

India-Malaysia CECA comes into effect

statesman news service

NEW DELHI, 30 JUNE: Seen as having far reaching bilateral trade impact, the India-Malaysia Comprehensive Economic Cooperation Agreement (CECA) will come into effect tomorrow.

India-Malaysia CECA is India's fourth bilateral Comprehensive Economic Cooperation Agreement, after Singapore, South Korea and Japan. The CECA envisages liberalisation of trade in goods, trade in services, investments and other areas of economic cooperation.

The trade in goods package under India-Malaysia CECA takes the tariff liberalisation beyond the India-Asean FTA commitments, which were implemented by both countries on 1 January 2010. Under India-Malaysia CECA, the items on which India has obtained market access from Malaysia include *basmati* rice, mangoes, eggs, trucks, motorcycles and cotton garments, which are all items of considerable export interest to India. At the same time, adequate protection has been provided by the Indian side for

sensitive sectors such as agriculture, fisheries, textiles, chemicals, auto, etc.

Under the services agreement of the CECA, India and Malaysia have provided commercially meaningful commitments in sectors and modes of interest to each other which should result in enhanced services trade. The CECA also facilitates the temporary movement of business people including contractual service suppliers, and independent professionals in commercially meaningful sectors including accounting and auditing, architecture, urban planning, engineering services, medical and dental, nursing and pharmacy, computer and related services (CRS), and management consulting services.

The India-Malaysia CECA also facilitates cross-border investments between the two countries. It aims to promote investments and create a liberal, facilitative, transparent and competitive investment regime. The CECA creates an attractive operating environment for the business communities of both countries to increase bilateral trade and investment.

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