

SAFTA

Country Presentation by India

Topics covered under presentation

- India's efforts on reduction of the Sensitive lists under SAFTA, especially for LDCs
- Implementation challenges with respect to duty-free market access access granted by India to South Asian LDCs under SAFTA

BACKGROUND

- The Agreement on South Asian Free Trade Area (SAFTA) was signed in 2004 and came into force from 1st January 2006.
- Phased Tariff Liberalization Programme (TLP) of SAFTA became operational from 1 July 2006.
- TLP would cover all tariff lines except those kept in the sensitive list by the member states.
- India, Pakistan and Sri Lanka are categorized as **Non-Least Developed Contracting States (NLDCs)**.
- Bangladesh, Bhutan, Maldives and Nepal as **Least Developed Contracting States (LDCs)**.
- Afghanistan became the eighth member of SAARC and tariff concessions to Afghanistan have been extended under SAFTA with effect from 7 August 2011.

TARIFF LIBERALISATION PROGRAMME

PHASED REDUCTION OF TARIFFS	NLDCs	LDCs	SRI LANKA
20%	BY 31.12.2007		
30%		BY 31.12.2007	
0-5 %	BY 31.12.2012	BY 31.12.2015	BY 31.12.2013
0-5% FOR LDCs	BY 31.12.2008		

SENSITIVE LISTS OF MEMBER STATES

Member State	Revised Sensitive List at 6 Digit Level (No. of Tariff Lines)	Percentage of tariff lines under Sensitive List	Percentage of tariff lines Outside Sensitive List
Afghanistan	858	17%	83%
Bangladesh	987 (LDCs) and 993 (NLDCs)	19.74% (LDCs) and 19.86% (NLDCs)	80.26% (LDCs) and 80.14% (NLDCs)
Bhutan	156	3.12%	96.88%
India	25 (LDCs) and 614 (NLDCs)	0.50% (LDCs) and 12.28% (NLDCs)	99.50% (LDCs) and 87.72% (NLDCs)
Maldives	154	3.04%	96.96%
Nepal	998 (LDCs) and 1036 (NLDCs)	19.96% (LDCs) and 20.72% (NLDCs)	80.04% (LDCs) and 79.28% (NLDCs)
Pakistan	936	18.72%	81.28%
Sri Lanka	837 (LDC) 963 (NLDC)	16.74%* (LDCs) and 19.26% * (NLDCs)	83.26%* (LDCs) and 80.74% * (NLDCs)

India under SAFTA

- Indian policy under SAFTA was enunciated at Fourteenth SAARC Summit held in New Delhi in April 2007, that it is ready to accept asymmetrical responsibilities, opening her markets to her South Asian neighbours without insisting on reciprocity.
- A sensitive list of 25 lines pertaining to liquor and tobacco (HS 6 – digit level) for LDCs.
- A sensitive list of 614 lines (HS 6/8 - Digit level) for Pakistan and Sri Lanka.
- The import of all goods from SAFTA LDCs, except those falling in the SL, is at zero basic customs duty.
- The import of all goods from SAFTA NLDCs, except those falling in the SL, is currently at peak tariff levels of 5% (w.e.f. 1st January, 2013). Items in the SL can be imported at MFN tariffs.

Current State of play under SAFTA

India has allowed zero duty access for SAARC LDCs for almost 100% of total Tariff lines.

Bhutan and Maldives have given preferential access for 97% of Tariff lines.

India has brought down peak tariff to 5% for 88% of Tariff lines for NLDCs(Pakistan & Sri Lanka).

Pakistan has given preferential access for 81% of tariff lines. Benefit to India partially blocked through its Negative List of 1209 tariff lines.

Other members are bringing down peak Tariff to 5% for about 82% of total Tariff lines. (LDC's to complete 1st phase Tariff reduction by December 2015)

PRESENT STATUS

An adhoc Working Group for Phase III reductions in Sensitive List has been formed. It was agreed that Sensitive lists will be brought down by 20%(except Sri Lanka). After TLP-III, the sensitive lists are likely to be:

Member State	Percentage Reduction agreed	No of Tariff lines in Sensitive list after(TLP-III)
(1)	(2)	
Afghanistan	20 %	680
Bangladesh	20 %	795
Bhutan	Not Applicable	
India	20 % for NLDCs only	491
Maldives	Not Applicable	
Nepal	20 %	829
Pakistan	20 %	749
Sri Lanka	10 %	867

- Bhutan, India, Maldives, and Pakistan put forward a proposal for consideration that peak tariff on all products may be reduced to 0-5 % by the year 2020, excluding a small number of about 100 tariff lines which may still remain in the Sensitive List.
- Working group agreed that the other Member States who do not agree with this vision should give their alternative vision with longer time frame and increased number of products which could remain in their Sensitive Lists during the Third Meeting of the Working Group.
- In SAFTA meetings held on 2-6, July, 2015, there was broad consensus that sensitive lists be brought down to 300-400 lines by the year 2030. However, Sri Lanka wants to proceed in line with the provisions of SAFTA as contained in Article 7 (3) (b) in reducing the sensitive lists. The delegation of Sri Lanka also noted the consensus emerging among the Member States with regard to reduction of number of products in their Sensitive Lists by 2030 and agreed to bring this to the notice of its stakeholders while holding consultations with them.

预览已结束，完整报告链接和二维码如下：

https://www.yunbaogao.cn/report/index/report?reportId=5_4087

