GOVERNMENT OF INDIA COMMERCE AND INDUSTRY LOK SABHA

UNSTARRED QUESTION NO:3757 ANSWERED ON:19.04.2005 ANTI DUMPING DUTY

Rao Shri Sambasiva Rayapati;Reddy Shri Magunta Sreenivasulu;Vallabbhaneni Shri Balashowry;Yadav Shri Anirudh Prasad (Sadhu)

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

- (a) whether sea-food exports from India are affected due to anti dumping duty by USA;
- (b) if so, the details thereof;
- (c) whether representations from Indian Shrimp Industry have been received to plead with the US Government for revocation of antidumping laws;
- (d) if so, the details thereof and action taken thereon alongwith response of US Government;
- (e) whether the MPEDA and FAO have assessed the huge losses this industry suffered due to Tsunami;
- (f) if so, the details thereof;
- (g) if so, the measures taken by the government to help this industry (Tsunami affected and Non-Tsunami affected region) in exporting their product and also on FAO recommendations;
- (h) whether the annual supplement to the foreign trade policy is expected to contain incentives to marine sector; and
- (i) if so, the details thereof and measures taken to promote marine sector export alongwith details of exports for the three years?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN)

- (a): Exports of shrimps from India to the USA has been affected due to anti-dumping duty imposed by USA.
- (b): As per the provisional export figures provided by the Marine Products Export Development Authority (MPEDA), the exports of our marine products to the USA during April, 04 to January,05 amounted to US \$ 292.66 million showing a negative growth of 11.8% over the corresponding period of the last year. In quantitative terms, it was 42,488 tonnes showing a decline of 10.4% during the same period.
- (c): Yes, Sir.
- (d): MPEDA and the Seafood Exporter Association of India (SEAI) have been defending the interests of the Indian seafood industry. Government have been providing all necessary assistance in this regard the matter has also been taken up at political level and a high level team consisting of Minister of State for Commerce & Industry and Commerce Secretary were deputed to USA to impress upon them for revocation of anti dumping duty on account of Changed Circumstances Review due to Tsunami devastation. According to the procedure laid down, the US Government is likely to take a view as to whether the changed circumstances are sufficient to warrant review of its decision.
- (e) to (g): As per information collected by the field offices of MPEDA, the Department of Animal Husbandry and Dairying and the concerned State Governments, the approximate damage reported in the Tsunami affected areas is traditional and mechanized boats lost or damaged (68,000); fishing nets (2,02,000); aqua farms damaged (5,700 hectares); and hatcheries (57). The estimated loss suffered by shrimp farms and hatchery units is Rs. 16.42 crore and Rs. 3.01 crore respectively. Besides, damage has been reported to the marine products processing facilities also. Food and Agriculture Organisation (FAO) with other few international bodies have also carried out survey on the impact of Tsunami in the affected countries. Their report indicates extensive damage in southern regions of India.

Government has been taking necessary steps to build up infrastructure facilities. Further, the Government through MPEDA has been implementing a number of schemes to boost the exports of marine products. These schemes include schemes for extending financial assistance to the seafood processing industry; steps to upgrade processing facilities to meet international standards of hygiene and quality; expansion of aquaculture; imparting training to aquaculture farmers to adopt sound management practices to prevent outbreak of diseases; assistance to produce value-added products for export; marketing support; etc.

- (h) & (i): In the annual supplement to the Foreign Trade Policy announced (2004-09), the Government has already announced a Package for Marine sector consisting the following:
- (i) Duty free import of specified specialised inputs /chemicals and flavouring oils etc. to be allowed to the extent to 1% of FOB value of preceding financial years export.
- (ii) To allow import of monofilament long line system for tuna fishing at a concessional rate of duty.
- (iii) A self removal procedure for clearance of seafood waste to be applicable subject to prescribed wastage norms.

As per the provisional export figures provided by MPEDA, the exports of our marine products during the last three years have been as follows:

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Year Exports of Marine Products (In million US Dollars)
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2002-03 1424.90 2003-04 1330.76

2004-05(upto Feb.`05)(Provisional) 1299.88