

**MINISTRY OF COMMERCE & INDUSTRY  
(DEPARTMENT OF COMMERCE)  
DIRECTORATE GENERAL OF FOREIGN TRADE  
UDYOG BHAVAN, NEW DELHI**

Dated 23.12.2004

**O & M Instruction No 13 /2004**

**Subject: - Setting up of Free Trade Area Cell (FTA Cell) in DGFT.**

It has been decided to create a new cell in DGFT to be named as Free Trade Area Cell (FTA Cell) for monitoring the issues that arise following India entering into Preferential Trading Arrangements.

The functions of the FTA Cell will be as under:-

**1. CIRCUMVENTION IN THE RULES OF ORIGIN:-**

It will establish systems to examine the certificates of origin issued by the other participating countries and take it up with the concerned authorities in those countries to see whether the certificate was properly issued. Additionally there may be an investigative role whereby this cell would be required to actually verify from the exporters documents proving that the Rules of origin were in reality met. It will also coordinate with the designated certifications Agencies to see that the certificate of origin issued in India adhere with the Rules of Origin of each individual FTA agreement.

**2. MONITORING TRADE PTA's/FTA's**

Monitoring preferential trade from both the defensive and offensive purposes.

**3. HARMONIZATION OF DUTIES.**

To play an important role in determining the extent of tariff concession that may be exchanged under PTA/FTA under negotiation.

**4. SAFEGUARDS:-**

It will provide a safeguard mechanism in cases of surge in import causing or threatening to cause serious injury to the domestic industry on account of tariff preferences granted under PTA/ FTA.

**5. SECRETARIATE WORK:-**

It would also function as a secretariat for the committee over-looking the implementation of preferential agreement and will work under the overall directions of the committee which would be constituted with the nominations from Deptt. of

Revenue/(Customs), RMTR Division of Deptt. of Commerce and the concerned administrative Ministries/Departments.

**STAFF:-** The Staff allocation for the newly created section would be as follows:-

- |    |            |   |     |
|----|------------|---|-----|
| 1. | DDG        | - | One |
| 2. | FTDO       | - | One |
| 3. | Asstt./UDC | - | One |
| 4. | LDC        | - | One |
| 5. | Peon       | - | One |

The officers/staff are to be deployed from the existing staff strength of DGFT.

This issues with the approval od DGFT

Sd/-  
(V.B.Saxena)  
Dy. Director General of Foreign Trade

To

- (i) All Officers/Sections at Hqrs.
- (ii) All Zonal/Regional Offices
- (iii) HRD-I/HRD-II/HRD-III with a copy of the relevant note for necessary action.
- (iv) Department of Commerce (RMTR Division)

(Issued from F.No. 01/69/594/00001/2004/O&M)