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China on Tuesday said the door on India's participation in the Regional Comprehensive Economic Partnership (RCEP) free trade deal has not been closed, and that Beijing was ready to address New Delhi's concerns through further negotiations.

"China is willing to continue to negotiate and resolve the problems facing the negotiations with India in the spirit of mutual understanding and mutual accommodation," Chinese Foreign Ministry spokesperson Geng Shuang said in response to a question that New Delhi did not wish to join the regional trade bloc as it apprehended influx of Chinese goods into the Indian market.

Mr. Geng stressed that India was "welcome to join the agreement as soon as possible".

He added that the "RCEP is open" to India's participation.

On Monday, a statement posted by the Ministry of External Affairs (MEA) said that during the RCEP summit in Bangkok, Prime Minister Narendra Modi had "conveyed India's decision not to join the RCEP agreement based on the current global economic situation as well as on grounds of fairness and balance."

"In given circumstances, we believe that not joining is right decision," the statement said.

'Imports from India up'

Mr. Geng countered the assumption that India's participation in the RCEP will worsen its trade balance with China, asserting that if the 16-nation deal is accomplished, it will benefit both the countries.

"China has no intention of pursuing a trade surplus with India. In the past five years, China's imports from India have increased by 15%. The two sides can further broaden their thinking, adopt comprehensive measures, strengthen cooperation in investment, production capacity, tourism and other fields, and continue to expand the cooperative cake."

"In the process of cooperation and development between the two countries, the two countries will achieve balanced and sustainable economic and trade relations," he said.

Beijing perplexed

Chinese officials who did not wish to be named told *The Hindu* that Beijing was "perplexed" by India's decision to step out of the RCEP. "Quite recently we had fruitful discussions with Indian officials in Beijing, and there was no indication that New Delhi intended to leave the arrangement," an official said.

Mr. Geng highlighted the fact that the "RCEP is a regional free trade arrangement, which is essentially mutually beneficial and win-win."

"If the RCEP is signed and implemented, it will certainly facilitate the entry of Chinese goods into the Indian market and other participants' markets. The same reason is also conducive to the

entry of Indian goods into the Chinese market and other participants' markets. This is two-way and complementary," he added.

The spokesperson further highlighted that as emerging powers with a population of 2.7 billion people, India-China trade had "great potential" that needed to be tapped.

Trade issue

Analysts say that if a RCEP did not materialise, it could further "politicise" the trade issue between India and China, despite the decision taken last month at the Chennai informal summit by Prime Minister Modi and President Xi to set up a high level mechanism at the finance minister's level that would look into the trade imbalance between the two countries.

Xi optimistic

Earlier on Tuesday President Xi welcomed the progress achieved during RCEP talks, despite India's rejection of the deal in its present form.

"I am happy to note that yesterday (Monday) 15 countries taking part in the RCEP concluded text based negotiations and I hope that the agreement will be signed and enter into force at an early date," President Xi said during his inaugural address in Shanghai at the second edition China Import Export Exhibition (CIIE).

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