

India-UAE FTA comes into force

First consignment of jewellery shipped to Dubai duty free

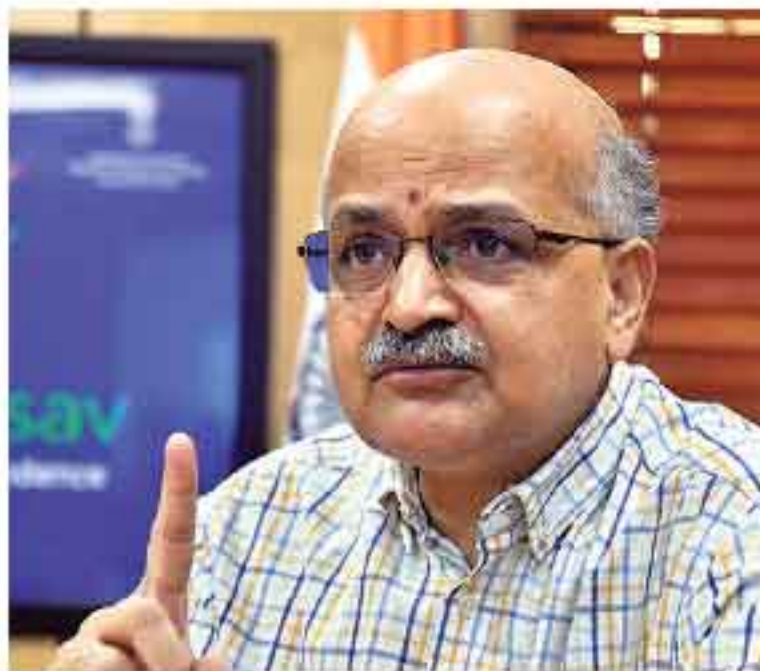
OUR BUREAU

New Delhi, May 1

Commerce Secretary BVR Subrahmanyam flagged off the first consignment of goods, comprising gems and jewellery items, to Dubai under the India-UAE Comprehensive Economic Partnership Agreement on Sunday.

The pact aims to double bilateral trade in goods to \$100 billion and enhance trade in services to over \$15 billion in five years. With tariffs on 97 per cent of India's export lines to the UAE to be reduced to zero, 90 per cent immediately, Subrahmanyam said the actual expansion in trade could be much more than the targeted amount.

"In a symbolic gesture operationalising the landmark agreement, Commerce Secretary handed over Certificates of Origin



BVR Subrahmanyam, Commerce secretary

to three exporters from the Gems and Jewellery sector. The aforementioned consignment, which will now attract zero customs duty under this agreement, is expected to reach Dubai today, May 1, 2022," an official release issued by the Commerce and Industry Ministry said.

Sectors that will benefit

Indian exporters from labour-intensive sectors such as gems and jewellery, textiles, leather, footwear, sports goods, plastics, fur-

niture, agricultural and wood products, engineering products, pharmaceuticals, medical devices, and automobiles will benefit most from the tariff cuts, according to estimates of the Commerce Ministry.

'Enhance awareness'

Subrahmanyam pointed out that India was negotiating trade agreements at a fast pace with complementary economies and that talks were ongoing with the UK, Canada, and the EU. He underlined the need to communicate the benefits of such trade agreements to the exporter community in layman's language so that they understand the provisions of the agreement and make the best possible use of them. India has not been able to take full advantage of its existing FTAs with trade partners such as Japan, South Korea and the ASEAN due to low utilisation of the agreement by exporters.