

AIR Spotlight - Rise in Export of Agricultural & Processed Food Products

AIR Spotlight is an insightful programme featured daily on the All India Radio Newsonair. In this program, many eminent panellists discuss issues of importance which can be quite helpful in [IAS exam](#) preparation. In this article, the topic of discussion is the rise in agricultural exports in India.

Participants:

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Context

- India witnessed significant growth in agricultural exports in the first quarter of 2021-22 (April-June) despite the COVID-19 pandemic and related restrictions.

Introduction

- The agricultural exports in products such as rice, meat, cereals, and dairy items increased 44.3 percent to USD 4.81 billion during April-June 2021.
- According to the data released by the Directorate General of Commercial Intelligence and Statistics (DGCI&S), the export of rice showed positive growth of 25.3 percent while the export of meat, dairy & poultry products witnessed an increase of 111.5 percent.
- It was also reported that India witnessed a huge 415.5 percent jump in the export of other cereals. It includes various coarse cereals such as Jowar, Ragi, and Bajra.

Significance and Outlook

- India has significantly increased its exports to the European market which has stringent quality standards. This has been observed with the increase in the exports of Basmati rice.
- With adequate rainfall this year, the performance is expected to improve further.
- Additionally, the meat, dairy & poultry industries have been free from any adverse diseases and hence show the potential to continue this robust trend.

The Role played by APEDA

- Experts have attributed the rise in exports to the active role played by the [Agricultural & Processed Food Products Export Development Authority \(APEDA\)](#) and its initiatives for the promotion of agricultural and other processed products.

- APEDA has organised various B2B exhibitions in potential markets along with product specific marketing campaigns with the involvement of Indian Consulates.
- Efforts have been made to promote goods having the [Geographical Indications \(GI\) tag](#) in India by organising Virtual Buyer Seller Meets (VBSM) with potential countries.
- APEDA has also stepped up the quality certification infrastructure in the country by recognition and up-gradation of laboratories for export testing and residue monitoring.
- It also organises international trade fairs and national events like AAHAR, Organic World Congress to ensure a platform for the agricultural exporters in the country to market their products.
- The significant increase in the exports of meat, dairy & poultry products is attributed to the registration of meat processing plants and abattoirs for ensuring food safety and quality requirements.
- Additional efforts to implement the traceability systems, information transfer to exporters regarding the market access have helped the growth of exports in the EU and other West Asian countries.

Challenges

- The mismatch between the actual producers and the agencies involved in exports has delayed the policy transmission.
- The unorganized nature of the meat, dairy & poultry industries has affected better unit value realisation.
- Uncertainty around the recently passed [farm laws](#) has also affected investments in agricultural infrastructure.
- Lack of seamless connectivity including the critical infrastructures such as cold storage facilities might impact the sustained growth of the exports.

Way Forward

- Efforts need to be made to diversify the agricultural export basket further and move up the value chain by laying emphasis on the food processing sector.
- Ensure better coordination between the Centre and the States. A representative body such as the GST Council can be conceived for the agricultural sector for institutional cooperation.
- Significantly increase the investments in infrastructure, irrigation and market linkage for integrated development and aid export promotion.

Conclusion

- Agriculture accounts for a very small share in the total exports and India's potential is much more than that. The potential can be achieved by working towards the next stage of agricultural

exports and facilitating the integration with global trading hubs so that Indian farmers can achieve better unit value realisation.

