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Title : Issue regarding import of pepper from Sri Lanka under Free Trade Agreement.

SHRI M.P. VEERENDRA KUMAR (CALICUT): Sir, under the Free Trade Agreement between India and Sri Lanka, pepper can be imported without paying any duty. Pepper imported from Sri Lanka has registered a steep increase because of this exemption from import duty. These are the figures: In 2000-01 it was 1759 tonnes; in 2001-02, it was 1241 tonnes and in 2003-04, that is immediately after the import duty was removed, it was 6099 tonnes, which was an 600 per cent increase.

Sir, according to reports, Sri Lanka produces seven to eight thousand tonnes of pepper a year. The domestic consumption of pepper in Sri Lanka is 4800 tonnes. That means, Sri Lanka can export only around 3,000 tonnes of pepper a year. However, their export of pepper only to India is much higher than that. This shows that through Sri Lankan ports other countries are exporting pepper to India and because of this the price of eapper is crashing down. The quality of pepper being imported is also inferior.

Sir, we produce the best quality of pepper in the world and the Malabar pepper is one of the best varieties. According to traders, each bag of 50 kg of imported pepper contains 1.5 kg of dust and moisture, which is 14 per cent. As per the Prevention of Food Adulteration Act, the permissible limit of moisture in pepper is only 12 per cent. Unfortunately, papper imported from Sri Lanka is mixed with our pepper and is exported to other countries and therefore, the quality of our pepper is also been challenged. Our trade name has been misused by others and we are losing our world market.

Sir, I would like to urge upon the Central Government to take immediate steps in this regard and stop the import of pepper to save our farmers.

MR. SPEAKER: The turn of those hon. Members who have already raised matters this week will come at 6 p.m.