

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

STARRED QUESTION NO:254

ANSWERED ON:14.03.2011

AGRI EXPORT ZONES H

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

- (a) the objectives for setting up of Agri Export Zones (AEZs);
- (b) the number of AEZs functioning in the country, State-wise;
- (c) whether certain deficiencies/irregularities have been noticed in the implementation of the scheme;
- (d) if so, the details thereof; and
- (e) the remedial steps taken/proposed to be taken by the Government in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI ANAND SHARMA)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO 254 FOR ANSWER ON 14TH MARCH 2011 REGARDING "AGRI EXPORT ZONES"

(a) Agri Export Zones (AEZs) were set-up with the following objectives:

To develop processing and packaging of raw materials leading to final export.

To upgrade or improve the infrastructure in the country to reduce post harvest losses, maximize shelf life of goods and upgrade the quality to international standards.

To improve processing and packaging, better price realization of agriculture and food products in exports and value addition of goods.

To increase the production of agriculture and food products by increasing productivity and improving quality.

(b) A list of AEZs sanctioned so far in the country is Annexed.

(c & d) A peer evaluation of the existing AEZs was carried out in 2005 to assess the performance of AEZs. Some of the important findings of the peer evaluation include i) Lack of ownership by Government Authority and their Agencies, ii) Lack of awareness about the scheme and its conceptual framework among stakeholders including State Government field establishments, iii) Lack of project orientation in the conceptual design of AEZ, iv) Lack of coordination/ monitoring system in AEZs, v) Non materialization of adequate public investment from Central and State Governments, vi) indiscreet proliferation of AEZs etc.

(e) The remedial action plan mainly aims at creating institutional/ administrative mechanism for coordinating and monitoring the implementation of AEZs and short listing of a few AEZs for special focus for their revival as well as to make them model AEZs.

Accordingly, the Department of Commerce selected 4 AEZs (Flowers in Sikkim, Mango in Andhra Pradesh, Pineapple in West Bengal and Ginger in Assam) for infrastructure development to boost exports from these states. The Department approved a financial outlay of Rs.48.85 crores for execution of 16 infrastructure projects under Assistance to States for Development of Export Infrastructure and Allied Activities (ASIDE) Scheme in the 4 AEZs mentioned above.