from a new EU member, Cyprus, is on the rise in recent period, which can be explained by tax-related reasons. In the post-recession period in 2010, however EU’s importance in India’s FDI flow has increased. On

the other hand, a number of Indian investments have been directed towards UK, Belgium, Netherlands and Germany, spanning over IT, automobile and pharmaceuticals sectors (Mukherjee and Goswami, 2010). However there is considerable scope to increase Indian investment to EU countries (Gopalan and Rajan, 2009). It is expected that the EU-India BTIA will facilitate the investment flows further.

**Table 13: FDI Inflow in India from EU Member states** (Per cent and Rs. Billions)

Country	2000	2006	2007	2008	2009	2010
Belgium	0.28	0.76	0.10	0.34	0.11	0.15
Cyprus	0.02	0.51	2.76	4.17	5.93	4.38
France	2.77	0.77	0.65	1.46	1.10	3.55
Germany	3.01	2.77	1.78	2.38	2.20	0.94
Italy	4.72	0.51	0.15	1.06	0.55	0.87
The Netherlands	4.43	4.46	3.50	3.06	3.06	5.42
Sweden	2.06	0.05	0.43	0.29	0.91	0.13
UK	2.28	15.53	2.47	5.01	1.72	3.57
Share of EU (27) in India's overall FDI inflow	20.01	26.09	12.66	19.14	16.80	21.49
Total FDI inflow in India	123.54	503.85	797.35	1,397.68	1,309.82	960.15

Source: Author's calculation from SIA Newsletter data

## 6. EU-India RTA: The Concern areas

Despite the ongoing negotiations for the EU-India BTIA since 2007, the two sides are yet to conclude the agreement covering merchandise and services trade and investment provisions. It was expected that negotiations will be concluded by 2011 end (The Hindu, 2011). However, several concern areas threaten a speedy and successful conclusion of the BTIA (Chaisse and Chakraborty, forthcoming), which are noted in the following.

First, conflicts relating to the coverage of tariff reforms as part of the BTIA have partially delayed the negotiation process. It is observed from Table 2 that the average applied tariff for India is generally higher than the same in EU, which is in line with their development profiles. Hence the EU has asked India to reduce tariff rates in several strategic product categories like wine and spirit, automobile products etc. (ET, 2011). Moreover, the EU also intends to export wheat to India at zero duty (BS, 2011), which is

not an acceptable proposition to the latter given the huge subsidies provided under Common Agricultural Policy (CAP) of the former (Wiggerthale, 2005). In particular, despite recent CAP reforms, wheat still comes under intervention prices list in the EU (EU TPR, 2011). Subsidy on marine fisheries in the EU through Common Fisheries Programme (CFP) is also substantial, which threatens the well-being of Indian fishermen (Chakraborty, Chaisse and Kumar, 2011).

Secondly, the negotiations to determine the list of sensitive products is faced with conflict of interest, as India and EU want each other to eliminate tariff on 95 and 98 percent of their exports respectively (CII, undated). India is particularly interested to exclude chemical, pharmaceuticals and textiles from EU's negative list, as all these product groups are facing anti-dumping or countervailing investigations and relatively higher tariff barriers in the EU market.

The underlying reason behind the intensity of the negotiations between EU and India can be partially explained with the help of the similarity in their export basket. Table 14 in the following presents the export rank correlation coefficient matrix between India and EU 15 countries. The corresponding figures for India and the new EU members are noted in Table 15. The calculations have been undertaken at HS 2-digit level for the year 2009. The higher the value of the export rank correlation coefficient between two countries, the more similar is their export basket. It is observed from the table that the export similarity between India and several EU member countries are quite high. Therefore, the tough negotiating standpoints mainly originate from the future market access concerns of the parties involved.

**Table 14: Export Rank Correlation Matrix between EU 15 and India (2009)**

Country	India	Belgium	France	Germany	Italy	Netherlands	Portugal	Spain	UK
India	1.00								
Belgium	0.65	1.00							
France	0.62	0.85	1.00						
Germany	0.62	0.87	0.91	1.00					
Italy	0.68	0.78	0.82	0.85	1.00				
Netherlands	0.57	0.88	0.81	0.80	0.68	1.00			
Portugal	0.59	0.73	0.64	0.70	0.73	0.64	1.00		
Spain	0.69	0.85	0.85	0.84	0.87	0.81	0.81	1.00	
UK	0.61	0.81	0.84	0.85	0.74	0.75	0.65	0.75	1.00

Source: Calculated by the authors from WITS data, World Bank

**Table 15: Export Rank Correlation Matrix between EU 12 and India (2009)**

Country	India	Bulgaria	Czech Republic	Hungary	Poland	Romania	Slovak Republic	Slovenia
<b>India</b>	1.00							
<b>Bulgaria</b>	0.68	1.00						
<b>Czech Republic</b>	0.53	0.71	1.00					
<b>Hungary</b>	0.55	0.75	0.85	1.00				
<b>Poland</b>	0.61	0.76	0.81	0.82	1.00			
<b>Romania</b>	0.61	0.77	0.78	0.78	0.77	1.00		
<b>Slovak Republic</b>	0.55	0.74	0.87	0.86	0.79	0.77	1.00	
<b>Slovenia</b>	0.61	0.66	0.85	0.82	0.79	0.75	0.85	1.00

Source: Calculated by the authors from WITS data, World Bank

Thirdly, since the tariff level in the EU has already come down in general, for obtaining further market access the removal of non-tariff barriers (NTBs) is extremely important. For instance, India has faced SPS-TBT standards imposed by the EU members at times – e.g. the azo dye ban (EITF, 1996), ban on fishery products due to *Salmonella* threat (EITF, 1997) etc. Moreover, the misuse of environment-related barriers in the EU markets has often been quoted (Chakraborty and Banerjee, 2009). Table 16 reports a number of concerns raised by India on SPS-TBT grounds against the EU. One major focus of the Indian negotiators is to secure recognition of Indian standards in the EU markets, without which actual access in the EU market will be limited. The existing studies on EU strongly support this contention (Faber and Orbie, 2007).

**Table 16: Select Indian Concerns on EU SPS-TBT Measures**

Issue	Selected WTO references	First raised	Concern Area
Regulation on classification, labelling and packaging of substances and mixtures (ATPs and CLP)	G/TBT/M/49, 51; G/TBT/N/EEC/151 and Add.1-2; G/TBT/N/EEC/212 and Add.1-3; and G/TBT/N/EEC/163 and Add.1-2, Add.1/Corr.1	05.07.2007	TBT
Non-inclusion of napropamide in Annex 1 of Council Directive 91/414/EEC	G/TBT/M/46; G/TBT/N/EEC/203	05.11.2008	TBT
Draft Commission Directive amending Council Directive 67/548/EEC (dangerous chemical substances)	G/TBT/M/46, 47, 48; G/TBT/N/EEC/212	05.11.2008	TBT
Registration for traditional herbal medicinal products	G/TBT/M/51	23.06.2010	TBT
Regulation 1099/2009 on the humane treatment of animals	G/SPS/R/59	June 2010	SPS
Maximum residue levels of pesticides	G/SPS/R/61	October 2010	SPS

Source: WTO TPR on EU (2011)

Fourthly, India and EU has been involved in a number of anti-dumping duty related conflicts and several of them reached the WTO dispute settlement forum as well (e.g. DS 385, DS 313, DS 304, DS 141, DS 140). Table 17 reports the anti-dumping and countervailing duty activism between the two sides. It is observed that EU is initiating 7.36 percent of its total number of anti-dumping cases against India. However in 54.84 percent of these initiated cases a final anti-dumping duty is being imposed. India on the other hand, initiates 7.38 percent of the anti-dumping cases against EU, but imposes final duty in 65.96 percent of these initiated cases. The natural concern is that the tariff-free entry of Indian products in the EU market or vice-versa might fuel the anti-dumping activism further. On the other hand, in case of subsidies and countervailing duties it is observed that the EU is initiating 29.82 percent of its total number of anti-subsidy investigations against India and imposing a countervailing duty in 64.71 percent of these cases. India however is yet to apply this provision on EU exports. It is therefore in the interest of India to adequately ensure that anti-subsidy actions in the EU do not emerge as major market access barriers on its exports in the post-bloc formation period.

**Table 17: Contingency Measure Misuse between EU and India  
(01/01/1995 - 31/12/2010)**

Country	Anti-dumping		Countervailing Duty	
	Initiations	Imposition of Final Duty	Initiations	Imposition of Final Duty
<b>EU actions on Indian exports</b>	31 (421)	17 (271)	17 (57)	11 (28)
<b>Indian actions on EU exports</b>	47 (637)	31 (450)	0 (1)	0 (0)

Source: WTO Anti-Dumping and Countervailing Duty databases

Note: Figures in parenthesis indicate total number of cases

Fifthly, although India has adopted the product patent regime from 2005 onwards, the undercurrent of concerns over stringency of TRIPS provisions and meeting public health challenges remains highly relevant. During the BTIA negotiations, India's defensive attitude towards the EU insistence on TRIPS-plus intellectual property right protection needs to be viewed in this light. The fear of the pharmaceutical industry is that inclusion of a stronger data exclusivity provision in the BTIA would create additional hassles for the small generic medicine producers for accessing the clinical test data submitted by bigger pharmaceutical companies to regulatory agencies, and enhance their time and money cost (CII, undated).

Sixthly, a related concern for India is the recent repeated seizures of its generic drug export consignments on patent infringement grounds in several EU markets during their transit to Latin America. After India's move to the WTO dispute settlement body in 2010 on this matter (DS 408), the EU promised to ensure greater certainty for consignments in return for dilution of the dispute (GoI Press Release, 2011). Despite the temporary relief, the tough bargaining stand adopted by the EU understandably keeps India in an uncomfortable position.

Seventhly, the EU inclination on inclusion of environment and labour standards is a major concern area for Indian negotiators. Since these subjects are currently not covered by the WTO, India is not willing to commit on any of these WTO-Plus subjects in any of its RTAs. On the other hand, the EU has prior precedence of incorporating environment and social norms in its trade blocs involving developing countries (e.g. CARIFORUM-EC EPA). The environmental activism is in line with the long-standing EU willingness to extract greater environmental responsibilities from advanced developing countries like Brazil, China and India (EU, 2008).

Finally, given the Indian expectation from the EU market in the area of trade in commercial services, ensuring freer entry of Indian players through Mode 3 and 4 routes is particularly important. However, the same in several EU markets is currently limited by complex and non-transparent visa regulations and other procedures (Sidhartha, 2011). In addition, the recent tightening of the visa regime in countries like UK poses serious challenges for Indian service exporters (Jacob, 2012). Hence, in light of the recent global recession, extracting meaningful concessions from the EU on this front will be a tough challenge for Indian negotiators.

## 7. In lieu of Conclusion

The RTA focus in India's trade strategy has been incorporated from 2003 onwards. The guiding principle of India's preferential trade agreements can be understood from a 2004 speech of the then Commerce Minister of India:

"The Uruguay Round took eight years to negotiate. The Doha Round has already taken four. When the WTO process reaches its final culmination, perhaps in the next fifteen years or so, regional FTAs would become redundant. But that is a long way off. But that is a long way off.... RTAs consolidate peace and regional security, and also confer greater bargaining power in multilateral negotiations by tying in partner countries through regional commitments." (MOC Press Release, 2004).

Going by this motive, India's RTA bid with other developing countries like Brazil, Chile, Indonesia, Malaysia, Thailand and South Africa makes perfect sense, as all of them share common aspirations at the WTO negotiating forums. In other words, the regional trade collaboration also strengthens their bargaining powers at agricultural and non-agricultural market access (NAMA) multilateral negotiations. EU on the contrary has always occupied the other side of the negotiating table in all multilateral forums. For instance, EU and India locked horns during the failed Seattle Ministerial (1999) over inclusion of environmental and labour standards at the WTO. The negotiating history has repeated itself during the Doha Ministerial (2001), Cancun Ministerial (2003) and Hong Kong Ministerial (2005) over Singapore issues, agricultural subsidies, NAMA modalities, TRIPS and public health provisions etc., to name a few. Any future Indo-EU economic cooperation therefore needs to be viewed in this historical perspective of these already existing conflicts.

The strategic conflicts notwithstanding, the Indo-EU collaboration is however not altogether devoid of economic logic, as reflected from the statistical analysis with trade and investment data. First, EU-India bilateral merchandise and commercial services trade has increased considerably in the recent period, indicating greater interaction between the two economic powers. Second, increased diversity in trade basket and growing trade complementarity indicate a readjustment in line with economic benefits. Third, growing intra-industry trade signifies greater volume of trade in intermediate and semi-finished products, which might deepen the intra-regional production networks in long run and enable both sides to reap the benefits of specialization and scale economies. Fourth, service trade between the two sides has increased considerably, with

profound implications for cross-border investments and economic development. Finally, investments in both directions are gearing up to ensure optimization of key economic interests, which has important technology transfer implications.

Nevertheless, the problem areas are not to be discounted, which spans over issues like tariff reform concerns and safeguard mechanism, standard-related problems, misuse of contingency measures, coverage of environmental and social provisions, protection of intellectual property rights, movement of personnel, investment provisions etc. The Indian apprehensions over offensive as well as defensive interests are well taken. On the former question, the Indian market access in EU market can be violated by farm subsidies, stringent SPS-TBT standards, anti-dumping actions etc. The latter concern comes from the potential public health concern in the Indian market, if WTO-Plus IPR norms are incorporated in the BTIA provisions. In addition, the fact that European countries are presently having 70 percent of their trade as intra-regional trade is another concern area (ITS, 2010). In particular, the new EU member countries can successfully fulfil the Heckscher-Ohlin predictions with respect to their trade with EU 15 countries, thereby undercutting India's hopes of integrating with Western Europe. In other words, the ongoing intra-EU integration exercise may significantly challenge India's capability as a supplier of labour-intensive products to EU 15 countries in long run.

The scenario deserves a close comparison with India's earlier negotiation for an FTA with ASEAN, which entered into effect in 2010. ASEAN could be viewed as a collection of several developed countries (Singapore), developing countries (Brunei, Indonesia, Malaysia, Philippines, Thailand) and transition economies (Cambodia, Lao PDR, Myanmar, Viet Nam). Naturally, the problem faced by India while negotiating with ten countries with different stages of development included finalization of negative list, determining rules of origin provisions etc., among other concerns (Chakraborty and Sengupta, 2010). On a similar note, the EU-15 and EU-12 countries are not homogeneous. Each country is characterized by a different historical and cultural background, which results to varying degree of readiness for the BTIA integration. Moreover, the NTBs in EU countries are quite different and their harmonization would pose another major challenge to the negotiators. The conflict of interest is more pronounced in case of services trade, where possible movement of Indian professionals to the European countries receives different responses at country level. The Indo-ASEAN FTA negotiation has helped India to understand the complexities involved in dealing with a trade bloc vis-a-vis the same with an individual country. It is to be noted that since Indo-ASEAN FTA in services is still forthcoming, India has either entered into or in the process of finalizing CECA/ CEPA with several ASEAN countries individually. Hence unlike the case of ASEAN, where India first negotiated FTA in merchandise products, to be followed by FTA in services and investment collaboration, the country is simultaneously negotiating merchandise products, services and investment under the proposed Indo-EU BTIA. The finalization of the exhaustive BTIA is therefore taking time, but once completed, is likely to pay rich dividends.

The proposed EU-India BTIA is therefore potentially welfare-augmenting, but loaded with latent challenge areas for India as well. The Indian negotiating approach with EU should therefore be based on four broad policies. First, on the question of tariff reforms, the negative list and sensitive lists need to be prepared solely in line with the livelihood security concerns associated with such measures. Second, India must take this RTA opportunity to force EU to curb its farm subsidies as additional rejoinder to its negotiating standpoint at the multilateral forums. Third, all the WTO-plus concerns (e.g. environment, labour standard, TRIPS-Plus) need to be strictly kept outside the purview of the BTIA. Finally, the inherent strengths of the economy need to be cultivated by focusing on strategic sectors and helping to boost their firm level competitiveness through WTO-compatible policies. The sectors identified by NMCC (2006) could be considered as a guiding reference in this context.

\*\*\*\*\*

## **REFERENCES**

- Bhattacharya, Swapan K. (2002), 'European Union's Trade with Asia and India', in Rajendra Jain (Ed.), *The European Union in a Changing World*, New Delhi: Radiant Publishers, pp. 241-70.
- Brandes, Felix, Arjan Lejour, Gerard Verweij and Frans van der Zee (2007), 'The Future of Manufacturing in Europe', The Hague: Netherlands Bureau for Economic Policy Analysis and Innovation Policy group.
- Business Standard (2011), 'India won't consider EU's demand on duty-free wheat import', 26 June, New Delhi.
- Centre for the Analysis of Regional Integration at Sussex (CARIS) and CUTS International (2007), 'Qualitative analysis of a potential Free Trade Agreement between the European Union and India', Department of Economics, University of Sussex, United Kingdom.
- Chaisse, Julien and Debashis Chakraborty, "The Evolving and Multilayered EU-India Investment Relations: Policy Conjectures and Regulatory Issues", *European Law Journal* (forthcoming).
- Chaisse, Julien, Debashis Chakraborty and Biswajit Nag (2011), 'The Three-Pronged Strategy of India's Preferential Trade Policy: A Contribution to the Study of Modern Economic Treaties', *Connecticut Journal of International Law*, 26(2): 415-455.
- Chakraborty, Debashis (2012), 'Is India Turning into a Pollution Haven? Evidences from Trade and Investment Patterns', in Sacchidananda Mukherjee and Debashis Chakraborty (Eds.), *Environmental Scenario in India: Successes and Predicaments*, London: Routledge, pp. 243-266.
- \_\_\_\_\_ (2003), 'Regional Trade Agreements and the WTO Framework: Reconciling Free Trade Objectives', Policy Paper No. 4, New Delhi: Liberty Institute.
- Chakraborty, Debashis and Kallal Banerjee (2009), 'Environment-related Trade Barriers: An Analysis of Indian Leather Sector', *GALT Update*, 3 (2): 12-17.
- Chakraborty, Debashis and Anuj Dilwaria (2011), 'India's Growing Presence in Health Services Trade? Challenges and Policy Options', *Taiwanese Journal of WTO Studies*, 20: 1-45.
- Chakraborty, Debashis and Amir Ullah Khan (2008), *The WTO Deadlocked: Understanding the Dynamics of International Trade*, New Delhi: Sage.
- Chakraborty, Debashis, Pritam Banerjee and Dipankar Sengupta (2011), 'The Trajectory of the Indo-ASEAN Trade: FTA and Beyond', *Taiwanese Journal of WTO Studies*, 20: 131-180.
- Chakraborty, Debashis, Julien Chaisse and Animesh Kumar (2011), 'Doha Round Negotiations on Subsidy and Countervailing Measures: Potential Implications on Trade Flows in Fishery Sector', *Asian Journal of WTO and International Health Law and Policy*, 6(1): 201-234.
- Chakraborty, Debashis and Dipankar Sengupta (2010), 'Integration Experience and Trade Performance of the Indo-ASEAN FTA: A Review of Issues', in P. Gugler and J. Chaisse (Eds.), "Competitiveness of the ASEAN Countries: Corporate and Regulatory Drivers", pp. 207-237, Edward Elgar, Cheltenham.
- Confederation of Indian Industries (undated), 'India-EU BITA Negotiations: A Status Update', HTTP:[http://newsletters.cii.in/newsletters/mailler/trade\\_talk/pdf/India-EU%20BITA%20Status.pdf](http://newsletters.cii.in/newsletters/mailler/trade_talk/pdf/India-EU%20BITA%20Status.pdf) (last accessed on September 14, 2011).
- Economic Times (2011), 'EU seeks huge duty cuts on auto, wines in its FTA with India', 17 July, New Delhi.

European Union, 'India', HTTP: [http://eeas.europa.eu/india/index\\_en.htm](http://eeas.europa.eu/india/index_en.htm) (last accessed on September 14, 2011).

\_\_\_\_\_, 'EU Regional Trade Agreements', HTTP: [http://trade.ec.europa.eu/doclib/docs/2006/december/tradoc\\_111588.pdf](http://trade.ec.europa.eu/doclib/docs/2006/december/tradoc_111588.pdf) (last accessed on September 14, 2011).

\_\_\_\_\_, 'Eleventh EU-India Summit, Joint Statement', 10 December 2010, Brussels, HTTP: [http://www.consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/EN/foraff/118404.pdf](http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/118404.pdf) (last accessed on September 14, 2011).

\_\_\_\_\_, '**The New Delhi Communiqué', India-EU Ministerial Science Conference, 7-8 February 2007, New Delhi, HTTP: [http://eeas.europa.eu/delegations/india/documents/eu\\_india/new\\_delhi\\_communique\\_en.pdf](http://eeas.europa.eu/delegations/india/documents/eu_india/new_delhi_communique_en.pdf) (last accessed on September 16, 2011).**

\_\_\_\_\_, 'EU-India Summit, Joint Press Statement', 13 October 2006, Helsinki, HTTP: [http://www.consilium.europa.eu/uedocs/cms\\_Data/docs/pressdata/en/er/91306.pdf](http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/en/er/91306.pdf) (last accessed on September 16, 2011).

\_\_\_\_\_, 'Fifth India-EU Summit, Joint Press Statement', 8 November 2004, The Hague, HTTP: [http://www.consilium.europa.eu/ueDocs/cms\\_Data/docs/pressData/en/er/82635.pdf](http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/er/82635.pdf) (last accessed on September 16, 2011).

\_\_\_\_\_, 'Cooperation Agreement between the European Community and the Republic of India on partnership and development', HTTP: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:21994A0827%2801%29:EN:NOT> (last accessed on September 14, 2011).

\_\_\_\_\_, (2005), 'The India-EU Strategic Partnership Joint Action Plan, HTTP: [http://eeas.europa.eu/india/docs/joint\\_action\\_plan\\_060905\\_en.pdf](http://eeas.europa.eu/india/docs/joint_action_plan_060905_en.pdf) (last accessed on September 17, 2011).

\_\_\_\_\_, (2008a), 'Global partners for global challenges: The EU-India Joint Action Plan (JAP)', EU-India Summit, Marseille, 29 September 2008, HTTP: [http://eeas.europa.eu/india/sum09\\_08/joint\\_action\\_plan\\_2008\\_en.pdf](http://eeas.europa.eu/india/sum09_08/joint_action_plan_2008_en.pdf) (last accessed on September 17, 2011).

\_\_\_\_\_, (2008b), "Directive of the European Parliament and of the Council amending Directive 2003/87/EC so as to improve and extend the greenhouse gas emission allowance trading system of the Community", 23 January, Brussels.

Export Import Trade Flash (1996), 'Dyeing Naturally: Implications of a German Ban', 1-15 June, pp. 4-5, New Delhi.

\_\_\_\_\_, (1997), 'India's seafood exports to EU banned', 16-31 August, p. 5, New Delhi.

Faber, G. J. and Jan Orbie (Eds.) (2007), 'European Union trade politics and development: 'Everything But Arms' unravelled', London: Routledge.

Gopalan, Sasidaran and Ramkishan S. Rajan (2009), 'India's Foreign Direct Investment Flows: Trying to Make Sense of the Numbers' ISAS Insights No. 79, HTTP: [kms1.isn.ethz.ch/serviceengine/Files/ISN/104219/.../a9c9ea30.../80.pdf](http://kms1.isn.ethz.ch/serviceengine/Files/ISN/104219/.../a9c9ea30.../80.pdf) (last accessed on August 28, 2011).

- Government of India, Ministry of Commerce and Industries, 'India's Trade Agreements', HTTP: [http://www.commerce.nic.in/trade/international\\_ta.asp?id=2&trade=i](http://www.commerce.nic.in/trade/international_ta.asp?id=2&trade=i) (last accessed on September 12, 2011).
- \_\_\_\_\_ (2011), Ministry of Commerce and Industries, 'India EU reach an understanding on issue of Seizure of Indian Generic Drugs in transit', 28 July, Press Release, HTTP: [http://commerce.nic.in/pressrelease/pressrelease\\_detail.asp?id=2807](http://commerce.nic.in/pressrelease/pressrelease_detail.asp?id=2807) (last accessed on September 19, 2011).
- \_\_\_\_\_ (2004), Ministry of Commerce and Industries, 'Economic Cooperation Agreements to open up immense business opportunities for India', 17 December, Press Release, HTTP: [http://commerce.nic.in/pressrelease/pressrelease\\_detail.asp?id=1332](http://commerce.nic.in/pressrelease/pressrelease_detail.asp?id=1332) (last accessed on September 19, 2011).
- \_\_\_\_\_, Ministry of Finance, 'India's Double Taxation Avoidance Agreements', HTTP: [http://www.incometaxindia.gov.in/publications/6\\_Advance\\_Rulings/Chapter07.asp](http://www.incometaxindia.gov.in/publications/6_Advance_Rulings/Chapter07.asp) (last accessed on February 7, 2011).
- \_\_\_\_\_, 'Bilateral Investment Promotion and Protection Agreement (BIPA)', HTTP: [http://business.gov.in/doing\\_business/bipa.php](http://business.gov.in/doing_business/bipa.php) (last accessed on August 18, 2011).
- \_\_\_\_\_, National Manufacturing Competitiveness Council (2006), 'The National Strategy for Manufacturing', HTTP: [http://nmcc.nic.in/pdf/strategy\\_paper\\_0306.pdf](http://nmcc.nic.in/pdf/strategy_paper_0306.pdf) (last accessed on August 18, 2011).
- Hindustan Times (2010), 'UK shuts door on Indian Docs', September 10, New Delhi.
- Jacob, Jayanth (2012), 'UK tightens post-study work rules for Indians', Hindustan Times, June 12, New Delhi.
- Kebschull, Dietrich (2002), 'Indo-EU Trade and Economic Relations', in Rajendra Jain (Ed.), *India and the European Union in the 21<sup>st</sup> Century*, New Delhi: Radiant Publishers, pp. 192-212.
- Mukherjee, Arpita and Ramneet Goswami (2010), 'Upcoming BTIA : Prospects and Challenges', *Diplomatist Plus*, 2(4) : 36-39.
- Nachane, D.M. and Prasadp Ranade (1996), 'India's Trade Balance in the Eighties - An Econometric Analysis', Working Paper No. 13, Department of Economics, University of Bombay.
- Sidhartha (2011), 'European Union not keen to relax FTA visa curbs', 15 August, Times of India, New Delhi.
- Sinha, Vibvek (2010), 'IT Giants fish for buys in troubled Europe', 10 August, Hindustan Times, New Delhi.
- The Hindu (2011), 'India, EU free trade pact by year end', 26 July, Chennai.
- United Nations Economic and Social Commission for Asia and the Pacific (2011), 'Asia-Pacific Trade and Investment Report 2011: Post-Crisis Trade and Investment Opportunities', Bangkok: UN ESCAP.
- World Bank, 'World Integrated Trade Solution', available at <https://wits.worldbank.org/WITS/WITS/Restricted/Login.aspx> (last accessed on August 12, 2011).
- \_\_\_\_\_ (2000), 'Trade Blocs Policy Research Report', New York: World Bank and Oxford University Press.

---

Wiggerthale, Marita (2005), 'What's wrong with EU agricultural subsidies?', HTTP:  
<http://www.ppl.nl/bibliographies/wto/files/3908.pdf> (last accessed on September 19, 2011).

World Trade Organisation (2011), 'WTO Trade Policy Review on European Union', WTO Document No. WT/TPR/S/248, Geneva: WTO.

\_\_\_\_\_ (2010), 'International Trade Statistics 2010', Geneva: WTO.

\_\_\_\_\_ (2010), 'World Tariff Profile 2010', Geneva: WTO.

\_\_\_\_\_, 'WTO Anti-Dumping Gateway', HTTP:  
[http://www.wto.org/english/tratop\\_e/adp\\_e/adp\\_e.htm](http://www.wto.org/english/tratop_e/adp_e/adp_e.htm) (last accessed on August 7, 2011).

\_\_\_\_\_, 'WTO Subsidies and countervailing measures Gateway', HTTP:  
[http://www.wto.org/english/tratop\\_e/scm\\_e/scm\\_e.htm](http://www.wto.org/english/tratop_e/scm_e/scm_e.htm) (last accessed on August 7, 2011).

**Annex 1: India's Requests to EU in Select Categories**

Sector	Mode	India's Request to EU
Accounting, Auditing and Book Keeping Services	Mode 1	Removal of the requirement of commercial presence for Auditors as a pre-condition for approval by national professional bodies
	Mode 4	Removal of limitations imposed on Chartered Accountants, Company Secretaries, Cost and Works Accountants and Management Accountants through conditions of nationality, residency requirement for and after grant of license, citizenship requirement etc.
Medical and dental services	Mode 4	Removal of limitations imposed on Medical doctors, Dentists, Dieticians & Nutritionists, Dental Assistants through removal of residency and nationality requirement, Economic Needs Test (ENT) and removal of quantitative restrictions so as to enable health professionals to enter and deliver health services on demand.
Services provided by midwives, nurses, physiotherapists and paramedical personnel	Mode 4	Removal of residency and nationality requirement, quantitative restrictions and ENT.
Hospital Services	Mode 4	Removal of limitations imposed on Medical Doctors, Dentists, and Dieticians & Nutritionists, Dental Assistants; Midwives, nurses, physiotherapists and paramedical personnel etc. through of nationality requirement, Local Market Tests (LMT) and ENT.
Financial services	Mode 2	Full commitment with regard to Data processing of financial services.
	Mode 3	Several EU countries insist on incorporation of a bank subsidiary in that country as a precondition for providing financial services. Such a subsidiary should be considered as authorized in the entire EC.
Tourism and Travel Related Services Sector	Mode 3	Removal of the requirement of Local ENT for opening of bars, cafes and restaurants in Italy.
	Mode 4	Removal of limitations imposed on professionals including General Managers, Heads of Departments like Food & Beverages, House-Keeping, Front Office, Engineering, Financial Controller and specialists like Chefs / Horticulturists through removal of condition of nationality for Cafes and Bars in France.
Travel agency and tour operator Services	Mode 3	Removal of the requirement of (1) a permanent base in Belgium and condition of EC nationality, to obtain authorization for Non-EC incorporated companies to act as travel agencies there, (2) requirement of constitution of commercial company having its corporate base in Portugal and (3) ENT in Italy.
	Mode 4	Removal of numerical quota in Germany
Architectural Services	Mode 3	Allowing firms of architects / Urban planning / Landscape architects to practice the profession in addition to natural persons and professional associations through removal of the requirement to provide service through SEL or SCP only and removal of discriminatory treatment in respect of acquisition of land, taxes, and financing.
	Mode 4	Removal of the condition of nationality for practice of profession
Engineering services & Integrated engineering services	Mode 4	Removal of limitations imposed on Civil Engineers, Electrical Engineers, Electronics and Telecommunication Engineers, Mechanical Engineers, Chemical engineers, Mining engineers, Metallurgist and related Professionals, Cartographers and Surveyors etc. through removal of the condition of nationality for practice of profession.
Computer and Related Services	Mode 3	Binding commitments in Mode 3 for permitting majority share holding through FDI (minimum 51%) for acquisition of companies.
	Mode 4	Removal on entry of Indian computer professionals.

Source: Constructed from 'India's requests to EC', Government of India

### List of working papers of IIFT

Sinha, Deepankar (2010), "Multi-Dimensional Approach to Management of Port Life Cycle: The Case of Major Ports in India" Working Paper No: LD-10-01, Indian Institute of Foreign Trade, New Delhi and Kolkata. This paper can be downloaded from <http://cc.iift.ac.in/research/Docs/WP/01.pdf>

Raychaudhuri, Bibek and Chakraborty, Debottam (2010), "Export Potential at the State Level: A Case Study of Karnataka", Working Paper No: EC-10-02, Indian Institute of Foreign Trade, New Delhi and Kolkata. This paper can be downloaded from <http://cc.iift.ac.in/research/Docs/WP/02.pdf>

Nag, Biswajit (2011), "Comprehensive Economic Partnership Agreement Between India and Sri Lanka: Where Does it Lead?", Working Paper No: EC-11-03, Indian Institute of Foreign Trade, New Delhi and Kolkata. This paper can be downloaded from <http://cc.iift.ac.in/research/Docs/WP/03.pdf>

Sinha, Deepankar (2011), "Container Yard Capacity Planning: A Causal Approach" Working Paper No: LD-11-04, Indian Institute of Foreign Trade, New Delhi and Kolkata. This paper can be downloaded from <http://cc.iift.ac.in/research/Docs/WP/04.pdf>

Rastogi, K. Siddhartha (2011), "Welfare Assessment of SPS Standards: An Empirical Study of Indo-US Mango Trade Dispute", Working Paper No: EC-11-05, Indian Institute of Foreign Trade, New Delhi and Kolkata. This paper can be downloaded from <http://cc.iift.ac.in/research/Docs/WP/05.pdf>

Nag, Biswajit and Sikdar, Chandrima (2011), "Welfare Implications of India-ASEAN FTA: An Analysis using GTAP Model", Working Paper No: EC-11-06, Indian Institute of Foreign Trade, New Delhi and Kolkata. This paper can be downloaded from <http://cc.iift.ac.in/research/Docs/WP/06.pdf>

Datta, R.P. and Saha Sanjib (2011), "An Empirical comparison of rule based classification techniques in medical databases", Working Paper No: IT-11-07, Indian Institute of Foreign Trade, New Delhi and Kolkata. This paper can be downloaded from <http://cc.iift.ac.in/research/Docs/WP/07.pdf>

Dasgupta, Pinaki (2011), "Implications of Revenue Model for Social Networking Sites and Beyond", Working Paper No: MA-11-08, Indian Institute of Foreign Trade, New Delhi and Kolkata. This paper can be downloaded from <http://cc.iift.ac.in/research/Docs/WP/08.pdf>

Birudavolu, Sriram and Nag, Biswajit (2011), "A Study of Open Innovation in Telecommunications Services: A Review of Literature & Trends", Working Paper No: IT-11-09, Indian Institute of

Foreign Trade, New Delhi and Kolkata. This paper can be downloaded from <http://cc.iift.ac.in/research/Docs/WP/09.pdf>

Mitra, R.K. and Gupta, M.P. (2012), "Towards Validation of Key Success Factors of E-government Initiatives", Working Paper No: IT-12-10, Indian Institute of Foreign Trade, New Delhi and Kolkata. This paper can be downloaded from <http://cc.iift.ac.in/research/Docs/WP/10.pdf>

Rit, Bipradas (2012), "The Relationship between Inflation, inflation Uncertainty and Output growth in India ", Working Paper No: EC-11-11, Indian Institute of Foreign Trade, New Delhi and Kolkata. This paper can be downloaded from <http://cc.iift.ac.in/research/Docs/WP/11.pdf>

Chakraborty, Debashis; Banerjee, Pritam and Sengupta, Dipankar (2012), "Developing Country Coalitions in WTO Negotiations: How cohesive would IBSAC (India, Brazil, South Africa, China) be?", Working Paper No: EC-12-12, Indian Institute of Foreign Trade, New Delhi and Kolkata. This paper can be downloaded from <http://cc.iift.ac.in/research/Docs/WP/12.pdf>

Mitra, R.K. (2012), "Rise of E-Governance", Working Paper No: IT-12-13, Indian Institute of Foreign Trade, New Delhi and Kolkata. This paper can be downloaded from <http://cc.iift.ac.in/research/Docs/WP/13.pdf>

Chatterjee, Sushmita; Chaudhuri Ray, Bibek; and Datta, Debabrata (2012), " An Investigation into the Prospect of 3G Adoption in Kolkata: A Structural Equation Modeling Approach", Working Paper No: EC-12-14, Indian Institute of Foreign Trade, New Delhi and Kolkata. This paper can be downloaded from <http://cc.iift.ac.in/research/Docs/WP/14.pdf>

Dasgupta, Pinaki and Gupta, Anupama (2012), "Association Between Sourcing Issues And Logistics Performance Variables in Apparel Exports: An Empirical Analysis of Sourcing Intermediaries", Working Paper No: LD-12-15, Indian Institute of Foreign Trade, New Delhi and Kolkata. This paper can be downloaded from <http://cc.iift.ac.in/research/Docs/WP/15.pdf>