



THE EU INDIA FTA IN AGRICULTURE AND LIKELY IMPACT ON INDIAN WOMEN

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GENDER PROFILE OF INDIAN AGRICULTURE

- ❑ **Agriculture: A highly gender sensitive sector**
- ❑ **Of the total women workforce 75.38% is engaged in agriculture**
- ❑ **Sub sectors:**
 - 94% of women in crop cultivation are in cereal production and other crops n.e.c,
 - 1.4% in horticulture
 - 3.72% in fruits, nuts, beverages, spice crops
- ❑ **Animal Husbandry: 7.03% of women workers in agriculture**



....Gender Profile of Indian Agric

❑ **Contribution to Employment**

- Food grains 32 %
- Animal husbandry 55%
- Plantation 47-60 %
- Cotton & oilseeds 45-46%
- Vegetable production 39 %

❑ **Wage Disparity**

- Women earn only 68.5% of men's wages (Regular)
- Women earn only 70% of men's wages (Casual)

- ❑ **Women more concentrated in lower end jobs** (weeding, planting), esp. casual workers. Weeding low wages



...Gender Profile of Indian Agric

- ❑ **Lower access to land & institutional credit**
- ❑ **Increasing feminisation of agriculture as men migrate**
- ❑ **Feminisation of poverty as agriculture stagnates**
- ❑ **Per capita food consumption has fallen**
- ❑ **Food producers are also consumers especially women**
- ❑ **Rural poverty 28.3% (NSS 61st) / 29.18% (Dev and Ravi 2007), 87% (Patnaik)**

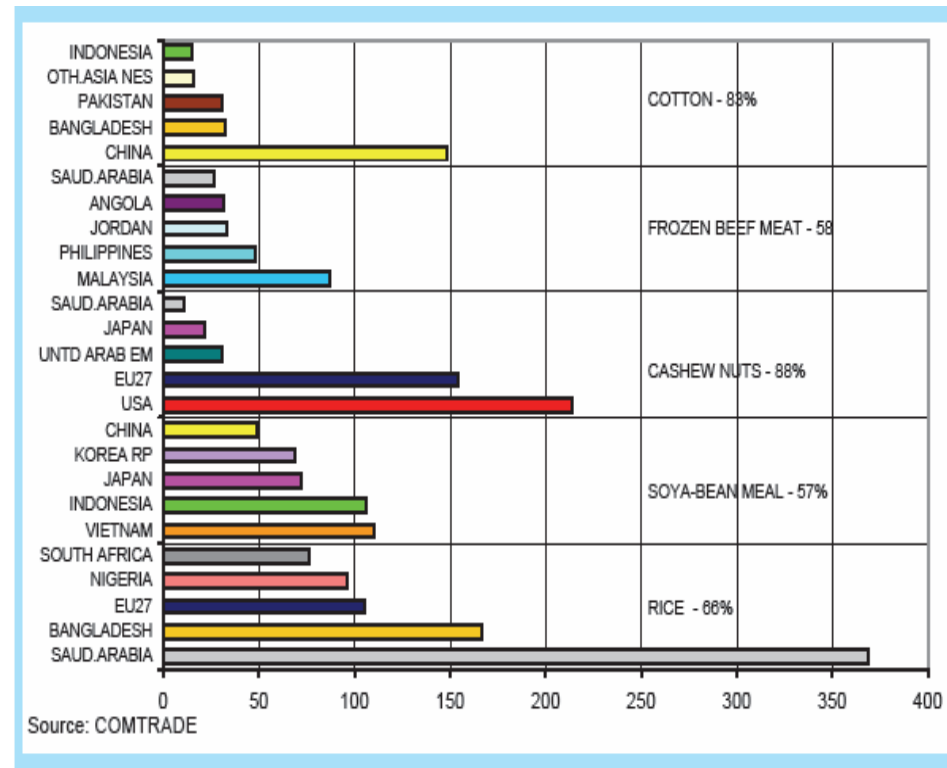


INDIA'S AGRICULTURE TRADE

India's top Export destinations

Average 2003 -05 (million \$)

- India is a net exporter of agricultural food products with a small surplus of just under \$ 4 billion.
- Between 1993 – 95 and 2003 – 05, exports nearly doubled while imports grew almost threefolds.
- The value of exports grew from \$ 4 to \$ 7.7 billion while imports rose from \$ 1. to \$5.2 billion with in a decade.



EU INDIA AGRICULTURE TRADE

*Value in Rs.
Lakh*

Year	2004 - 05	2005 - 06	2006 - 07	2007 - 08
Global Agricultural Exports	1682817.00	1878246.23	2180594.34	3187060.71
Ag. Exports to EU	176209.16	208649.8	242899.15	278229.03
% of Global Exports	10.47	11.11	11.14	8.73

Value in Rs. Lakh

Year	2004 - 05	2005 - 06	2006 - 07	2007 - 08
Total Agricultural Imports	2281184.00	2281184.00	2963786.00	2977701.00
Agricultural Imports From EU		10,747.55	124,266.76	24,698.79
% OF Global Exports		0.47	4.19	0.83

INDIAN EXPORTS TO EU CURRENTLY HIGHER THAN IMPORTS
(1694 MLN EUROS TRADE SURPLUS 2007)



...EU India Agriculture Trade

○ Top 5 Exports from India to EU –

- Coffee, tea, mate, spices (351 million tonnes)
- Fruits & nuts (228 mio)
- Animal & veg fats & oils (134 mio)
- Cereals & rice (99 mio)
- Lacs, gums, resins & other saps (77 mio)

○ Top 5 Imports to India from EU –

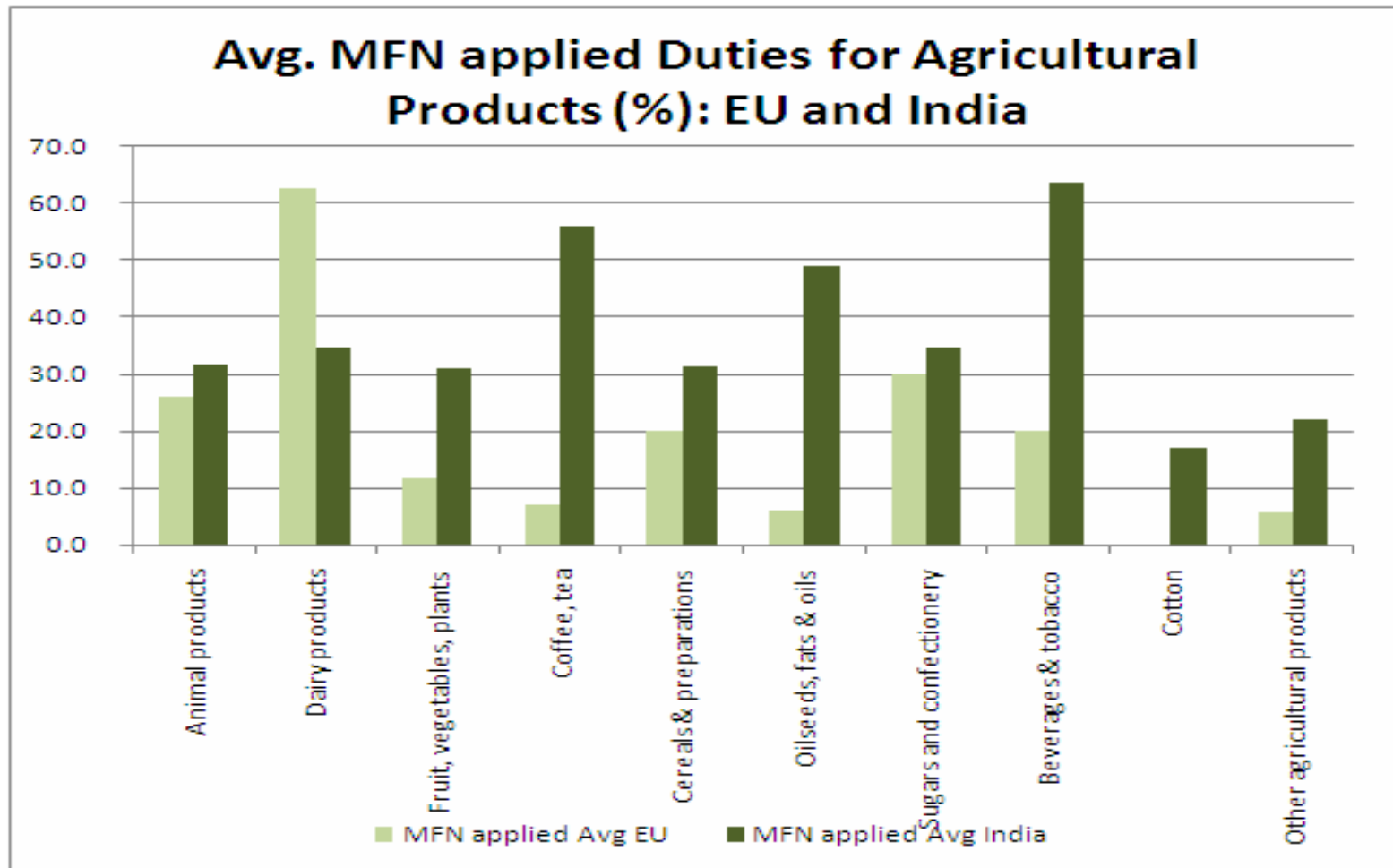
- Animal & veg fats & oils (37 mio)
- Beverages, spirit & vinegar (21 mio)
- Oil seeds & oleaginous fruits (7.8 mio)
- By-products from food industry (5.5 mio)
- Dairy products, birds, egg, honey (4.4 mio)



...EU Agriculture Trade

- Top 5 Export commodities to World –
- Dairy produce (8.2%)
- Tobacco & tobacco products (6.7%)
- Misc edible preparations (6.5%)
- Preparation of cereals, flour, starch etc. (5.8%)
- Cereals (3.8%)



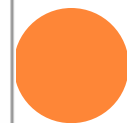
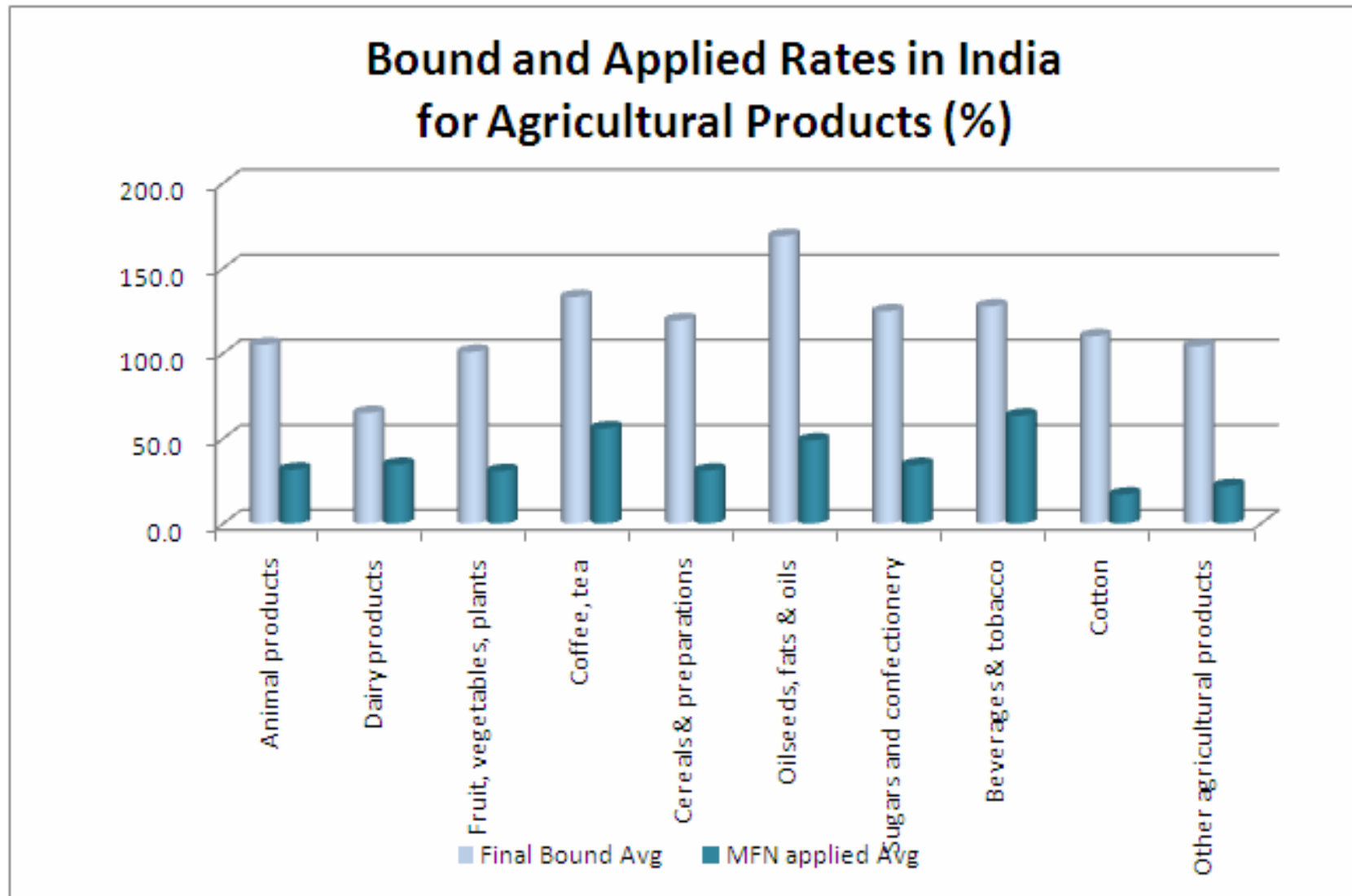


Beverages & tobacco 63 %
 Coffee, tea > 55 %
 Oilseeds, fats & oils approx. 50 %
 Sugar & confectionary 35 %
 Cereal and cereal prep
 35%



EU INDIA FTA: ISSUES OF CONCERN

- Tariff reduction on actual rates: Real Cut



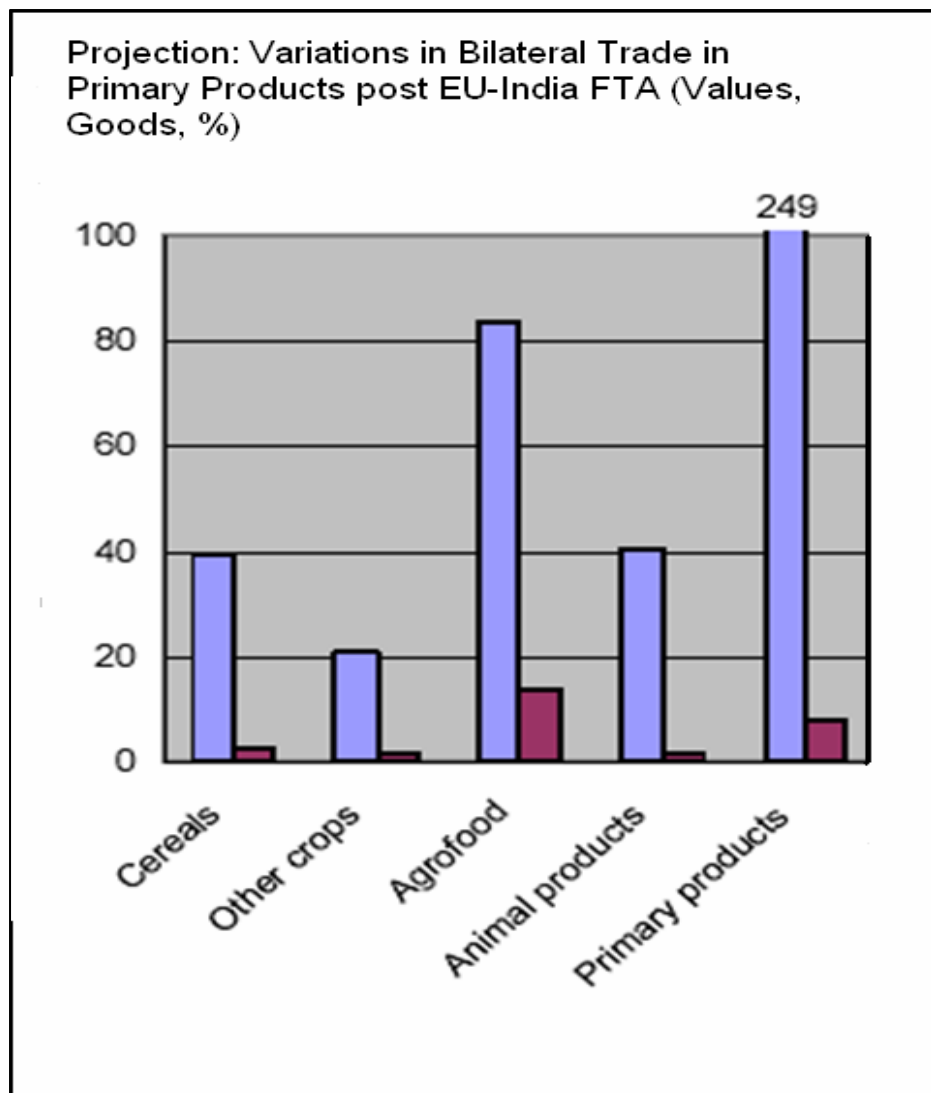
ISSUES & CONCERNS

- **India will have to cut much more than EU, EXCEPT IN DAIRY PRODUCTS**
- **29.9% OF PRODUCTS ENTER EU ALREADY DUTY FREE, FOR INDIA ONLY 3.4% (2007)**



CEPII-CERM PROJECTION: NO GAIN IN COMMODITY TRADE IN AGRICULTURE

ECORYS: NO CHANGE IN LONG RUN, EX↑(SMALL), IM↑, EMPL ↓



Projections: Shares in Primary Product Markets			
India's share in EU Market (2020)			
	Initial Share	Final Share	Variation in value (\$ mln, 2020)
Primary products	0.3	0.3	39
Cereals	1.2	1.2	7
Other crops	0.6	0.6	2
Products from animal origin	0.1	0.1	1
Eu's Share in India's Market (2020)			
	Initial Share	Final Share	Variation in value (\$ mln, 2020)
Primary products	4.9	16.7	5128
Products from animal origin	7.5	10.4	150
Cereals	17.6	23.5	133
Other crops	4.8	5.7	80
Source: CEPII-CERM Report			

EU INDIA FTA: ISSUES OF CONCERN

- **High EU subsidies: no negotiations (effective NTBs)**
- **State aid and CAP**
- **NTBs: SPSMs, TBTs, also more difficult for women to meet**
 - ❖ Min. of Commerce, GOI lists 26 NTBs in agriculture & products
 - ❖ 18 relate to standards
 - ❖ On poultry, meat, spices and spice extracts, fruits
 - ❖ In grain, relate to food and biosafety
- ❖ **Harmonization of NTBs**



NON-TARIFF BARRIERS FACED BY INDIAN AGRICULTURAL PRODUCTS

○ 1. European Communities

- 1.1 Lack of harmonization of egg products standards in EU member countries resulting into requirement of approval of production units by individual member countries
- 1.2 Different MRLs by the member countries for pesticides, drugs and other contaminants

○ 1.3 Definition of Whiskies – CN Code

- 1.4 Delay in clearance of flower consignments due to mandatory checks

○ 1.5 Market Access For Mushrooms

○ 1.6 Complex Procedures for Sampling/Product Testing

- 1.7 Equivalence Agreement on Organic Products



EU INDIA FTA: ISSUES OF CONCERN

- Limited offer on SSMs (protection against import surges)
- No Special Products
- A Large sensitive list but SSMs will be key given subsidies
- EU FDI low until now in agriculture (as % of its total FDI)
- But still accounts for 25% of global FDI in agr.
- But investor's rights (national treatment) in FTA can increase control over land, water
- Greater exploitation of natural resources

- **Stricter IPRs: TRIPS Plus** → UPOV 1991 and access to seeds : Protects plant breeder's rights rather than farmers rights
- **Control of knowledge and technology:** more adverse for women