

WE EXPECT SERVICES FTA WITH ASEAN TO COME INTO EFFECT THIS YEAR: SUSHMA SWARAJ



NEW DELHI: India expects that the free trade agreement signed with ASEAN in services and investments will come into force later this year which will fuel greater economic engagement between the two sides, External Affairs Minister Sushma Swaraj said today.

Speaking at the annual Delhi Dialogue on ASEAN-India partnership, she said the FTA will bring greater economic integration of India and ASEAN member countries.

"We expect that the ASEAN-India Agreements on Trade in Services and Investment signed last September will enter into force later this year. This will complete our Free Trade Area with ASEAN and bring greater economic integration between our countries," she said.

India signed the FTA with ASEAN in services and investment in September last year after years of negotiations.

India signed a free trade agreement (FTA) in goods with the bloc in 2009. New Delhi was keen on the services deal as it did not gain much from the pact on goods due to already lower tariffs in the region.

ASEAN is India's fourth largest trading partner and the annual trade between the two sides stood at over \$ 76 billion in 2013.

FDI outflows from India to ASEAN countries over the last 7 years were over \$ 31 billion while FDI equity inflows into India from ASEAN countries during this period were over \$ 25 billion.

"We need to make a special effort to achieve our target of enhancing trade to \$ 100 billion by 2015 and our aspiration to double it to \$ 200 billion by 2022," Swaraj said adding "For ASEAN, the year 2015 is a key milestone in its journey towards establishing a close-knit ASEAN Community."

