

**Press Information Bureau
Government of India
Ministry of Commerce & Industry**

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Trade Relations with Pakistan

India and Pakistan have no formal bilateral trade agreement. India granted the MFN status to Pakistan in the year 1996. Pakistan is yet to reciprocate.

The Composite Dialogue between India and Pakistan, which started in 1998, was continued through 4 rounds of talks by Commerce Secretaries of both countries on “Commercial & Economic Cooperation” during the period 2004-2007.

Bilateral dialogue between the two countries resumed after the two Prime Ministers met on the sidelines of SAARC Summit in Thimphu in April 2010.

Bilateral trade dialogue with Pakistan was re-initiated with the 5th round of India-Pakistan Commerce Secretary level talks on Commercial and Economic Co-operation in April 2011. This was followed by further rounds of talks held in November 2011 at Delhi and September, 2012 at Islamabad. Three Ministerial level dialogues were also held in September 2011, February 2012 and April 2012.

The Commerce Ministers of India and Pakistan met on 18th January 2014 on the sidelines of the 5th SAARC Business Leaders Conclave held at New Delhi. Both Ministers reaffirmed the commitment of their Governments to expeditiously establish normal trading relations and in this context to provide Non-Discriminatory Market Access (NDMA), on a reciprocal basis. Both sides decided to intensify and accelerate the process of trade normalization, liberalization and facilitation and to implement the agreed measures.

Pakistan has moved from 'Positive List' regime to a 'Negative List' regime comprising of 1209 tariff lines of import of goods not allowed from India. Both countries have Preferential Trading arrangement under South Asia Free Trade Area (SAFTA) process. Benefits under the SAFTA process are partially blocked by Pakistan through 'Negative List'.

In the recent meeting between Prime Ministers of India and Pakistan on 27th May 2014, it was stated that the two countries could move immediately towards full trade normalisation on the basis of the September 2012 roadmap worked out between the Commerce Secretaries of both countries.

The information was given by the Minister of State (Independent Charge) of the Ministry of Commerce & Industry Smt. Nirmala Sitharaman in a written reply in Rajya Sabha today.

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