

Statement in Parliament by Shri Piyush Goyal, Hon'ble Minister of Commerce and Industry

Hon'ble Speaker Sir,

As the Hon'ble members of this august House would be aware, following the **visit of Prime Minister Shri Narendra Modi** to the US in **February 2025**, **India** and the **US** have been engaged in **regular discussions** with the **objective** of concluding a **balanced** and **mutually beneficial bilateral trade agreement**.

With this in view, the **negotiating teams** of the **two sides** have engaged intensively **over the last year** at various levels. Given the significant and **varied interests** of the two sides, it is natural that **both sides** would want to ensure the best possible outcome while **safeguarding critical and sensitive sectors** in their **respective economies**.

During the course of these negotiations, the **Indian side** was able to do this, in particular, by ensuring that the **interests** of our **agriculture** and **dairy sectors** were **protected**. The US side too had areas that were sensitive from its point of view.

Following a nearly **year-long discussion** spread over many rounds, the **2 negotiating teams** were able to **narrow their differences** significantly and **finalise several areas** of the **bilateral trade agreement**.

Day before yesterday, **Prime Minister Narendra Modi** and **President Donald Trump** spoke over the **phone** to discuss multiple issues of bilateral and international significance. Subsequently, **President Trump** announced a **reduced rate of 18%** for **Indian exports to the US**.

I wish to underline that this **rate is lower** than the **tariffs** imposed by the **United States** on **several competing countries**, thereby **enhancing India's export competitiveness** in the US market. The agreement also provides **significant comparative advantage** to **Indian exporters**, particularly in **labour-intensive sectors** and **manufacturing**.

I wish to reiterate to this august House that **India's core sensitivities** in **food** and **agriculture** have been **fully safeguarded**. Equally, this partnership will **unlock new opportunities** for **MSMEs, entrepreneurs, skilled workers, and industry**, enable **access to advanced technologies**, and support India's vision to **Make in India** for the world, **Design in India** for the world, and **Innovate in India** for the world.

This **landmark framework agreement** therefore marks an important step in **strengthening India–U.S. relations** and advancing our journey towards **Viksit Bharat 2047** and also reflects the strength of **engagement** between two of the **largest democracies** in the world who are **natural partners**, working together for **shared prosperity**.

I would like to **inform** the Hon'ble members that, in terms of **next steps**, the **two sides** will now work together to complete the **necessary technical processes** and **finalise the paperwork** related to the trade deal, so as to expeditiously unlock its potential. The **detailed contours** of the **agreement** will be **announced shortly** after completion of these processes.

Hon'ble members would be aware of issues related to **India's energy sourcing** that have been raised in the context of discussions on this agreement. I wish to **clarify** once again, as the **government** has stated **publicly** on **several occasions**, that ensuring the **energy security of 1.4 billion Indians** is the **supreme priority** of the **government**.

Diversifying our energy sourcing in keeping with **objective market conditions** and **evolving international dynamics** is at the core of our **strategy** to ensure this. All of **India's actions** are taken with this in mind. I would therefore **urge the Hon'ble members** to consider these issues in their **proper perspective**.

Insofar as references to **sourcing from the US** are concerned, Hon'ble members would appreciate that **India and the US** are largely **complementary economies**. As India proceeds on the path to **Viksit Bharat**, we will need to grow our **capacities** enormously in **multiple sectors**, including **energy, aviation, data centers, nuclear power**, etc., to name only a few.

The **US** is a **world leader** in these areas and it is **natural** therefore for us to focus on the **trade potential** in these sectors, which will lead to an **expansion** not only in our **sourcing** but also in **our own exports**.

This **framework understanding** with the **largest economy** of the world, one that will continue to **power global growth** and **innovation** for years to come, is in the **larger national interests** of the **people of India**. It empowers both **Viksit Bharat** and **Atmanirbhar Bharat**. We will continue to work towards **fulfilling** this **vision** of Hon'ble **Prime Minister** for our country.

Thank you, Sir.