

Low volume of export of agricultural products

2645. SHRI N.K. SINGH:

DR. JANARDHAN WAGHMARE :

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the low volume of export of agricultural products is due to lack of infrastructure and advanced technology in agricultural sector and if so, the details thereof;

(b) the details of infrastructural facilities being created and other steps being taken to promote the export of agricultural products; and

(c) whether any research/study to improve the export share of agricultural products have been conducted, if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. E.M. SUDARSANA NATCHIAPPAN) : (a) Low volume of agricultural products export is due to low productivity, large domestic consumption, constraints of supply chain and low level of processing. However, the export of agriculture and allied products has been increasing during the recent past, details given below:

Value in Rs crore		
2010-11	2011-12	2012-13
85,218.53	1,41,373.85	1,83,623.87

Source: DGCI&S

(b) The Government through Agricultural and Processed Food Products Export Development Authority (APEDA) provides financial assistance under the component of Infrastructure Development of Plan Scheme of APEDA to the exporters for creation of infrastructure facilities in the country. Those infrastructure facilities are being funded that are required for post harvest handling, specialized cold storages like high humidity, controlled/modified atmosphere, mechanized grading, sorting and packaging. Financial assistance is provided for establishment of common infrastructure facilities in identified clusters wherein APEDA provides 90% grant-in-aid. A sub-component "establishment of common infrastructure facilities in Public-Private Partnership (PPP) mode by Government or Public - sector agencies" has been introduced with 75% grant-in-aid to Special Purpose Vehicles (SPV) by APEDA.

Apart from creating export oriented infrastructure facilities both in public as well as private sectors, APEDA provides financial assistance to exporters for market promotion, quality development and to mitigate freight disadvantage so as to make the produce cost competitive in global market.

Encouraging exports is a continuous process. The Government is taking steps to encourage exports of agro products through measures and incentives under Plan schemes of the Commodity Boards and Export Promotion Councils. Besides these measures, the Ministry of Commerce & Industry has put in place various schemes namely Market Development Assistance (MDA), Market Assistance Initiative (MAI), Assistance to States for Developing Export Infrastructure and Allied Activities (ASIDE), Vishesh Krishi and Gram Upaj Yojana, Focus Product Scheme, Focus Market Scheme, Town of Export Excellence, etc. to provide assistance to encourage exports.

(c) No specific study has been conducted to improve the export share of agricultural products in recent times.

FTA with European Union

2646. SHRI BAISHNAB PARIDA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether India proposes to enter into Free Trade Agreement with European Union countries, if so, the details thereof;
- (b) the proposed main items of trade under the above agreement; and
- (c) how far this would help to improve our bilateral trade with the above countries?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. E.M. SUDARSANA NATCHIAPPAN) : (a) to (c) The Government of India is presently negotiating a bilateral Broad Based Trade and Investment Agreement (BTIA) with the European Union (EU), covering a number of tracks ranging from Trade in Goods to Services. So far fifteen rounds of negotiations have been held, the last being in May 2013 in New Delhi. It is expected that greater trade and investment flows will result, from this Agreement.

Irregularities in STC CLI Scheme

2647. SHRI VIJAY JAWAHARLAL DARDA : Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether during 2005-06 various business firms/associates had undertaken export of gold jewellery, construction material, etc. through State Trading Corporation's Credit Linked Insurance where due diligence was not done by the officials of STC regarding the credibility of such exporting units as was revealed through investigations of CVC, pointing out financial liabilities of Rs. 725 crores;
- (b) whether the officials responsible for this huge loss were identified and pecuniary action taken against the guilty to make good the loss; and