

'Mega SEZs to spur electronics exports'

In a bid to make India an export hub for electronics, the government plans to set up at least one SEZ or special economic zone in every State under the proposed electronic policy.

"The new policy will focus on making India an export hub," a senior IT Ministry official said. "It has been proposed that at least one mega SEZ be set up in each state, with emphasis on coastal economic zones."

'Africa, Europe focus'

Under the new policy, which was earlier expected to be out by March 2018, the government also plans to sign free trade agreements (FTAs) with countries, including those in Africa and Europe, to which India can export smaller electronic products.

"We import a lot of heavy engineering products from some western and European countries. There is a big market for smaller electronic products in these markets, which we can tap. So, we can work out an agreement with them," the official said.

In 2016, as part of a Make in India strategy for electronics, the government think-tank NITI Aayog had recommended that India "forge FTAs [towards creating a] duty free market for our electronic goods. At present, our approach with respect to FTAs is defensive because we are a much larger importer of electronic products than an exporter. But a switch to an export-oriented strategy would convert FTAs into an opportunity."

Push for CEZs

It had also recommended that Coastal Economic Zones (CEZs) be set up, similar to what China has done. Pointing out that India's numerous SEZs have not taken off in the way they did in China due to issues such as size and location, the Aayog had said large areas near the coast can be set aside for CEZs "in which a sound ecosystem for healthy growth of export-oriented firms is fostered."

India has set a target of net zero imports in electronics by 2020, in the meeting of which the new policy will play a crucial role. The draft of the policy, expected to be out soon, will outline a framework to make India a global leader in product verticals such as medical and automotive electronics, besides mobile phone and consumer electronics.

Deliberations with stakeholders on the revised policy started in September, following which nine sectoral working groups have been formed. The groups — with members from the industry and the Ministry — have been focussed on individual products such as mobile handsets, LED products, medical electronics, consumer electronics and automotive electronics, including electric vehicles.

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