



India-Canada Trade and Investment Relations

Posted On: 04 MAR 2017 11:06AM by PIB Delhi

A bilateral meeting was held on 03-03-2017 in New Delhi between visiting Canadian Minister of International Trade, Mr. François-Philippe Champagne and Commerce and Industry Minister Smt. Nirmala Sitharaman.

The two Ministers carried forward the discussion from the bilateral meeting held on the side lines of World Economic Forum at Davos in January, 2017. The discussion focussed on expanding bilateral trade and investment between the Countries. Both the Ministers agreed to expedite the conclusion of Bilateral Investment Promotion and Protection Agreement (BIPPA) and Comprehensive Economic Partnership Agreement (CEPA). The Canadian Trade Minister pointed out regarding the interest shown by Canadian Pension Funds in the Indian market and emphasised on the need for FIPA which will provide the required predictability and protection to investments. Addressing the issues of MFN, ratchet, ISDS etc. raised by the Canadian side, the Commerce Minister, Smt. Sitharaman clarified that the negotiation should not get lost in peripheral issues and should focus on bringing in promotion and protection elements, which provide stability and predictability to investments in each other's country. She said that India has approved the model text as a template and the negotiation under FIPA should go forward in accordance with the model text. However, both sides should remain flexible to incorporate the essential elements of investment protection while negotiating the Agreement.

The Commerce and Industry Minister, Smt. Sitharaman also raised the issue of reforms in the Temporary Foreign Workers Programme (TWFP) which has been made more stringent by Canada and which adversely impacts the services trade from India. She discussed the importance of the ease of movement for intra-company transferees on short term visa for filling in certain crucial and specialized activities. She gave example of a few Indian companies who have made investments in Canada but are finding it difficult to source key employees from India as intra-company transferees. The Canadian Trade Minister assured that a number of steps have been taken to facilitate the ease of movement for professionals into Canada. He described the recent initiative under the Global Skill Strategy Programme wherein the visa application for high skilled technicians, Professors, Researchers etc. will be disposed of within two weeks' time. Similarly, for professionals visiting for less than a year, a fast track process is being set up which will be similar to a concierge service. This will be extended to companies invested in Canada on a priority basis.

Both the Ministers agreed that the present trade which is in the range of \$ 8 billion is much below its potential and there is a need to conclude CEPA in a time bound manner for ensuring higher levels of trade in goods and services. They directed the respective Chief Negotiators on both sides to agree on a time line and conclude it as per the agreed time line.

The Canadian Trade Minister raised the issue of the fumigation requirement for the pulses being imported into India and the need for a resolution to the issue. The Commerce and Industry Minister assured to look into the issue in consultation with the Ministry of Agriculture. Smt. Sitharaman also raised the issue of organic equivalence to India's National Programme on Organic Production (NPOP) by the Canadian Food Inspection Agency. The Trade Minister from Canada agreed to take up this issue with the Canadian Agriculture Ministry.

Both the Ministers also discussed the potential benefit of business to business interface and, therefore, the importance of CEO Forum to provide the required perspective for improvement in bilateral trade and investment. While the Indian side of the CEO Forum has been reconstituted, the Canadian side will have to reconstitute the Forum. It was agreed by the Trade Minister of Canada to reconstitute the CEO Forum by the end of March. Both the Ministers agreed on ensuring that the business leaders from both sides should meet at the earliest and provide key inputs for furthering our bilateral relationship.

Both sides also agreed for better mutual cooperation on issues of common interest at the International Fora. Both the Ministers resolved to take forward the momentum for enhanced bilateral trade.

MJPS

(Release ID: 1483609) Visitor Counter : 66

