



Focused intervention needed to boost agro exports

Agriculture and allied sectors have posted hardly 2% growth (CAGR) in exports between 2015-16 and 2019-20, half the growth of 4.5% in overall merchandise exports. Except for certain segment such as marine products, coir products, other segments of the agro-based sectors have not posted much growth in exports. Exports of marine products have grown 9%, while that of coir products grew 7%. Even export of Ayush and herbal products posted good growth of 7%.

Micro small and medium enterprises in the agro processing sectors can play a key role in enhancing exports from this sector. Government of India's programme on developing agro processing clusters is a vital policy initiative to unleash the untapped potential in this sector.

The world agriculture export market is pegged at USD 15125 billion, of which India's exports is hardly USD 35 billion or just 2.35% of world exports. India accounts for more than 5% of world exports in certain agro commodities, viz. lacs & gums (share of 13.4%), coffee, tea, mate, spices (8%), marine products (5.9%) and vegetable plaiting materials (5.4%). Whereas, India's share in world exports of beverages, floriculture (HS code 6 – live trees and plants), preparations of cereals, flour and starch, processed fruits and vegetables are less than 1%.

India can capture a large part of the world export market through capacity building measures focused on farmers and small agro processing units. Specifically, there is a need to sensitise this community about sanitary and phytosanitary standards followed in the world market. They should also be guided on potential markets for their products, tips on international marketing, products packaging and labelling norms etc.

With right intervention, India can boost its agriculture exports as it has abundant natural resource. India is the world's largest producer of milk, pulses and jute and it is the second largest producer of foodgrain crops, viz. rice and wheat. In the production of fruits and vegetables, the country ranks second largest in the world and it can explore the vast export opportunity in this segment by adopting value addition. India can also benefit from export opportunity in the dairy sector as it is home to the second largest cattle population in the world.

Food waste is another potential sector for exports. Globally, the export market for food waste, residues and animal fodder is USD 77 billion. This category includes soyabean oil cake and other residues from soyabean oil extraction. It also includes oil cake of mustard oil, rapeseed and other oilseeds. The segment also includes fish meal (not for human consumption) and other preparations of animal feed.



WORLD TRADE CENTER®
MUMBAI



Notifications

Press Information Bureau, Government of India

NITI Aayog releases report on Export Preparedness Index

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1648679>

Interest on delayed payment of GST

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1648751>

Daily Bulletin on COVID 19

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1648770>