

11/1/24 Did India make the right choice by withdrawing from RCEP? Justify your stand.

The Regional Comprehensive Economic Partnership is the largest free trade agreement in the world comprising 15 countries as India opted out of the agreement. India's response to stay out must be short term measure as we need to garner support.

RCEP and India

major reasons stated by India to stay out of the agreement is

① Harmonizing of domestic industries, micro small enterprises with increased Chinese imports of machinery and electronic goods.

② It can affect the support given by

India such as the Production Linked Incentive scheme and Make in India

③ Import of dairy products from Australia and New Zealand can put our livestock farmers in jeopardy.

④ Trade deficit with China is on the rise close to \$100 billion and joining the pact can worsen this.

Future of India and RCEP

As we are not members of APEC Asian Pacific economic conference and CPTPP - comprehensive and progressive agreement of trans Pacific partnership joining RCEP must be considered.

RCEP can bring co-ordination of to India with east Asian nations as China is gaining momentum. Joining the agreement with all precautionary in place is crucial.