India’s stand on regional co-operations

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What is the issue?

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- India’s regionalism efforts remain largely un-coordinated to towards involving into economic co-operations.
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- India need to involve in such co-operations to take proactive stance in trade agreements.
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What are the regional co-operations India is a member?

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- **RCEP -**Regional Comprehensive Economic Partnership is a proposed free trade agreement between the ten member states of the ASEAN and the six states with which ASEAN has existing free trade agreements.
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- **BIMSTEC -** Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation is an international organisation involving a group of countries in South Asia and South East Asia.
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- BIMSTEC nations are Bangladesh, India, Myanmar, Sri Lanka, Thailand, Bhutan and Nepal.
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- **SAARC -**South Asian Association for Regional Cooperation is an organisations of South Asian countries.
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- **BRICS -** It is an Organisation of large economies of NICs (Newly industrialized country) namely Brazil, Russia, China, India, South Africa.
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- Apart from these co-operations India also invested a lot of negotiating energy

in FTAs with industrialised economies like Japan and the European Union (EU).
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What is the present stand of India on economic co-operations?

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- India’s agreements follow the old model of trade negotiating strategy, i.e. focus on tariffs and try to keep the sectors that are most sensitive out of the tariff reduction schedule.
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- India is not taking any deeper engagement on technical standards and related barriers of trade facilitation, or on the regulatory aspects.
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- Issues that define effective market access related to integrated global economy are not being a part of India’s agreements.
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- Recently India shied away from the Trans-Pacific Partnership (TPP) feeling it could not meet its global standards.
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- It is also unwilling and totally ill-prepared to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)
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- India also making a slow progress in the Regional Comprehensive Economic Partnership (RCEP).
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- India and Singapore are deadlocked in RCEP on the issue of liberalising the movement of natural persons.
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What are the areas India need to concentrate?

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- India need to realise the consensus approach to trade negotiations are over, and the world is moving towards Plurilaterals agreements involving more different nations.
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- Recently US taken a stand to get back to TPP, India need to make use of this opportunity to get into an economic partnership which involves 40% of global

trade.
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- Apart from participating various multilateral co-operations India must keep its strong hold on its policies and agreements by being an active participant in such co-operations.
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- India to be major global player of trade, need to eliminate tariffs and other barriers to trade and investment.
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- India need to move swiftly on trade in services, competition policy, trade facilitation, investment policy, etc.
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- Indian to promote trade must open its boarders to economic migrants and goods and services from its regional nations.
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Source: Business standard

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Quick Fact

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TPP

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- In 2005 the Trans-Pacific Strategic Economic Partnership comprising four countries - Brunei, Chile, New Zealand and Singapore - was signed.
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- That pact was then expanded and became US-led during the Obama administration.
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- In 2017, US withdraw from the TPP which made it not enter into force.
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CPTPP

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- It is abbreviated as Comprehensive and Progressive Agreement for Trans-Pacific Partnership.
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- The CPTPP will incorporate the original TPP agreement, with suspension of a limited number of provisions by maintaining the high standard of the agreement.
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- CPTPP comprising the 11 original members of TPP, excluding the US.
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- The nations are Japan, Australia, New Zealand, Brunei, Singapore, Malaysia, Canada, Peru, Chile, Mexico, and Vietnam.
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- CPTPP will be signed in Chile in March 2018.
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