

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

RAJYA SABHA
UNSTARRED QUESTION No. 2452
ANSWERED ON 21/03/2025

OBJECTIVES AND TARGETS UNDER FOREIGN TRADE POLICY 2023

2452. SHRI KARTIKEYA SHARMA:

Will the Minister of Commerce and Industry be pleased to state:

- (a) the key objectives and targets set under the Foreign Trade Policy (FTP) 2023 and the progress achieved so far in its implementation, the details thereof;
- (b) the impact of the FTP 2023's focus on emerging areas such as e-commerce exports, green technology, and District as Export Hubs, the details thereof; and
- (c) whether any monitoring and evaluation mechanisms are in place to assess the effectiveness of the FTP 2023 to align the policy with evolving global trade dynamics, if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI JITIN PRASADA)

(a) & (b) India's Foreign Trade Policy (FTP) 2023 is structured to enhance export competitiveness, manufacturing, and value addition, contributing to India's goal of becoming a \$5 trillion economy. By streamlining trade processes, expanding market access, and integrating domestic industries into global supply chains, the policy supports economic growth, employment generation, and the Make in India initiative.

Exports have played a crucial role in economic expansion, growing to \$778 billion in 2023-24, with trade as a percentage of GDP increasing from 15.5% in 1990 to 45.8% in 2023-24. Expanding trade strengthens India's position as a key player in the global economy while enabling industries to scale up production and boost international competitiveness. In recent times several policy measures and digital initiatives have been introduced to support manufacturing, facilitate trade, and improve export infrastructure:

Expanding Digital Trade & Global Market Access:

- (i) The Trade Connect e-Platform serves as a one-stop trade resource, linking Indian Missions, the Department of Commerce, Export Promotion Councils, and global buyers, offering tariff insights, trade agreements, market intelligence, and export training.
- (ii) Chapter 9 of FTP 2023 promotes Cross-Border Trade in the Digital Economy, facilitating E-Commerce Export Hubs (ECEH) that integrate logistics, certification, and fulfilment services, enabling small businesses and artisans to participate in global trade.

Encouraging Value Addition in Manufacturing:

- (i) The Diamond Imprest Authorization (DIA) Scheme (effective 01.04.2025) supports duty-free import of cut and polished diamonds, strengthening India's position in the global gems and jewellery industry.
- (ii) The RoSCTL and RoDTEP Schemes facilitate cost-effective manufacturing in labour-intensive and high-value sectors, ensuring duty remission on 10,642 tariff lines and improving export competitiveness.

Enhancing Trade Facilitation & Export Infrastructure:

- (i) Self-certification for Export Remittance reconciliation (e-BRC process) has made export documentation paperless, reducing costs and improving efficiency.
- (ii) The Video Conference-based Virtual Interface (Jansunwai) provides faceless grievance redressal, making it easier for exporters to address trade concerns.
- (iii) The Market Access Initiative (MAI) and Trade Infrastructure for Export Scheme (TIES) improve trade-related infrastructure, enabling smoother export processes and reducing logistical constraints.

These initiatives collectively aim to increase India's share in global trade, attract foreign investment, and ensure a strong foundation for achieving economic growth and industrial expansion.

In the area of capacity building and e-commerce expansion, DGFT has actively collaborated with leading platforms such as Amazon India, Shiprocket, and DHL to onboard new exporters. Extensive training sessions have been conducted on packaging, branding, and marketing to enhance global competitiveness and equip MSMEs with the necessary skills for export success.

Chapter 9 of the Foreign Trade Policy (FTP) 2023 focuses on advancing cross-border trade within the digital economy by introducing E-Commerce Export Hubs (ECEH). These hubs aim to simplify regulatory and logistical procedures by offering integrated services, including

storage, packaging, certification, testing, and expedited logistics. As of date, five projects have been approved for the pilot implementation phase under the E-Commerce export hub scheme.

For the green technology products exports, the Export Promotion Capital Good Scheme provides for a reduced specific export obligation of 75% instead of 100% export obligation to facilitate the import of Capital Goods duty-free required for manufacturing of the following green technology export products.: (i) Solar Energy Generating Systems and parts/Equipments thereof, (ii) Wind Energy Generating Systems and parts/equipment thereof, (iii) LED lights of various kinds, (iv) Vapour Absorption Chillers, (v) Waste Heat Boiler, (vi) Waste Heat Recovery Units, (vii) Unfired Heat Recovery Steam Generators, (viii) Water Treatment Plants, (ix) Battery Electric Vehicles (BEV) [other than Hybrid Electric Vehicles (HEVs) and Plug-in Hybrid Electric Vehicle (PHEV)] of all types, (x) Vertical Farming equipment, (xi) Wastewater Treatment and Recycling, (xii) Rainwater harvesting system and rainwater filters, and (xiii) Green Hydrogen.

In the domain of e-commerce exports, DGFT's collaboration with major e-commerce platforms has enabled small businesses to explore new export opportunities. Training sessions and capacity-building programs have provided MSMEs with the knowledge and tools required to navigate global digital trade channels successfully.

The Districts as Export Hubs (DEH) initiative has played a vital role in strengthening district-level exports. Each district is being positioned as a key contributor to national export growth. Additionally, under the Grassroots Initiatives for Development (GRID) program in collaboration with Exim Bank, 59 middle-export districts have received targeted support for capacity-building, export diversification, and addressing sector-specific challenges.

(c) A structured monitoring and evaluation framework has been established to assess the effectiveness of FTP 2023 and ensure alignment with evolving global trade dynamics.

From time to time, the Department of Commerce as well as the Directorate General of Foreign Trade conducts stakeholder consultations and meetings to seek views and feedback on FTP with various Export promotion Councils and Industry bodies and associations, and financial institutions.

Further, the Regional Offices of DGFT conduct outreach programs to seek views on the evaluation of the provisions of Foreign Trade Policy with new and potential exporters as well as outreach on programs like 'Districts as Export Hubs' initiative with 'industry partners', 'knowledge partners' and other stakeholders to create vibrant District-Product-Market relevant knowledge ecosystem. For the District as Export Hub Scheme, performance metrics and reporting mechanisms have been established to track export volume growth from identified districts. Periodic reviews and data-driven analysis help assess the impact of outreach events and exporter onboarding programs, ensuring continuous improvement and adaptability.

For the issues related to the MSME sector, a dedicated inter-ministerial committee has been set up to examine trade-related issues and grievances which have policy ramifications, so that faster policy decision-making can be done with a whole of the Government approach. Additionally, DGFT actively engages with banks, logistics partners, e-commerce stakeholders, and trade promotion bodies to evaluate the policy's impact and effectiveness.
