

Agriculture Export Policy to be in line with WTO norms

Will focus mainly on doubling farm exports, value-added products, institutional changes

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The proposed National Agriculture Export Policy — aimed at doubling the country's farm exports to \$60 billion by 2022, placing India among top 10 agriculture exporters in the world and promoting stability in export rules — is being vetted at the inter-ministerial level and will soon be placed before the Union Cabinet for approval.

“All the measures proposed in the Agriculture Export Policy are compatible with World Trade Organisation norms. Financial provisions are being made only for measures that are permitted under global trade rules such as marketing and promotion and infrastructure building such as development of clusters,” an industry source told *BusinessLine*.

With India moving out of the income bracket of per capital gross national income of less

than \$1000, it is not allowed by the WTO to give export sops.

Value-added products

The thrust of the policy, formulated in line with the vision to double farmers' income, is to boost high value and value-added agricultural exports and focusing on perishables. “India's export of value-added products is very low and there is huge scope of improvement,” the source said. The share of India's high-value and value-added agriculture produce in its agriculture export basket is less than 15 per cent compared to 25 per cent in the US and 49 per cent in China.

The draft policy talks about a financial package for development and research on value-added cashew products such as cashew, apple, jams and pastes, flavoured cashew, biscuits etc.

Improving India's reliability



On the global stage Improving India's reliability as a global supplier of farm products is also one of the key aspects of the policy

as a global supplier of farm products is also one of the deliverables of the policy. “The idea is not to allow frequent use of export restrictions such as imposition of Minimum Export Price, export duty or export ban, to tarnish India's image as a reliable exporter,” the source said.

No curbs

The draft policy seeks to give assurance that the processed agricultural products and organic products will not be brought un-

der the ambit of any kind of export restriction. It also suggests initiating consultation among the relevant stakeholders and Ministries to identify the commodities which are essential from the food security perspective and barring such identified commodities, not imposing any kind of export restrictions on others.

vest management of the production as well as in upgrading the supply chain to attain much higher levels of export from those clusters. Some of the clusters proposed are for bananas, pomegranates, mangoes, grapes, litchis, apple, tomato, mint, ginger, chillies and potatoes.

Institutional changes

The draft agriculture export policy also proposes working towards making institutional changes (with the involvement of States) such as reforming the APMC Act and streamlining of *mandi* fee and liberalising land leasing policy without compromising the rights of the land owner.

Other thrust areas include marketing and promotion of “Produce of India”, infrastructure and logistics to support agricultural exports, establishment of strong quality regimen, self-sufficiency and export-centric research & development.

An operational recommendation proposes development of export-centric clusters for a more focused pre- and post-har-