

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

LOK SABHA
STARRED QUESTION NO. 64
TO BE ANSWERED ON 26th JUNE, 2019

TRANSPORT SUBSIDY TO AGRICULTURAL EXPORTS

*64. SHRI Y.S. AVINASH REDDY:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) whether the Government proposes to increase the agricultural exports by providing transport subsidies to the exporters/States;
- (b) if so, the details thereof; and
- (c) the details of the other subsidies being given by the Government to export agencies to encourage exports?

ANWSER

वाणिज्य एवं उद्योग मंत्री (श्री पीयूष गोयल)

THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI PIYUSH GOYAL)

a) to c): A Statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (c) OF LOK SABHA
STARRED QUESTION NO. 64 FOR ANSWER ON 26th JUNE, 2019
REGARDING "TRANSPORT SUBSIDY TO AGRICULTURAL EXPORTS".**

(a) & (b) Yes, Sir. The Government has brought out a new Central Sector Scheme – ‘Transport and Marketing Assistance for Specified Agriculture Products’ - for providing assistance for the international component of freight, to mitigate the freight disadvantage for the export of agriculture products, and marketing of agricultural products. The assistance under the Scheme is likely to result in higher exports of branded agriculture products in overseas markets, through enhanced competitiveness. The Scheme was notified on 27th February 2019.

The assistance under the Scheme is available to exporters of specified agricultural products. The Scheme covers all the agricultural products, falling under Chapters 1 to 24 of ITC (HS) Code List, with the exceptions as listed at **Annexure-I**.

For export of products by sea, the assistance is based on the freight paid for full Twenty-foot Equivalent Unit (TEU) containers. Assistance for products exported by air is based on per tonne freight charges on net weight of the export cargo, calculated on the full ton basis, ignoring any fraction thereof.

The Tea Board also has a ‘Scheme for assisting tea exporters towards meeting additional transport & handling charges being incurred for teas exported through ICD Amingaon’. The Scheme is for compensating exporters who are shipping teas from the I.C.D. Amingaon, Assam, taking into account the fact that the additional charges being levied by the shipping companies towards transportation and terminal handling charges, arising out of the empty haulage of the containers during the return journey from the port of shipment to Amingaon, affects export competitiveness. Financial assistance by way of incentive towards export of tea through ICD, Amingaon is at Rs.2.00 per kg of tea.

The Coffee Board, under its Integrated Coffee Development Project, also provides transit/freight assistance for the following:

- i) Rs. 2/- perkg.forthexportofHighValueGreen Coffeestofaroff high-value markets viz., USA, Canada, Japan, Australia, New Zealand, South Korea,Finland and Norway.
- ii) Rs.3/- perKg.forexportof Value AddedCoffeesinretailconsumerpacks exported as “India Brand”.

(c) Promoting exports of agricultural products from the country is a continuous process. Various measures to increase agricultural exports, both strategic and operational, have been included in the newly introduced Agriculture Export Policy. The Department of Commerce also has several schemes to promote exports, including exports of agricultural products, viz. Trade Infrastructure for Export Scheme (TIES), Market Access Initiatives (MAI) Scheme, Merchandise Exports from India Scheme (MEIS) etc. In addition, 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. These organisations also seek to promote exports through participation in international fairs & exhibitions, taking initiatives to gain market access for different products in different markets, dissemination of market intelligence, taking steps to ensure quality of exported products etc.

Annexure-I

Chapter	HS Codes	Description
Chapters 1, 2 & 5	All HS Codes	- Live animals - Meat and Edible Meat Offal - Products of Animal Origin, not elsewhere specified or included
Chapter 3	030617	- Other shrimps and prawns :
Chapter 4	0401	-Milk and cream, not concentrated nor containing added sugar or other sweetening matter
	0402	- Milk and cream, concentrated or containing added sugar or other sweetening matter
	0403	- Buttermilk, curdled milk and cream, yogurt, kephir and other fermented or acidified milk and cream, whether or not concentrated or containing added sugar or other sweetening matter or flavoured or containing added fruit, nuts or cocoa
	0404	- Whey, whether or not concentrated or containing added sugar or other sweetening matter; products consisting of natural milk constituents, whether or not containing added sugar or other sweetening matter, not elsewhere specified or included
	0405	- Butter and other fats and oils derived from milk; dairy spreads
	0406	- Cheese and curd
Chapter 7	0703	- Onions, shallots, garlic, leeks and other alliaceous vegetables, fresh or chilled
Chapter 10	1001, 1006	-Wheat And Meslin -Rice
Chapters 13 & 14	All HS Codes	- Lac; Gums, Resins and other Vegetable Saps and Extracts - Vegetable Plaiting Materials; Vegetable Products not elsewhere specified or included
Chapter 17	1701, 1703	-Cane Or Beet Sugar And Chemically Pure Sucrose, In Solid Form - Raw Sugar Not Containing Added Flavouring Or Colouring Matter ; -Molasses resulting from the extraction or refining of sugar
Chapters 22 and 24	All HS Codes	- Beverages, Spirits and Vinegar - Tobacco and Manufactured Tobacco Substitutes
