



भारतीय कृषि एवं खाद्य परिषद्
INDIAN CHAMBER OF FOOD AND AGRICULTURE

AGRI EXPORT REPORT 2022

CELEBRATING ACHIEVEMENT OF \$50 BILLION EXPORTS

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The many faces of Chai

Chai cannot be described in just one word. Spicy, strong, malty, earthy – the list is never ending. Add a dash of cardamom, a hint of ginger, sprinkle some cinnamon, the possibilities are endless.

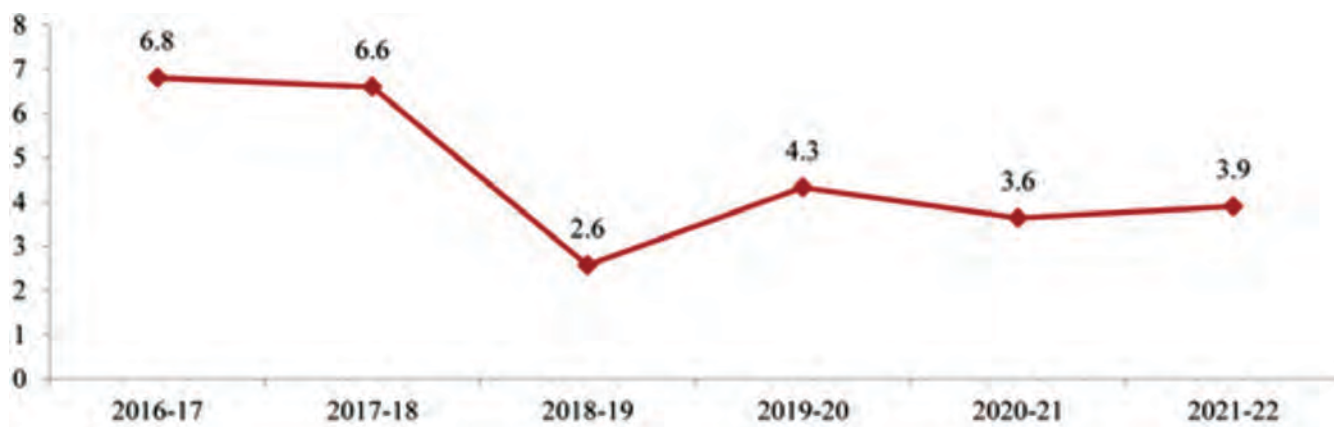
And the inimitable ingredient that makes this brew so special and versatile is, Indian Black Tea.
So the next time you're in the mood, any mood for that matter, grab a spiced-up cup of Indian Masala Chai.



INTRODUCTION

Agriculture is a significant sector as far as India is concerned. The past two years, the segment has witnessed buoyant growth, despite the anomalies imposed by the covid. The sector, which is the largest employer of workforce, accounted for a sizeable 18.8 per cent (2021- 22) in Gross Value Added (GVA) of the country registering a growth of 3.6 per cent in 2020-21 and 3.9 per cent in 2021-22. Growth in allied sectors including livestock, dairying and fisheries has been the major drivers of overall growth in the sector. The livestock sector has grown at a CAGR of 8.15 per cent over the last five years ending 2019-20.

Growth of Agriculture and Allied Sectors (percent)



Source : First Advance Estimates of National Income, 2021-22

AGRICULTURE PRODUCTION

The country has been maintaining an increasing trend in food grain production since 2015-16. Total food grain production has increased by 25% in last 6 years from 251.54 to 316.01 million tonnes. Oilseeds have followed the same trend and have shown a growth of 42% from 25.25 million tonnes in 2015-16 to 37.15 million tonnes in 2021-22. India's exports of agricultural products have grown by 19.92% during 2021-22 to touch \$50.21 billion (Rs 376575 crore).The commodities like wheat, other cereals, rice (other than Basmati), soya meal, raw cotton, fresh vegetable, and processed vegetables etc., have registered most positive growths.

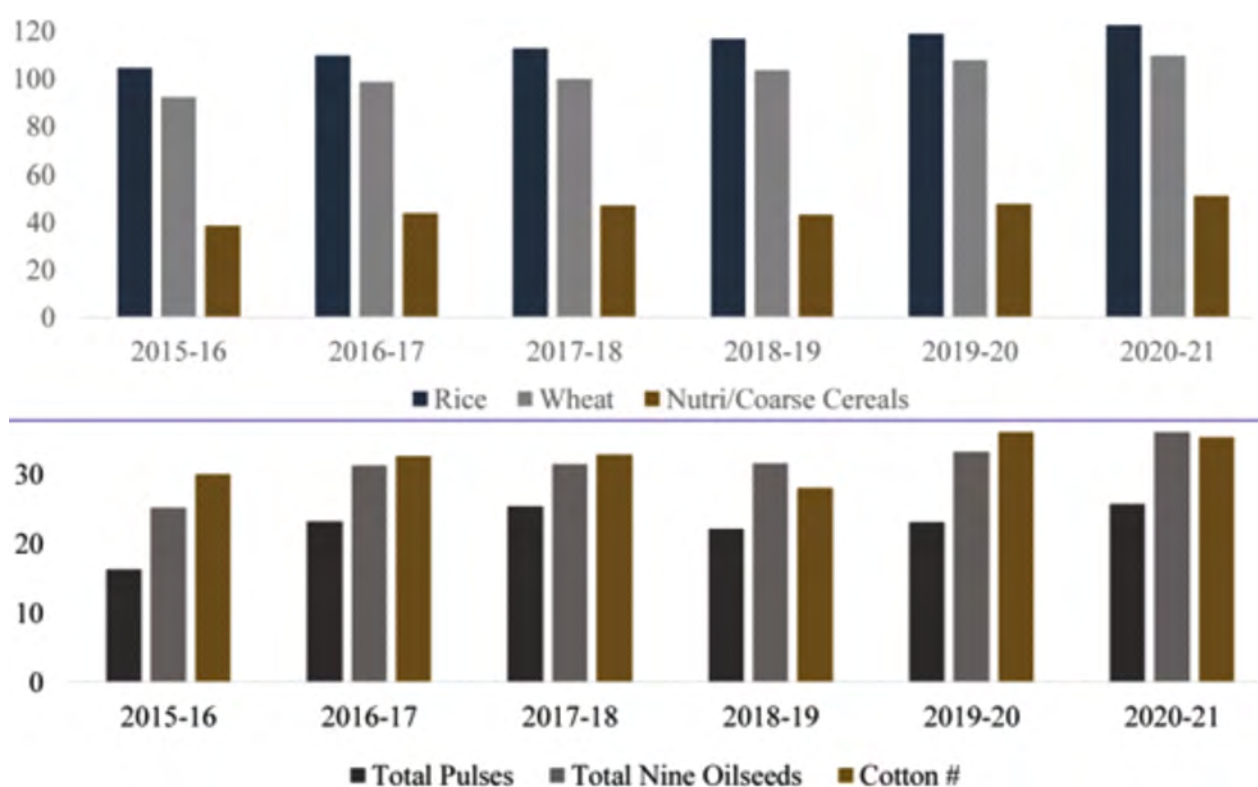
As per 2nd Advance Estimates for 2021-22, total Food grains production in the country is estimated at record 316.06 million tonnes which is higher by 5.32 million tonnes than the production of food grain during 2020-21. Further, the production during 2021-22 is higher by 25.35 million tonnes than the previous five years' (2016-17 to 2020-21) average production of foodgrains. Total production of Rice during 2021-22 is estimated at record 127.93 million tonnes. It is higher by 11.49 million tonnes than the last five years' average production of 116.44 million tonnes. Production of Wheat during 2021-22 is estimated at record 111.32 million tonnes. It is higher by 7.44 million tonnes than the average wheat production of 103.88 million tonnes. Production of Nutri / Coarse Cereals estimated at 49.86 million tonnes, which is higher by 3.28 million tonnes than the average production.

Total Pulses production during 2021-22 is estimated at 26.96 million tonnes which is higher by 3.14 million tonnes than the last five years' average production of 23.82 million tonnes. Total Oilseeds production in the country during

2021-22 is estimated at record 37.15 million tonnes which is higher by 1.20 million tonnes than the production of 35.95 million tonnes during 2020-21. Further, the production of oilseeds during 2021-22 is higher by 4.46 million tonnes than the average oilseeds production.

Total production of Sugarcane in the country during 2021-22 is estimated at 414.04 million tonnes which is higher by 40.59 million tonnes than the average sugarcane production of 373.46 million tonnes. Production of Cotton is estimated at 34.06 million bales (each of 170 kg) is higher by 1.12 million bales than the average cotton production of 32.95 million bales. Production of Jute & Mesta is estimated at 9.57 million bales (each of 180 kg).

Trend in Agriculture Production (Million Tonnes)



Source : Based on data received from DAFW
Million bales of 170 kg Each

Total Horticulture production in 2020-21 is estimated to be a record 334.60 million tonnes, which is an increase of about 14.13 million Tonnes (4.4%) over that achieved in 2019-20. Production of Fruits too has registered an increment to 102.48 million tonnes, compared to 102.08 million tonnes achieved in 2019-20. Production of Vegetables is estimated to be 200.45 million tonnes compared to last year's production of 188.28 million tonnes that is, an increase of 6.5%. Onion production spiked at 26.64 million tonnes as against 26.09 million tonnes achieved in 2019-20. Production of Potato is estimated to a record production of 56.17 million tonnes in 2020-21, an increase by 7.61 million tonnes compared to 2019-20. Production of Tomato is reported to be 21.18 million tonnes, as against production of 20.55 million tonnes achieved in 2019-20. Aromatic & Medicinal crops have registered an increase of 12.4%, from 0.73 million tonnes in 2019-20 to 0.83 million tonnes in 2020-21. Production of Plantation Crops has increased from 16.12 million tonnes in 2019-20 to 16.63 million tonnes in 2020-21. Production of Spices has

increased by 9.7%, from 10.14 million tonnes in 2019-20 to 11.12 million tonnes in 2020-21.

Livestock sector is a critical sub-sector of agriculture in the Indian economy. According to the Economic Survey (2021-22), the livestock sector consisting of dairy, eggs and meat, grew at a Compound Annual Growth Rate (CAGR) of 8.15 per cent. As per the estimates of National Accounts Statistics, 2020, the contribution of the livestock sector in the total Gross Value Added (at constant prices) of agriculture and allied sectors grew from 24.32 per cent in 2014-15 to 29.35 per cent (2019-20). The livestock sector contributed 4.35 per cent of total GVA in 2019-20. According to FAOSTAT data of 2020, India ranks third in egg production and sixth in meat production in the world. India's egg production has increased from 78.48 billion in 2014-15 to 122.11 billion in 2020-21. The per capita availability of eggs is at 91 eggs per annum in 2020-21 (Provisional). Meat production in the country has increased from 6.69 million MT in 2014-15 to 8.80 million MT in 2020-21. According to Basic Animal Husbandry Statistics, 2020, India's poultry meat production was 4.34 million tonnes, contributing almost 50% of the total meat production in 2019-20.

India is the second largest fish producing country in the world accounting for 7.56 per cent of global production. It contributes about 1.24 per cent to the country's GVA and over 7.28 per cent to the agricultural GVA. Fisheries sector has demonstrated an outstanding double-digit average annual growth of 10.87 per cent since 2014-15 with record fish production of 145 lakh tonnes in FY 2020-21.

FOOD PROCESSING SEGMENT

India ranks third in cereals, first in pulses, second in vegetable primary, second in fruit, first in milk, third in eggs etc. in World Agriculture in 2018. An abundant supply of raw materials, increase in demand for food products and incentives offered by the Government has impacted food processing sector positively. During the last 5 years ending 2019-20, Food Processing sector has been growing at an Average Annual Growth Rate (AAGR) of around 11.18 per cent as compared to around 4.19 per cent in Agriculture (at 2011-12 prices). Food Processing Sector has also emerged as an important segment of the Indian economy in terms of its contribution to GDP, employment and investment. The sector constituted as much as 9.87 per cent and 11.38 per cent of GVA in Manufacturing and Agriculture sector respectively in 2019-20 (at 2011-12 prices).

The value of agri-food exports including processed food exports during 2020-21 was of the order of US \$ 38.32 Billion accounting for about 13.2 per cent of India's total exports (total exports US \$ 291.17 Billion).

AGRICULTURE EXPORTS

India is 2nd in global agricultural production at \$422 billion, accounting for 8% in global market @ 5.0 trillion. However, its share of world agricultural exports is at 39 billion is 2% of the global trade at \$1.9 trillion. Indian agriculture commodities have started to create a momentum and are making bigger ripples in international market. Exports of agricultural products (including marine and plantation products) for the year 2021-22 have crossed USD 50 billion, highest level ever achieved for agriculture exports. As per the provisional figures released by DGCI&S, the agricultural exports have grown by 19.92% during 2021-22 touching \$50.21 billion. The growth rate is remarkable as it is over and above the growth of 17.66%, at \$41.87 billion, achieved in 2020-21 and has been achieved in spite of unprecedented logistical challenges in the form of high freight rates, container shortages etc. This achievement over past two years will go a long way in realising the Prime Minister's vision of improving farmers' income.

Highest ever exports have been achieved for staples like rice (USD 9.65 billion), wheat (USD 2.19 billion), sugar (USD



(4.6 billion) and other cereals (USD 1.08 billion). Wheat has recorded an unprecedented growth of more than 273%, jumping nearly four-fold from \$568 million in 2020-21 to touch close to \$2119 million in 2021-22. Increase in exports of these products has benefitted farmers in states like Punjab, Haryana, Uttar Pradesh, Bihar, West Bengal, Chhattisgarh, Madhya Pradesh, Telangana, Andhra Pradesh, Maharashtra etc. India has captured nearly 50% of the world market for rice.

Export of marine products, at USD 7.71 billion, is also the highest ever, benefitting farmers in the coastal states of West Bengal, Andhra Pradesh, Odisha, Tamil Nadu, Kerala, Maharashtra and Gujarat. Spices exports have touched USD 4 billion for second year in a row. Despite facing tremendous supply side issues, coffee exports have crossed USD 1 billion for the first time, which has improved realisations for coffee growers in Karnataka, Kerala and Tamil Nadu.

Dairy products grew over by 96 per cent standing at USD 634 million in 2021-22 from USD 323 million in 2020-21, while buffalo meat registered a growth of just 4 per cent as export of bovine meat increased from USD 3171 million in 2020-21 to USD 3303 million in 2021-22.

Export of poultry products rose to USD 71 million in 2021-22 from USD 58 million in the previous year and sheep/goat meat export is up by 34 per cent at USD 60 million in 2021-22 from USD 44 million in the previous year.

Fruits and vegetables exports were up by 12 per cent to touch USD 1676 million in 2021-22 against USD 1492 million in 2020-21, while processed fruits and vegetables exports were up by 7 per cent to reach USD 1202 million in 2021-22 against USD 1120 million in the previous year.

Exports of other processed food items grew by 34 per cent during 2021-22 to touch USD 1164 million against USD 866 million in 2020-21. The cashew exports also grew by 7 per cent to USD 452 million in 2021-22 from USD 420 million in the previous year. Floriculture products reported a rise of 33 per cent when it touched USD 103 million in 2021-22 from USD 77 million in 2020-21.

APEDA's major exporting destination as per 2021-22 data are Bangladesh, UAE, Vietnam, USA, Nepal, Malaysia, Saudi Arabia, Indonesia, Iran and Egypt.

The organic food export realization was around INR 707849.52 Lakhs (1040.95 million USD) during 2020-21. Organic products are exported to USA, European Union, Canada, Great Britain, Korea Republic, Israel, Switzerland, Ecuador, Vietnam, Australia etc. In terms of export value realization Processed foods including soya meal (57%) lead among the products followed by Oilseeds (9%), Cereals and millets (7%), Plantation crop products such as Tea and Coffee (6%), Spices and condiments (5%), Medicinal plants(5%), Dry fruits (3%), Sugar(3%), and others. India's exports of organic products amounted to USD 1.04 billion during 2020-21. Organic foodgrains are being exported from the country mainly under the category Cereal & Millets. During 2020-21, 59908 MT of organic products under the category 'Cereal & Millets', worth 76 million USD, have been exported from India under the National Programme for Organic Production (NPOP).

During the financial year 2020-21, India exported 11,49,510 MT of Seafood worth US\$ 5.96 Billion. USA and China are the major importers of Indian seafood. Frozen shrimp continued to be the major item of export in terms of quantity and value, accounting for a share of 51.36 % in quantity and 74.31% of the total USD earnings. Frozen Fish retained the second position as the largest export item, accounting for a share of 16.37% in quantity and 6.75% in USD earnings. This year the export of Frozen fish has declined by 15.76% in Quantity and 21.67% in terms of USD value. The aquaculture sector has contributed 67.98% of exported items in terms of US\$ and 46.44% in terms of quantity which is 4.40% and 2.48% respectively more when compared to 2019-20. Capture fisheries contribution reduced from 56.03% to 53.56% in terms of quantity and reduced from 36.42% to 32.02% in terms of US\$ value. The unit value of aquaculture products increased by marginal value 0.1 US\$ from 7.49 to 7.59 US\$ but the unit value of capture fisheries items reduced marginally from 3.37 to 3.10 US\$. Tilapia and Ornamental fish has performed well with 55.83% and 66.55% increase respectively in quantity and 38.07% and 14.63% respectively increase in US\$ earnings. Tuna, though showed 14.6% increase in quantity, it showed a negative growth of 7.39% in US\$ earnings. Scampi and Crab exports reduced both in quantity and value.



Export of Agriculture Commodities in 2021-22 (till 31st March 2022)

Values are in Million USD

Commodity	2020-21	2021-22	% Change
ALCOHOLIC BEVERAGES	330.22	286.11	-13.36
ANIMAL CASINGS	56.23	63.53	12.98
AYUSH AND HERBAL PRODUCTS	539.88	612.37	13.43
BUFFALO MEAT	3171.13	3303.51	4.17
CASHEW	420.43	452.92	7.73
CASHEW NUT SHELL LIQUID	2.66	4.36	63.72
CASTOR OIL	917.24	1175.41	28.15
CEREAL PREPARATIONS	636.97	651.69	2.31
COCOA PRODUCTS	149.78	153.66	2.60
COFFEE	719.66	1020.62	41.82
COTTON RAW INCLD. WASTE	1897.21	2816.03	48.43
DAIRY PRODUCTS	323.09	634.14	96.27
FLORICLTR PRODUCTS	77.84	103.49	32.95
FRESH FRUITS	768.54	875.44	13.91
FRESH VEGETABLES	723.97	800.78	10.61
FRUITS / VEGETABLE SEEDS	125.16	113.58	-9.25
GROUNDNUT	727.21	629.24	-13.47
GUERGAM MEAL	262.99	446.72	69.86
MARINE PRODUCTS	5962.39	7771.83	30.35
MILLED PRODUCTS	207.13	310.20	49.76
MISC PROCESSED ITEMS	866.04	1164.70	34.49
MOLLASES	178.75	217.45	21.66
NATURAL RUBBER	16.67	7.24	-56.59
NIGER SEEDS	21.58	8.30	-61.55
OIL MEALS	1585.04	1030.24	-35.00
OTHER CEREALS	705.38	1083.66	53.63
OTHER MEAT	2.47	6.11	147.58
OTHER OIL SEEDS	61.24	68.81	12.36
POULTRY PRODUCTS	58.70	71.01	20.97
PROCESSED FRUITS AND JUICES	695.56	776.71	11.67
PROCESSED MEAT	1.71	1.55	-9.41
PROCESSED VEGETABLES	424.70	425.69	0.23
PULSES	265.57	358.11	34.84
RICE -BASMOTI	4018.41	3539.84	-11.91
RICE(OTHER THAN BASMOTI)	4810.80	6115.07	27.11
SESAME SEEDS	425.64	407.08	4.36
SHEEP/GOAT MEAT	44.64	60.11	34.66
SHELLAC	87.83	105.85	20.52
SPICES	3983.98	3923.01	-1.53
SUGAR	2789.91	4600.48	64.90
TEA	756.26	750.58	-0.75
TOBACCO MANUFACTURED	359.17	352.81	-1.77
TOBACCO UNMANUFACTURED	517.54	570.29	10.19
VEGETABLE OILS	604.12	220.38	-63.52
WHEAT	567.93	2118.79	273.07
Grand Total	41869.37	50209.53	19.92

Source : DGCIS, based on Trade Alert for March 2022 and Subject to Change

NICHE AGRICULTURE PRODUCTS

GI TAGGED PRODUCTS

India is home to several niche products that are unique in terms of quality and production techniques. There are a host of GI-tagged products in various corners of the country which have niche but loyal customers and need to be marketed properly to reach more potential buyers. Darjeeling Tea and Basmati Rice are the two popular GI-tagged agricultural products of India, which have ready markets across the globe.

Besides these, Agricultural and Processed Food Export Development Authority (APEDA) has been facilitating trial shipments of other such products into new markets worldwide. Kala Namak rice, Naga Mircha, Assam Kaji Nemu, Bangalore Rose Onion, Nagpur Oranges, GI varieties of Mangoes, GI-tagged Shahi Litchi, Bhalia wheat, Madurai Malli, Bardhaman Mihidana and Sitabhog, Dahanu Gholvad Sapota, Jalgaon Banana, Vazhakulam Pineapple, Marayoor Jaggery, etc. are few of such products.

Notable shipments of GI products in 2021 included export of Naga Mircha (King Chilli) from Nagaland to UK, Black Rice from Manipur and Assam to the United Kingdom, Assam Lemon to the United Kingdom and Italy, three GI varieties of Mango (Fazli, Khirsapati, and Laxmanbhog) from West Bengal and one GI variety of Mango (Zardalu) from Bihar to Bahrain and Qatar. Around 30 kgs of a sample shipment of Joynagar Moa, a sweetmeat delicacy from South 24 Pargana district of West Bengal was sent via Kolkata airport to Bahrain. Subsequent to the sample shipment, further orders for Joynagar Moa were received from Bahrain.

In a major thrust to exports of GI-tagged products from Bihar, the first shipment of 524 Kg GI tagged Shahi Litchi was exported from Muzaffarpur district of Bihar to London in May 2021. The year also witnessed the export of GI tagged Banaganapalle Mango from Andhra Pradesh to South Korea.

The Government has placed great emphasis on connecting farmer producer organisations (FPOs), food producer companies (FPCs) and exporters with international business communities to create an export hub in Varanasi, especially for GI-tagged agricultural products. To ensure GI tagged product promotion, a prime location has been identified at the departure area of Lal Bahadur Shastri International Airport, Varanasi. In June 2021, the season's first shipment of 1048 kg GI Tagged Malihabadi Dusseheri Mango was exported from Lucknow to the United Kingdom and UAE.

To promote the unique GI Products from the North Eastern Region such as Manipur Black Rice (Chak-Hao), Manipur Kachai Lemon, Mizo Chilli, Arunachal Orange, Meghalaya Khasi Mandarin, Assam Kaji Nemu, Karbi Anglong Ginger, Joha Rice, and Tripura Queen Pineapple, Centre through APEDA has been organising buyer-seller meets, conducting awareness and capacity building workshops with the participation of representatives of the NER States, FPOs/FPCs, Exporters, Associations, and Government Departments such as Indian Railways, AAICLAS, NAFED,



DGFT, IIFPT etc.

GI products from other regions included Sangli raisins, Nagpur Orange, Dahanu Gholvad Chikoo, Marathwada Kesar Mango, Jalgaon Banana from Maharashtra, Kandhamal Turmeric from Odisha and Bangalore Rose Onion from Karnataka, Allahabad Surkha Guava, Kalanamak Rice from Uttar Pradesh, Madurai Malli from Tamil Nadu etc.

In 2020, virtual buyer-seller meets were organized with UAE and USA, two of the largest export markets for APEDA scheduled products, in association with the Embassy of India in Abu Dhabi and the Embassy of India in Washington. The meet on GI products provided a platform for interaction between Indian exporters and importers of USA and UAE. The exporters were informed about the potential GI products for exports such as Basmati Rice, Mango, Pomegranates, Bangalore Rose Onions, Sangli Grapes/Raisin, Banana and products of North-Eastern Region such as Joha Rice of Assam, Black Rice (Chak-Hao), Naga Mircha, and their derived processed products. During April 2020 to March 2021, VBSMs were held with potential importing countries such as UAE, Indonesia, Kuwait, Iran, Thailand, Bhutan, Belgium, Switzerland, Germany, Saudi Arabia, Uzbekistan, etc., for the promotion of APEDA scheduled products. Special focus was given on export of GI-tagged products.

APEDA also organized in-store promotional programmes in importing countries in association with foreign retailers such as Al-Zajira Group of Bahrain and Family Food Center of Doha, Qatar. Dispatch of samples of GI-tagged Nanjangud Banana from Karnataka to LuLu Group, UAE was also facilitated to enhance exports.

As on date, there are 417 registered GI products and of them, around 150 GI tagged products are agricultural and food products, out of which more than 100 registered GI products fall under the category of APEDA scheduled products (Cereals, Fresh Fruits and vegetables, processed products, etc).

MILLETS

Another product that has immense potential for exports is millets. With demand for nutri-cereals rising steadily globally, Indian exporters can find new markets abroad. Currently, India is the fifth largest exporter of millets in the world, according to 2020 data, with exports continuously increasing at around 3% CAGR in the last five years ending with 2020.

In 2020-21, India exported millets worth USD 26.97 million against USD 28.5 million in 2019-20. World export of Millet has increased from USD 380 million in 2019 to USD 402.7 million in 2020. Major exporters of millets are USA, Russian Federation, Ukraine, India, China, Netherlands, France, Poland and Argentina. Together, their millets exports stood at USD 221.68 million in 2020. Global exports of millets in 2020 stood at USD 466.284 million.

The top three importers of millets from India in 2020-21 were Nepal (USD 6.09 million), UAE (USD 4.84 million) and Saudi Arabia (USD 3.84 million). The other seven destinations in the top-ten list of India's millet exports are Libya, Tunisia, Morocco, UK, Yemen, Oman and Algeria. Altogether, these ten countries imported millets worth USD 22.03 million from India. Other countries accounted for millets imports worth of USD 5.13 million from India, taking the grand total of imports from India in 2020-21 to USD 27.43 million, according to DGCIS data.

Agricultural and Processed Food Products Export Development Authority (APEDA) has been aggressively working towards facilitating shipments of millets by Indian exporters and helping them make inroads into new markets. In March 2021, APEDA organized its first Virtual Trade Fair – India Rice and Agro Commodity Show, which saw the participation of millet exporters also. A series of Virtual Buyer-Seller Meets (BSM) with Embassies, importers,

exporters and product associations from India have been organized.

The top importers of millets along with their share in world import are Indonesia (8%), Belgium (7.36%), Germany (4.65), Mexico (4.1%), Italy (4.02%), United States of America (3.35%), United Kingdom (3.25%) Brazil (3.24%) and Netherlands (3.14%) in 2020. Top ten importers accounted for USD 221.7 million in 2020 out of the world import of USD 466.3 million in same year.

India is the world leader in the production of millets with share of around 41% of total world production in 2020. India produces around 12 million MT of millets annually, according to Ministry of Agriculture and Farmers Welfare data. The various kinds of millets include sorghum (Jowar), pearl millet (Bajra), finger millet (Ragi), little millet (Kutki), small millet (Samai), foxtail millet (Kangni), proso millet (Barri), barnyard millet (Jhangora), kodo millet (Kodra), two pseudo millets (buckwheat and kuttu), Amaranthus (Chulai) and other millets.

To give impetus to the export of potential products as well as to remove the bottlenecks in the supply chain of nutri-cereals, APEDA has created Nutri Cereals Export Promotion Forum which also included millets exports. It has also organized a sensitization programme for millet start-ups to familiarize them about export opportunities. APEDA has signed an MOU with Indian Institute of Millets Research (IIMR) for making a strategy for promotion of millets and millet value added products. It has initiated a study on 'Refinement of Millet Value Chain for Export Markets: Preparation of export strategy in wake of International Year of Millets, 2023' through IIMR.

In a major boost to production and exports of nutri-cereals like millet, Finance Minister Smt. Nirmala Sitharaman, in her union budget (2022-23) speech, announced assistance for post-harvest value addition and branding of millet products in the domestic as well as global markets.



ORGANIC FOOD

Organic products are another important niche category that India can tap into. The Indian government is promoting natural farming and organic farming in a large scale. The products arising out of the renewed emphasis on organic cultivation can be supplied to the world market at a premium price. India is bestowed with immense opportunities to produce all varieties of organic products due to its various agro climatic conditions. In several parts of the country, the inherited tradition of organic farming is an added advantage. This holds promise for the organic producers to tap the market which is growing steadily in the domestic and export sector.

As per the available statistics, India's rank 8th in terms of World's Organic Agricultural land and 1st in terms of total number of producers as per 2020 data. The APEDA, Ministry of Commerce & Industries, Government of India is implementing the National Programme for Organic Production (NPOP). The programme involves the accreditation of Certification Bodies, standards for organic production, promotion of organic farming and marketing etc. The NPOP standards for production and accreditation system have been recognized by European Commission and Switzerland for unprocessed plant products as equivalent to their country standards. With these recognitions, Indian organic products duly certified by the accredited certification bodies of India are accepted by the importing countries. APEDA is also in the process of negotiation with South Korea, Taiwan, Canada, Japan etc.



As on 31st March 2021 total area under organic certification process (registered under National Programme for Organic Production) is 4339184.93 ha (2020-21). This includes 2657889.33 ha cultivable area and another 1681295.61 ha for wild harvest collection. Among all the states, Madhya Pradesh has covered largest area under organic certification followed by Rajasthan, Maharashtra, Chhattisgarh, Himachal Pradesh, Jammu & Kashmir and Karnataka. During 2016, Sikkim has achieved a remarkable distinction of converting its entire cultivable land (more than 75000 ha) under organic certification.

India produced around 3496800.34 MT (2020-21) of certified organic products which includes all varieties of food products namely Oil Seeds, fibre, Sugarcane, Cereals & Millets, Cotton, Pulses, Aromatic & Medicinal Plants, Tea, Coffee, Fruits, Spices, Dry Fruits, Vegetables, Processed foods etc. The production is not limited to the edible sector but also produces such as organic cotton fiber, functional food products etc. Among different states Madhya Pradesh is the largest producer followed by Maharashtra, Karnataka, Rajasthan and Uttar Pradesh. In terms of commodities Oil seeds are the single largest category followed by Sugar crops, Cereals and Millets, Tea & Coffee, Fiber crops, fodder, Pulses, Medicinal/ Herbal and Aromatic plants and Spices & Condiments.



READY TO EAT

India's export of final consumer food products such as Ready to Eat (RTE), Ready to Cook (RTC) and Ready to Serve (RTS) under the APEDA basket has registered a significant growth in the last one decade.

With the Ministry of Commerce & Industry laying thrust on Value Addition of products for exports, the food products under the RTE category have registered an Compound Annual Growth Rate (CAGR) of 12 per cent in the last one decade and the share of RTE in APEDA export has increased from 2.1 per cent to 5 per cent during the same period.

The export of products under Ready to Eat (RTE), Ready to Cook (RTC) and Ready to Serve (RTS) segment have registered an CAGR of 10.4 per cent from 2011-12 to 2020-21. India exported more than \$ 2.14 billion worth of final food products in 2020-21. Since final food products are time saving and readily available, the demand for food items under the categories of RTE, RTC and RTS has increased manifold in recent years.

The export of products under RTE, RTC and RTS categories rose by more than 23% to \$ 1011 million in April – October (2021-22) compared to \$ 823 million reported in April – October (2020-21). In view of this, export of RTE/RTC and RTS for last three years is placed in below graph. According to the latest Directorate General of Commercial Intelligence and Statistics data, India exported final food products which include RTE, RTC and RTS, worth USD 5,438 million in the last three financial three years (2018-19 and 2020-2021).

In 2018-2019, India recorded RTE exports of USD 766 million, which rose to USD 825 million in 2019-20 and USD 1043 million in 2020-21. Meanwhile, the RTC food products recorded an export of USD 473 million in 2018-19, USD 368 million in 2019-20 and USD 560 million in 2020-21. Export value of RTE/RTC and RTS has increased in 2021-22 against previous year.

The RTS food category registered an export of USD 436 million in 2018-19, USD 461 million in 2019-20 and USD 511 million in 2020-21.

The products covered under RTE category, includes Biscuits & Confectionery, Jaggery, Breakfast Cereals, Wafers, Indian Sweets and Snacks, Pan Masala & Betal Nuts etc. The Biscuits and Confectionery and Indian Sweets and Snacks constitute a major share of 89% in the RTE export in 2020-21.

The share of each category in RTE export are 52.32% (Biscuits & Confectionery), 1.52% (Jaggery), 4.11% (breakfast cereals), 1.73% (wafers), 37.04% (Indian sweets and snacks), and 3.28% (Pan Masala and Betal nuts).

The growth rate of RTE in 2020-21 against previous year was 26% while growth in Biscuits & Confectionery category recorded at 28.87%, Jaggery at 48.18%, Breakfast Cereals at 4.24%, Indian sweets and snacks at 29.75%, Pan Masala and B'nuts at 4.2% for the same period.

Notably more than 56% of RTE food products were exported to top 10 countries in 2020-21. USA is the top importing country in four categories of RTE products such as Biscuits & Confectionery (USD 79.54 million), Breakfast cereals (USD 5.33 million), Indian sweets and snacks (USD 99.7 million), Pan Masala & Betal Nuts (USD 5.95 million) while the remaining two products under RTE are significantly imported by Malaysia and Nepal. Malaysia imported Jaggery worth of USD 5.09 million and Nepal imported Wafers worth of USD 3.5 million in 2020-21.

The major destination of RTE export as per 2020-21 data are U.S.A (18.73%), U.A.E (8.64%), Nepal (5%), Canada (4.77%), Sri Lanka (4.47%), Australia (4.2%), Sudan (2.95%), U.K (2.88%), Nigeria (2.38%), Singapore (2.01%).

The RTC food products have been growing at CAGR of 7 per cent in the last one decade and the share of RTC in APEDA export has increased from 1.8 per cent to 2.7 per cent in the same periods. The major categories of food products covered under RTC are ready to cook, papad, flours and milled products and powder and starch. The category-wise share in RTC export is ready to cook (31.69%), papad (9.68%), flours and milled products (34.34%) and powder & starch (24.28%).

The growth rate of RTC in 2020-21 against previous year is 52 per cent while category wise growth rate of RTC is highest for powder and starch (174%) followed by Flours and Milled Products (36%), Ready to Cook (35%) and Papad (19%) in 2020-21 against previous year.

Above 74% of RTC food products were exported to top 10 countries in 2020-21 and USA is the top importing country of Flours and Milled Products and Ready to Cook from India in 2020-21 while two countries namely UK and Indonesia are at the top in importing of Papad and Powder & Starch during 2020-21.

The major exporting destination for RTC export in 2020-21 are U.S.A (USD 18.62 million), Malaysia (USD 11.52 million), U.A.E (USD 8.75 million), Indonesia (USD 7.52 million), UK (USD 7.33 million), Nepal (USD 5.89 million), Canada (USD 4.31 million), Australia (USD 4.2 million), Bangladesh (USD 3.43 million) and Qatar (USD 2.76 million).

In the category of RTS, the export has been growing at an CAGR of 11 per cent in the last one decade. The major final food products under the RTS category include jellies, squash & juices, other beverages, energy products/drinks and ice cream, soups, sauces, pasta and seasoning. The share of RTS has increased from 1.1 per cent to 2.5 per cent in last one decade.

The growth rate of RTS in 2020-21 against previous year (2019-20) is 11 per cent while category-wise growth rate of RTS is highest for Energy Products/Drinks (31.10%) followed by Ice Cream, Soups, Sauces, Pasta and Seasoning (19.34%), other beverages (14.12%).

INITIATIVES ENCOURAGING EXPORTS

The Agricultural and Processed Food Products Export Development Authority (APEDA) was established by the Government of India under the Agricultural and Processed Food Products Export Development Authority Act passed by the Parliament in December, 1985. APEDA has been actively engaged in the development of markets besides upgradation of infrastructure and quality to promote the export of agro products. In its endeavour to promote agro exports, APEDA, under its Plan Scheme titled 'Agriculture Export Promotion Scheme of APEDA' provides financial assistance to the registered exporters under sub-components of the Scheme – Market Development, Infrastructure Development, Quality Development and Transport Assistance.

The continuous rise in export of agricultural and processed food products has been largely due to the various initiatives taken by organizations such as APEDA such as organizing B2B exhibitions in different countries, exploring new potential markets through product specific and general marketing campaigns by active involvement of Indian Embassies.

APEDA has also taken several initiatives to promote geographical indications (GI) registered agricultural and processed food products in India by organizing virtual Buyer Seller Meets on agricultural and food products with the major importing countries across the world.

In order to ensure seamless quality certification of products to be exported, APEDA has recognized 220 labs across India to provide services of testing to a wide range of products and exporters. APEDA also assists in upgradation and strengthening of recognized laboratories for export testing and residue monitoring plans. APEDA also provides assistance under the financial assistance schemes of infrastructure development, quality improvement and market development for boosting export of agricultural products.

Government, through the aegis of APEDA also initiates registration of pack-houses for horticulture products for meeting the quality requirements of the international market. Registration of export units for peanut shelling, grading and processing units, for instance, is to ensure quality adherence for the EU and non-EU countries.

APEDA also carries out registration of meat processing plants and abattoirs for ensuring compliance with global food safety and quality requirements. Another key initiative includes development and implementation of traceability systems which ensure the food safety and quality compliances of the importing countries.



For boosting exports, APEDA compiles and disseminates various international trade analytical information, market access information amongst exporters and address trade enquiries.

As part of the PM Gati Shakti - National Master Plan, APEDA is collaborating with various ministries including railways and roadways for enhancing connectivity through faster transportation of agricultural products, as they are perishable in nature so it requires immediate and fast delivery to its destination from the production points.

In line with the government's Digital India policy, APEDA has implemented several new digital technology-based initiatives which have played a key role in enabling agricultural exports worth of \$ 25 billion under the its basket in 2021-22.

APEDA has adopted multiple world class technology and software in IT division such as Blockchain technology implemented in hortinet traceability, Farmer Connect Portal, Geographical Indications (GI) Promotion Portal, Mobile App, iTrack System, TraceNet, Organic Promotional Portal, Agriexchange App, and Cloud Migration etc.

A Farmer Connect Portal has also been set up on APEDA's website for providing a platform for Farmer Producers Organisations (FPOs) or Farmer Producer Companies (FPCs), Cooperatives and women entrepreneurs to interact with exporters. Around 3,295 FPOs and FPCs and 3,315 exporters have been registered in the portal so far. More than 24 lakh organic farmers registered with APEDA. India is the leading producers of organic products in the world.

Government Initiatives in Export Promotion

Government is encouraging and promoting Indian exports in international markets and initiate suitable interventions from time to time. The key schemes/interventions taken are:

- Market Access Initiative (MAI) Scheme provides assistance to Export Promotion Organizations/Trade Promotion Organizations/National Level Institutions/ Research Institutions/Universities/Laboratories, Exporters etc., for enhancement of exports through accessing new markets or through increasing the share in the existing markets.
- Transport and Marketing Assistance (TMA) for Specified Agriculture Products' provides assistance for the international component of freight, to mitigate the freight disadvantage for the export of agriculture products, and marketing of agricultural products, is under implementation.
- Assistance to the exporters of agricultural products is also available under the Export Promotion Schemes of Agricultural & Processed Food Products Export Development Authority (APEDA), Marine Products Export Development Authority (MPEDA), Tobacco Board, Tea Board, Coffee Board, Rubber Board and Spices Board.
- Districts as Export Hubs Initiative' for products and services with export potential have been identified in all districts of the country.
- Trade Infrastructure for Export Scheme (TIES) provides assistance to Central and State Government agencies for creation of appropriate infrastructure for growth of exports.
- Remission of Duties and Taxes on Exported Products (RoDTEP) provides remission of Central, State and Local duties/taxes/levies which are incurred in the process of manufacture and distribution of exported products, but are currently not being refunded under any other duty remission scheme.
- Common Digital Platform for Certificate of Origin to facilitate trade and increase FTA utilization by exporters.
- 12 Champion Services Sectors have been identified for promoting and diversifying services exports by

pursuing specific action plans.

- Active role of EPCs, Commodity Boards and Indian missions abroad towards promoting India's trade, tourism, technology and investment goals has been enhanced.

The participation of exporters in the International Trade Fairs provides a platform to the exporters to market their food products in the global marketplace. National events like AAHAR, Organic World Congress, BioFach India etc. were organized to promote agri-exports.

Given that demand of natural products is growing and consumers demand greater quantities of foods, cosmetics and medicines that contain natural ingredients, the Centre is in process to formulate a strategy for promotion of export of natural farming products in consultation with Ministry of Agriculture to develop the standards for production along with certification system.

The achievement in exports is the result of sustained efforts on the part of the Department of Commerce and its various export promotion agencies like APEDA, MPEDA and various commodity boards. The Department has made special efforts to engage State Governments and district administrations in promoting agriculture exports. In order to ensure that the farmers benefit from exports, Department of Commerce has made special efforts to provide export market linkage directly to farmers and FPOs. A Farmer Connect Portal has been set up for providing a platform for farmers, FPOs/FPCs, cooperatives to interact with exporters. This approach has resulted in agriculture exports taking place from hitherto unexplored areas. Exports have taken place from clusters like Varanasi (fresh vegetables, mangoes), Ananthpur (banana), Nagpur (orange), Lucknow (mango), Theni (banana), Solapur (pomegranate), Krishna & Chittoor (mango) etc. Initiatives like 'Happy Banana' train, an exclusive train with reefer containers to transport bananas from Anantapur to JNPT, Mumbai have been taken to boost exports from unconventional areas.

Outbreak of COVID-19 pandemic during first quarter of 2020 resulted in increased demand for staples, which provided an opportunity for increasing agriculture exports. Because of the institutional framework, already in place at State and district levels, and special efforts made to overcome the pandemic-induced bottlenecks, India was able to rise to the occasion and emerge as a reliable supplier of food. Even during the current crisis due to Russia-Ukraine war, the world is looking at India for supplies of wheat and other food grains.



CREATION OF DISTRICT EXPORT HUBS

In order to implement the vision of the Prime Minister of India, Narendra Modi to convert each district into an export hub the Finance Minister in her Budget 2020-21 speech said that each district should develop as an export hub. She further said that efforts of the Centre and State Governments are being synergised and institutional mechanisms are being created.

The Ministry of Commerce and Industry through Directorate General of Foreign



Trade (DGFT) has been engaging with States/ UTs to initiate preparation and implementation of a District Export Plan (DEP) specific to each district in every State/ UT through an institutional structure at the district level. The institutional structure set up at the district level for implementation of the District Export Plan will be headed by the Chief/ District Development Officer with other relevant District Level Officers as members.

The DGFT is also developing a portal that may be accessed on the DGFT website to enable the States to upload all information related to the products with export potential of every district.

The preliminary exercise for the preparation of a DEP will include an assessment of a district to identify the current export profile and its further potential in the district. All key officers related to agriculture, horticulture, livestock, fisheries, handicrafts, handlooms and industry in the district and also the Lead Bank Manager will work towards the participation of key Export Promotion Councils, Quality and Technical Standards Bodies, Government of India departments like MSME, Heavy Industry, Revenue and Textiles will be part of the initial meetings. The initial meetings will be held under the Chairmanship of the Chief/ District Development Officer.

Secretary, Commerce and Industry held a meeting on 9th December last year with representative of all States/ UTs in New Delhi to synergise the efforts of the State/ UT Governments with those of the Department of Commerce and DGFT.

Department of Commerce has mandated the Regional Authorities (RAs) of DGFT to work with the State Governments and District Level Officers including GM-DIC, Lead Bank Managers to promote each district as an export hub. Department of Commerce has also suggested to concerned state agencies including the district administration, District Industries Centres and the local Chambers of Industries to provide necessary support to this initiative.

The DGFT RAs will act as a facilitator in promoting each district as an export hub and has drawn up a list where the products with export potential have been identified by them. The identification process is still ongoing.

The District Export Plan will include the support required by the local industry in boosting their manufacturing and exports with impetus on supporting the industry from the production stage to the exporting stage. Informative material on various incentives provided by the Government of India and the respective State Government of

exporters will be disseminated to the industry and other potential exporters. The DEP will also include strategy to enhance logistics and infrastructure at the district level and better utilization of the Market Access Initiative (MAI) Scheme of the Department of Commerce for inviting foreign buyers under reverse buyer-seller meets at the district level, suitably gathering district level commodity and services exports data including through GSTN and Customs ICEGATE System and publishing District Export Matrix for each district on a quarterly basis by the State Government. Relevant budgetary support to the DGFT RAs will be provided to make outreach at district level and prepare DEP.

State/ UTs Government will be assisted in preparing an annual “Export Ranking Index” of different districts in a particular State/ UT to rank each district on its export competitiveness.

Nine States/ UTs have notified the constitution of a State Level Export Promotion Committee (SLEPC). The States/ UTs that have notified the constitution of the SLEPC are Delhi, Uttarakhand, Tamil Nadu, Telangana, Karnataka, Himachal Pradesh, West Bengal, Tripura, Maharashtra, Goa and Gujarat.

In order to prepare a district wise export data efforts have been made by DGFT and DGCI&S to look into the feasibility of preparing district level export data from the existing set up. The products identified, which has export potential, from the 750 districts in the country are leather articles, sand and stone articles, spices, garments, wool, food products, ceramics, cement, silk, carpet, glass items, metal crafts, sports goods, pharmaceuticals, engineering goods, auto parts, poultry products, vegetables, cut flowers, forest produce, bamboo products and scientific instruments.



INDIA'S CHALLENGES

India's subsidy schemes have always been a matter of contention at World Trade Organization. Not long ago the trio of Australia, Brazil, and Guatemala complained to WTO's dispute settlement body that the Indian government was implementing several subsidy schemes for promoting sugar exports. The complainants argued that by implementing these subsidy schemes, the government had violated the rules of WTO's Agreement on Agriculture (AoA), which prohibit the use of export subsidies. In December 2021, the dispute settlement panel adjudicating the dispute gave its ruling against India. The shadow of doubt has also been extended to exports of food grains.

AoA imposes strict discipline on countries implementing domestic food security programmes using public stockholding of food grains, as for example, India's public distribution system (PDS). Such countries are allowed to acquire and release food grains at administered prices (or minimum support prices/ MSP as in India), but they can only do so when they include the difference between the acquisition price of food grains and their "external reference prices", namely, the international prices prevailing during 1986–88, in their subsidies' bill. According to the AoA, subsidies that developing countries like India provide cannot exceed 10% of their value of agricultural production. This implies if India's food subsidies provided through the PDS are taken together with those granted to farmers in the form of MSP and input assistance, its subsidies bill will surely exceed the 10% threshold.

The provisions in the AoA regarding public stockholding are patently illogical on at least two counts. First, minimum support prices that India currently gives on identified products are compared with their international prices prevailing during 1986–88 to measure the extent of subsidies granted. India has been arguing that this criterion needs to be amended, either by selecting "external reference prices" of a more recent period, or by accounting for commodity price inflation. Secondly, including food subsidies granted to the undernourished and production-related subsidies to the farmers in a single discipline makes little sense. This is one of the glaring examples of how the European Union and the US wrote the WTO rules on agriculture that discriminate against the interests of developing countries.

India's farm exports also face prohibitive import duties in overseas markets and also have to compete with highly subsidised farm products supplied by other countries. India can sometimes be an unreliable exporter. Indian export policies are determined by domestic market prices. In the event of inflation, the government can restrict the export of agri commodities.



There is a lack of synergy between state and the central government as agriculture is a state subject which can affect exports antagonistically. Besides this, exporters are unaware of existing schemes and policies related to exports leading to confusion and missed opportunities.

Lack of awareness regarding Quality Control & Assurance at farm level and GAP certification; dearth of investments in logistics sectors including cold chains, warehouses, reefer vans, silos; lack of know-how about foreign markets and consumers, coupled with stringent qualitative adherence; absence of support and guidance to new and budding agri-exporters and agripreneurs; lack of training and Lack of grievance redressal system skill development and Non-existent export orientation also present challenges in increasing agri exports.

WAY FORWARD

India will have to take up the issues of farm subsidies, market denials and high import duties at all bilateral (FTAs), regional (e.g. RCEP) and multilateral (WTO) trade forums if it is serious about pushing its farm exports.

Among internal actions needed are long term measures to tackle the issues of low productivity, over dependency on monsoon, and lack of post harvest infrastructure that lower the net supply of agriculture commodities and leads to knee jerk reactions in the form of export bans. It's time India stopped over- promotion of cereals, and let demand and supply forces guide production and trade decisions.

Imposing export bans deprives farmers of getting the best prices for their produce. India needs to remove quantitative restrictions on exports for improving its image as a supplier. To deal with temporary shortage of specific agriculture commodities, export duties (that are less trade distortive than export quotas) should be used.

Besides this an action strategy can be developed encompassing the following points :

- Precision Farming under RKVY and NHM around Clusters
- Adoption and Certification of Global GAP
- Shift to High Value Crops and Processible Varieties
- Traceability with Blockchain Technology
- MSME SFURTI Projects around Agro Clusters
- Detailed product and country wise export strategy
- Capacity Building of all key stakeholders
- States to work on Export Baskets
- Quality Control Labs and National Portal
- Creation of information-sharing mechanism between the State and Centre on SPS issues
- Creating Agri Export Startups, India Agri Export Council, Global GAP Program , Commodity Trade Boards, Institutional Partnerships
- Working with the States
- Market Promotion and promoting Brand India

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