

India-Oz trade pact to boost engg exports

India-Australia ECTA will also boost trade and investment in liquor sector

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The Economic Cooperation and Trade Agreement (ECTA) signed between India and Australia today will give a boost to engineering goods exports from India, the industry body said.

"The India-Australia Economic Cooperation and Trade Agreement bodes well for the engineering goods sector. The deal would add to the growth momentum and help the exporters get deeper market access in Australia," said Mahesh Desai, chairman, Engineering Export Promotion Council (EEPC) of India.

India's Union Minister for commerce and industry Piyush Goyal and Australia's minister for trade, tourism and investment Dan Tehan today signed the India-Australia Economic Cooperation and Trade Agreement, in a virtual cere-



mony in presence of Prime Minister Narendra Modi and his Australian counterpart Scott Morrison.

India has signed a trade deal with Australia less than a week after inking a Comprehensive Economic Partnership Agreement with the United Arab Emirates.

"The trade deals signed by India and those in the pipeline would together give a giant push to the engineering sector which has been one of the key sectors propelling exports from the country. Engineering being a labour-intensive sector, the rise in exports would mean creation of more and more jobs," said Desai.

Meanwhile, an industry

body for the liquor sector stated that the Economic Cooperation and Trade Agreement (ECTA) signed between India and Australia will give a boost to trade and investment in the liquor sector.

Vinod Giri, director general, Confederation of Indian Alcoholic Beverage Companies (CIABC), said India-Australia ECTA is positive both from the point of view of trade as well as investment. "It opens up market access to India and not only in terms of the trade but also in terms of investment collaboration," he said.

"It is a great benefit because our industry is still in the nascent phase," Giri said adding the collaboration with Aus-

tralian firms would help Indian companies in the liquor sector. He said the ECTA would be beneficial for all the stakeholders on both sides - governments, industry and consumers.

Giri said through the ECTA pact India and Australia have tried to address several of the regulatory hurdles faced by the liquor sector.

"There are some regulatory hurdles. But the ECTA clearly outlines a pathway to navigate through those regulatory hurdles within a specified timeframe. So once that happens then the Australian market is also open to the Indian exports, which is something we are very optimistic for and really looking forward," he said. He pointed out that liquor industry deals primarily in two categories - regular wines and premium wines. Currently, the effective duties on wines are 150 per cent. As part of the deal this duty will come down significantly.