



Report of the Eighth Round of Negotiations On a Free Trade Agreement between the European Union and India

24 - 28 June 2024, Brussels

The eighth round of EU-India FTA negotiations took place in Brussels between 24 and 28 June 2024, with more than 20 negotiating groups meeting during the week. Except for Digital Trade, Good Regulatory Practice, Intellectual Property Rights, Mutual Administrative Assistance and Anti-Fraud, which were held in fully virtual mode, all other sessions took place in hybrid mode.

As it was done during the 7th round for the first time, this round saw Chief Negotiators playing once again a more active role in the negotiations on several chapters (TBT, S&I, TiG, GP and Trade Remedies) with the aim to encourage progress and reduce the list of pending divergences.

Some progress was made on Intellectual Property Rights, Rules of Origins, and Dispute Settlement, but both side's respective positions still diverge on the vast majority of key outstanding issues.

The 9th round of EU-India FTA negotiations will be held in New Delhi on 23 - 27 September 2024.

Details per negotiating area

Trade in Goods (TiG)

Negotiators discussed all pending articles in the text of the chapter. Although divergences remain substantial, this round improved both sides' understanding of their respective positions. Following the exchange of market access requests that took place before the round, negotiators examined the detailed offensive and defensive interests of each side in both the agricultural and non-agricultural groups of products. Negotiators agreed to pursue their work before the next round with the aim to continue exchanging views on their respective offensive and defensive interests.

Rules of Origin (RoO)

Negotiators discussed Section A (Origin determination) and Section B (Origin procedures), as well as Product Specific Rules (PSRs).

On Section A, some progress was made on several articles and both sides agreed the articles on “Unit of Qualification” and “Returned products”. On Section B, negotiators continued their discussion on the verification procedures, including regarding administrative cooperation. On the PSRs, discussions were held on chapters 12 to 14, 16 to 22, 25 and 26, 42 to 49, 64 to 71, 74 and 75, 78 to 81, 96-97. Regarding PSRs for industrial products, India agreed with the EU proposal for 7 chapters (chapters 26, 45, 64, 65, 79, 80, 97) and for the heading 7101.21, subject to overall outcome.

Customs and Trade facilitation (CTF)

During this round, the sessions were focused notably on Article 18 (Temporary Admission with duty relief) where an agreement was found on several issues. Both sides will have further internal consultations on how to close the remaining gaps. Regarding the 4 provisions discussed in common with the chapter on Trade in Goods, constructive exchanges took place and increased the mutual understanding between both sides, while important gaps remain.

Sanitary and Phytosanitary Measures (SPS)

Both sides had constructive discussions and focused on the articles linked to Definitions, Competent Authorities and Contact Points, Harmonisation, Risk assessment, Technical Consultations and Import Conditions. The EU also presented an updated text proposal that it had tabled prior to the round.

Technical Barriers to Trade (TBT)

Negotiators worked on the articles related to technical regulations, conformity assessment, and market surveillance. Sectoral annexes on cars and on pharmaceuticals were also discussed. Despite the fact that the article on standards was agreed in principle, only limited progress was achieved overall.

Trade remedies/TDI

During this round, negotiators focused on the main outstanding issues, in particular the period during which the bilateral safeguard clause can be activated. No progress was made towards a common position yet.

Digital Trade (DT)

Both sides discussed the outstanding definitions and articles on paperless trading, no prior authorisation, data flows, customs duties and spam. The article on paper-less trading was agreed in principle, but important divergences remain regarding other provisions, notably on data flows and custom duties.

Government Procurement (GP)

Negotiators continued their discussions on the text but did not manage to agree on the last remaining provision concerning the domestic review procedures. With regard to the market access offers, negotiators exchanged further ideas on how to improve both sides' respective offers to ensure the most comprehensive coverage possible.

Anticompetitive Conduct, Merger Control and Subsidies

Both sides held discussions about the section on subsidies, based on a text that merges the EU proposal and India's counterproposal. However, negotiators were not able to find an agreement on the pending divergences, notably on the scope of the chapter.

State-Owned Enterprises (SOEs)

Both sides discussed remaining issues in the joint text and explored options that could lead to further progress in resolving pending items. The main divergences concern the scope of the chapter and the applicability of Dispute Settlement.

Energy and Raw Materials (ERM)

The discussion focused on the new elements in the revised text proposal tabled by the EU before the round. India indicated its intention to share text counterproposals ahead of the next round.

Transparency

Negotiators had constructive exchanges on the remaining open provisions of the Chapter, which could all be discussed during the round. They made progress on the text, notably in the article on review and appeal.

Good regulatory Practices (GRP)

Limited progress was made during this round as important differences between the two sides persist in particular with respect to the general principles, the scope of the chapter, and public consultations.

Dispute Settlement

On dispute settlement, substantial progress was made on many provisions and several articles were fully consolidated. Detailed discussions took place on the EU proposal for panel composition (roster system). Overall, more than half of the text is now agreed but significant divergences remain on several policy issues, e.g. transparency.

Mutual Administrative Assistance in Customs Matters (MAA) and Anti-Fraud (AF)

These chapters will be discussed in virtual format during the week of 1 July.

Trade and Sustainable Development (TSD)

Some progress was made on the TSD chapter with negotiators agreeing on certain provisions, notably on gender equality. The two sides also exchanged several proposals aiming at bridging overall divergences that remain substantial. Negotiators agreed to continue their efforts towards text consolidation, including through inter-sessional video conferences.

Capital Movements, Payments, and Transfers

The two sides held text-based discussions and agreed on a working method to make

progress on the consolidation of the provisions under discussion.

Exceptions

Negotiators discussed the whole chapter on exceptions and had detailed exchanges on general exceptions and taxation. However, they did not manage to further agree on the text of the chapter.

Services and Investments (S&I)

Both sides had constructive discussions on the basis of consolidated chapters on Trade in Services (covering all 4 modes of supply) and on the liberalisation of Investment (excluding services). Discussions on the liberalisation of Investment focused on the elements of scope, definitions and substantive obligations. For services, negotiators also discussed texts relating to the mutual recognition of professional qualifications, domestic regulation, financial services, and telecommunication services.

Intellectual Property (IPR)

Negotiators continued their discussions on intellectual property rights based on text proposals by the EU and India. Detailed discussions focused on Designs, Copyright, Trade marks and Enforcement of intellectual property rights. As a result, India and the EU have better approximated their positions on some provisions.
