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India-EU FTA to boost pharma, chemicals trade

The European Union (EU) has agreed to offer Indian pharmaceutical and medical devices companies preferential access to EU market, along with cutting tariffs on 97.5 percent of chemical products to zero.

Under the new framework, Indian tariffs on EU pharmaceutical exports currently at 11 percent and chemicals currently up to 22% will drop to 0 percent for almost all products. Similarly, 90 percent of medical and surgical equipment will see tariffs fall from 27.5 percent to zero.

EU will reciprocate by cutting tariffs on 97.5 percent of India's chemical exports from 12.8 percent to zero, a move expected to catalyze growth in bulk and specialty chemicals. Indian pharmaceuticals already enjoy zero duty entry into the EU, but the deal would offer preferential access to the EU pharma market and improved competitiveness for medical devices.

The free flow of pharmaceutical, chemicals and machinery will help India to plug into global supply chain and offers Europe an alternative supply base and market..

EU also clarified that all imports from India to the EU will continue to be subject to the EU's strict health and product safety rules, with no exception.

On the contentious intellectual property (IP) rights, EU said the agreement also provides a high level of protection and enforcement of IP rights, including with respect to copyright, trademarks, designs, protection of trade secrets and undisclosed information, plant varieties.

Reference:

<https://www.moneycontrol.com/news/business/india-eu-fa-to-boost-pharma-chemicals-trade-indian-medical-professionals-credentials-to-gain-acceptance-13792708.html/amp>