

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

UNSTARRED QUESTION NO:661
ANSWERED ON:23.11.2009
FOREIGN TRADE POLICY
Majhi Shri Pradeep Kumar

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

- (a) whether the Government has identified agriculture, handlooms, handicrafts, gems and jewellery, leather and marine sectors for special promotion under the Foreign Trade Policy (FTP) 2004-09;
- (b) if so, the details in this regard;
- (c) whether the Government has made any assessment to evaluate the progress registered by each of these sectors after implementation of FTP 2004-09;
- (d) if so, the details in this regard, sector-wise;
- (e) whether the Government proposes to bring out new Foreign Trade Policy in view of the assessment of FTP 2004-09; and
- (f) if so, the details thereof alongwith corrective measures being taken by the Government after the evaluation of these sectors?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a) & (b) While the endeavour of the Government is to improve the overall export performance of the country; agriculture, handlooms, handicrafts, gems and jewellery, leather and marine sector have been identified in the Foreign Trade Policy 2004-09 for special promotion. In this regard, under the Foreign Trade Policy 2004-09, Vishesh Krishi and Gram Udyog Yojana incentives were extended to agriculture, handicraft and marine sectors, while Focus Product Scheme benefits were extended to Handloom Mark products.

(c) to (f) On account of Global Recessionary trend, the exports in later half of 2008-09 have shown a declining trend, which is still continuing during 2009-10. Hence sector wise assessment to evaluate the progress registered by each sector was carried out and based on the need of the export sectors which were adversely impacted by global slowdown, the benefits have been continued, or expanded and deepened in Foreign Trade Policy 2009-14 (announced on 27.8.2009). All Handloom, Leather products have been incentivized under Focus Product Scheme where the benefit has been enhanced from 1.25% to 2%. A significant feature of the Foreign Trade Policy 2009-14 is to diversify the markets, in view of which Marked Linked Focus Product Scheme and Focus Market Scheme have been expanded with higher benefits of 2% (instead of earlier 1.25%) and 3% (instead of earlier 2.5%) respectively. Higher incentives have also been given to Handicraft, Marine, some Fruits Vegetables & Flowers, Handmade Carpets, Sports Goods many of which have been adversely affected by global slowdown.

It is the endeavour of the government to promote exports in line with the comparative advantage and the emerging situation in the domestic and international markets, for which various schemes are announced in the Foreign Trade Policy 2009-14, the complete details of which are given in the website; www.dgft.gov.nic.in.