

India, EU agree to re-start talks on free trade pact early next year

New Delhi ready to discuss issues related to GVK Bio separately

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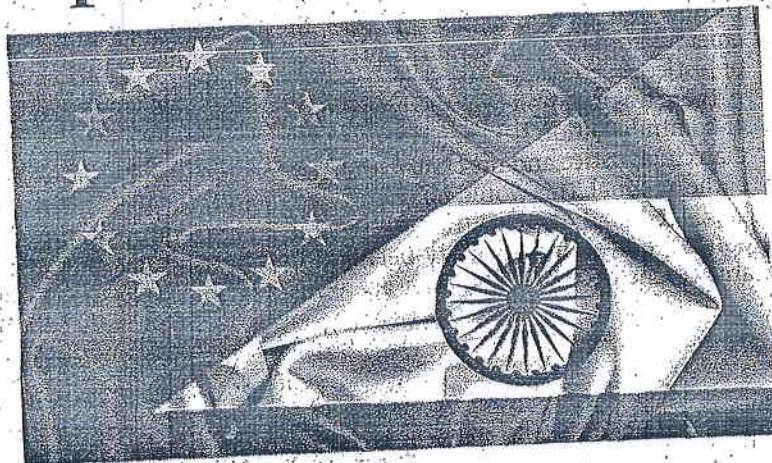
New Delhi, November 22

India and the European Union (EU) have decided to re-start talks on a bilateral free trade agreement early next year ending months of acrimony over a ban imposed by Brussels on certain generic drugs tested by Hyderabad-based contract research firm GVK Biosciences.

"We have talked to the EU negotiating team on re-launching the FTA talks and dates would be fixed soon. "Our concerns on action against GVK will be put on a separate track and be sorted out independent of the negotiations," a Commerce Ministry official told *BusinessLine*.

New Delhi had cancelled talks for a re-launch of the FTA negotiations in July to mark its protest against the 28-member bloc's decision to ban 700 generics tested by GVK on allegations that it did not follow proper procedures while carrying out the tests.

The Commerce Ministry and GVK had strongly contested the charge. With India now ready to



soften its stand on the matter, the two sides can pick up the threads from where talks on the India-EU FTA were suspended in 2013 over a number of tricky issues such as lower duties on EU's wines and automobiles, inclusion of services such as insurance and banking in the pact and greater access for Indian professionals in European countries.

"We believe re-starting the FTA talks would benefit both the sides. Anyway, the signal has gone strongly to the EU that it shouldn't be messing with Indian companies till it has a strong reason to do so. We expect all our concerns to be addressed on the arbitrary way the ban was im-

posed," the official said. Joint Secretary in the Commerce Ministry. Anita Praveen has been appointed as the new chief negotiator for the talks and negotiations are expected to start early next year.

The India-EU FTA — formally known as the Broad-based Trade and Investment Negotiations — seeks to liberalise markets in goods and services, result in easier flow of investments and bring about stronger rules in areas like government procurement.

The EU is one of the largest trading partners of India accounting for a bilateral trade of \$100 billion against India's total foreign trade of \$760 billion in 2014-15.

International Cooperation.