

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

STARRED QUESTION NO:88
ANSWERED ON:23.11.2001
DECLINE IN EXPORT OF TEA
KAMAL NATH;RAMSHETH THAKUR

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

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(a) whether tea export has suffered a set back during the first eight months of the current year as compared to the corresponding period of last year; (

(b) if so, the reasons for decline in tea export; (

(c) the total drop in tea export as compared to the figures of last two years; (

(d) the total monetary loss suffered as a result thereof; and (

(e) the steps taken or proposed to be taken to improve the export of tea?

Answer

MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

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

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. 88 TO BE ANSWERED ON 23.11 REGARDING DECLINE IN EXPORT OF TEA.

(a) : Yes sir. There has been a decline in export of tea in quantity and value terms during the first eight months viz. January-August 2001 compared to the corresponding period last year. The details of export of tea are given below:-

(Qty. in Mn. kgs.)

(Value in Rs. Crore and US \$ Million)

Period 2001 2000 Inc(+) or Dec(-) in 2001 over 2000

Qty. Value	Qty. Value		
(Rs.) (US\$)	(Rs.) (US\$)		

Jan-Aug.	116.70	1056.00	225.46	128.12	1171.24	265.04	(-)11.42
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(b) : The main factors accounting for decline in export of tea include increase in import duty on tea by various countries like Russian Federation, ban on import of tea into Iran, stiff competition from other exporting countries such as Sri Lanka, Kenya, Indonesia, China and Vietnam and setback in countries like UK, Poland, Canada, UAE, Iraq, Egypt, Libya, Turkey, Sri Lanka, Japan and Australia.

(c)&(d): The export of tea (in quantity terms) had declined in 1999, but increased in 2000. However, there has been a continuous decline in export of tea in value terms. The details of export for the last three years including loss are given below:

Year	Quantity	Value	Value	% Loss
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	(in Mn.Kgs)	(in Rs.Crores)	(in US \$ Mn)	Rs.	US \$
1998	201.34	2309.44	559.74		
1999	191.72	1965.87	456.59	-14.87	-18.42
2000	206.82	1898.61	422.46	-3.42	-7.47

(e) : The Government/Tea Board has taken various steps to promote Indian Teas in the overseas markets which include registration of Tea Board logo and speciality Tea Logo in major tea importing countries, improving quality of Indian tea, remove bottlenecks in exports to individual markets, participation in major trade fairs/exhibitions abroad; lending promotional support to Indian exporters in marketing Indian brands, field sampling at speciality stores and in principal markets; media campaign to increase consumer awareness of speciality Indian teas and to popularise the Tea Board marketing symbol and exchange of tea delegations etc. Tea Board has also engaged a consultant for preparation of a medium term export strategy on tea for the next five years.