

India can break into top 5 rank in farm exports

India can break into the top five rank in world export of agriculture and allied products if we organise our small & marginal farmers into farmer producer companies and increase their scale of operations. Currently, India ranks ninth in world export of agro commodities after USA, EU, Brazil, China, Canada, Indonesia, Argentina and Mexico.

In recent years, India's export of agro commodities have been growing considerably on the back of strong growth in shipment of cereals, fruits & vegetables, meat and marine products. In 2021-22, India's farm exports grew 20% to USD 50 billion from USD 41 billion in the previous year, which already witnessed 17% growth in agro exports

Rice is a major commodity of exports in the agro basket, with total outbound shipment of USD 9.6 billion or almost 10% higher than in FY21. Export of wheat rose 273% to USD 2.1 billion, while fresh fruits and vegetables grew 12% to USD 1.6 billion. Similarly, export of processed food and vegetables expanded 7% to USD 1.2 billion.

Strategies to grow farm exports

India can maintain this strong export in farm products, especially in categories such as ready-to-eat snacks, ready-to-serve food, food ingredients, non-alcoholic beverages etc.

Secondly, India needs to encourage small and marginal farmers to organise into farmer producer companies and aggregate their production, marketing and procurement activities to attain economies of scale.

Krishi Vigyan Kendras in every district may train farmers in producing export-ready goods, which conform to the product specifications such as colour, shape, size, maximum pesticides residue as prescribed in foreign countries.

Currently, our major export markets for farm products are USA, UAE, Bangladesh, Vietnam, Nepal, Malaysia, Saudi Arabia, Iran and Egypt.

There is a need for strengthening post harvest processing and quality testing infrastructure in rural areas. The state governments, along with APEDA may set up packhouses, cold storage facilities and quality certification labs near farm gates so that our farmers can access these facilities cost effectively.

India needs a coordinated approach among state governments, industry associations, agriculture research institutions and export promotion councils such as APEDA, MPEDA to boost export of agriculture and allied products.

Every state government has prepared district export development plan for every district based on identification of focus product in the respective district. Such district plans may be effectively implemented in close coordination with DGFT, export promotion councils and agriculture research institutions.

Only with such a coordinated approach can India become one of the top five exporters of agro products in the world.

Notifications

Press Information Bureau

Indian banana gets market access in Canada

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1815141>

Government identifies 50 agro products with strong export potential

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1815164o>

Export policy for MSMEs

<https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=1811827>

Women owned MSMEs

<https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=1811828>

Free Trade Agreements

<https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=1814151>

RBI

RBI invites comments on draft guidelines for settlement of payments against small value export and import through e-commerce

https://m.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53530