GOVERNMENT OF INDIA MINISTRY OF FOOD PROCESSING INDUSTRIES

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UNSTARRED QUESTION NO. 3912

ANSWERED ON 04TH APRIL, 2025

COMPETITIVENESS OF INDIA'S FOOD PROCESSING SECTOR IN GLOBAL MARKET

3912. SHRI LAHAR SINGH SIROYA:

Will the Minister of *FOOD PROCESSING INDUSTRIES* be pleased to state:

- (a) in what manner the Ministry is ensuring that India's food processing sector remains competitive in global markets;
- (b) the steps being taken to enhance branding and marketing support for Indian food products internationally;
- (c) whether any new trade agreements or export promotion strategies are being developed to facilitate market access for Indian food products; and
- (d) if so, the details thereof?

ANSWER

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES (SHRI RAVNEET SINGH)

- (a) & (b): For overall development of Food Processing Sector, Ministry of Food Processing industries (MoFPI) through implementation of various schemes supports the creation and expansion of the processing/preservation capacity, including creation of modern infrastructure with efficient supply chain management from farm gate to retail outlet. The schemes implemented by MoFPI are as follows:
- i. Central Sector umbrella scheme- Pradhan Mantri Kisan Sampada Yojana (PMKSY)
- ii. Centrally sponsored "PM Formalization of Micro Food Processing Enterprises (PMFME) Scheme"
- iii. Central Sector Production Linked Incentive Scheme for Food Processing Industries (PLISFPI) These schemes aim for creation of modern infrastructure, which includes storage, transportation, enhancing product quality and safety standards etc. thus, provide competitive advantage to units engaged in production and export of processed food.

The PLISFPI, specifically intends to support creation of global food manufacturing champions and support Indian brands of food products in international market. The Scheme is operational for a period from 2021-22 to 2026-27 with an outlay of Rs. 10,900 crores. One of the component of the scheme provides support for branding and marketing abroad to incentivise emergence of strong Indian brands for in-store Branding, shelf space renting and marketing.

(c) & (d): Government is adopting multipronged strategy to provide support to Indian exporters including exporters of processed food products. These include expanding market access and

diversifying export destinations, addressing tariff and non-tariff barriers through bilateral and multilateral engagements, and negotiating Free Trade Agreements (FTA) to create new trade opportunities.

India has recently signed trade agreements with United Arab Emirates (UAE), Australia and European Free Trade Association (EFTA). At present, India is a member of 13 FTAs and 9 Preferential Trade Agreements (PTAs) apart from the ongoing negotiations with the European Union, the United Kingdom, and Oman. Based on the experience of earlier trade agreements, review of FTAs with Japan, the ASEAN (Association of Southeast Asian Nations)-India FTA etc are also underway. In all these trade agreements, India has been granted preferential benefits to enhance market access for Indian merchandise goods including processed food items. These agreements also include provisions on Technical Barriers to Trade (TBT) to promote mutual understanding of each sides' standards, technical regulations, and conformity assessment procedures and measures to enhance transparency. Additionally, institutional mechanisms have been set up under these agreements to address non-technical barriers, thereby facilitating smoother and more effective access to these export markets for Indian merchandise goods including processed food items.

The Government has taken various proactive measures aimed at enhancing domestic capacities, boosting exports, diversifying supply chains, exploring alternate sources of imports and fostering competitiveness.

The Agricultural & Processed Food Products Export Development Authority (APEDA) provides financial assistance to the exporters of its scheduled products under its Agriculture and Processed Foods Export Promotion Scheme, for the 15th Finance Commission Cycle (2021-22 to 2025-26) in three components: (i) Development of Export Infrastructure, (ii) Quality Development, (iii) Market Development.

Certain initiatives for export promotion across sectors including food processing sector include Remission of Duties and Taxes on Exported Products (RoDTEP) scheme, Trade Infrastructure for Export Scheme (TIES), Market Access Initiatives (MAI) Scheme, Common Digital Platform for Certificate of Origin, Trade Connect e-Platform etc. The Foreign Trade Policy effective from April 01, 2023 is designed to integrate India more effectively into the global market, improve trade competitiveness, and establish the country as a reliable and trusted trade partner.

MoFPI also organizes the 'World Food India' event which serves as a global platform to showcase India's immense potential in the food processing sector, highlighting policy support, infrastructure, and emerging opportunities. The event brings together global and domestic investors, food processors, technology providers, and policymakers to facilitate partnerships and collaborations. This comprehensive approach is designed to attract investments, enhance technology transfer, promote exports and foster job creation in the sector.
