

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:191
ANSWERED ON:19.11.2001
IMPACT OF IMPORT OF AGRICULTURAL PRODUCTS
UMMAREDDY VENKATESWARLU

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government have conducted any study on the impact of liberalized imports of agricultural products on Indian agriculture;
- (b) if so, the details thereof;
- (c) if not, the timeframe by which such a study is likely to be conducted;
- (d) the steps the Government propose to take to safeguard the interests of Indian farmers; and
- (e) the steps proposed to be taken to increase the competitiveness of Indian farmer, so as to face the challenges of agricultural imports effectively?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a) to (c): The Government has not conducted any specific study on the impact of liberalized import of Indian agricultural products. However, the Government is continuously monitoring the import of all sensitive items including the agricultural products. A Committee of Secretaries headed by the Commerce Secretary closely monitors the import of all sensitive items including agricultural products.

(d): In order to ensure that the farmers of the country are not put to any hardship, the Government has put in place a suitable mechanism for monitoring the import of sensitive items and is committed to providing adequate protection to the domestic producers by resorting to various WTO compatible measures which include appropriate calibration of applied tariffs within the bound levels, imposition of anti-dumping, countervailing duties and safeguard action under certain specified circumstances.

As a sequel to these measures, during the year 2001-02, the import duty on edible oils (both crude and refined) tea, coffee, copra and coconut and certain other agricultural commodities has been increased. Presently, milk powder and poultry meat and chicken legs attract an enhanced import duty @ 60% and 100%, respectively.

(e): The new EXIM Policy of the Government envisages safeguards to protect the domestic farmers from the indiscriminate imports of agricultural commodities into the country. These safeguards include:

- Imports of agricultural products like wheat, rice, maize, other coarse cereals, copra and coconut oil have been placed in the category of State Trading. The nominated State Trading Enterprise will conduct the imports of these commodities solely as per commercial considerations.
- Import of all food products will be subject to compliance of all the provisions of Food Adulteration Act and Rules thereunder.
- Import of meat and poultry products will be subject to compliance of all the provisions of Meat Food Product Order.
- Import of tea waste will be subject to compliance of Tea Waste (Control Order).
- Care has been taken to ensure a level playing field to domestic producers vis-à-vis imports. In conformity with the 'National Treatment Principle' of GATT, imports have also been made subject to the following domestic regulations:
- No import of textile material using the prohibited dyes like azo dye shall be allowed. For this purpose, a pre-shipment inspection certificate has been made mandatory.
- To ensure that import of agricultural products do not lead to unwanted infiltration of exotic diseases and pests in the country, it has been decided to subject import of primary products of plant & animal origin to 'Bio Security & Sanitary and Phyto-sanitary permit' to be issued by the Department of Agriculture & Cooperation. This permit will be based on import Risk analysis of the product to be

conducted on scientific principles, in accordance with the WTO Agreement on Application of Sanitary and Phyto-Sanitary Measures.