

INDIA'S AGRICULTURAL AND PROCESSED FOOD PRODUCTS EXPORTS HAVE GROWN AT A STEADY PACE IN THE LAST DECADE NOTWITHSTANDING CHALLENGES

Relevant for: Indian Economy | Topic: Food processing and related industries in India: scope and significance, location, upstream and downstream requirements and supply chain management

India's agricultural and processed food exports have grown at a steady pace in the last decade notwithstanding several logistical challenges faced in the global trade of the commodities.

Exports of agricultural and processed food products under Agricultural and Processed Food Products Export Development Authority (APEDA) basket rose to USD 20,674 million (Rs 15,30,50 crore) during 2020-21, from USD 17,321 million (Rs 83,484 crore) in 2011-12, according to data by the Directorate General of Commercial Intelligence and Statistics (DGCI&S).

Non-Basmati Rice has emerged as India's top export item among the many agricultural and processed food product exports under APEDA basket, contributing close to one fourth of the total exports in 2020-21.

Top three products in the APEDA export basket in 2020-21 were Non-Basmati Rice (23.22% share), Basmati Rice (19.44%) and Buffalo Meat (15.34%) and these products together account for 58 per cent of total shipments.

India's Non-Basmati rice exports was valued at USD 4799.91 million (Rs 35,477 crore) in 2020-21, with Basmati Rice exports a close second at USD 4018.71 million (Rs 29,850 crore), followed by Buffalo Meat exports at USD 3171.19 million (Rs23,460 crore).

Benin, Nepal, Bangladesh, Senegal and Togo were the top importers of Non-Basmati Rice from India in 2020-21. **Major export destinations for Basmati Rice in 2020-21 were** Saudi Arabia, Iran, Iraq, Yemen and United Arab Emirates. For Buffalo Meat exports, the top importing nations were Hong Kong, Vietnam, Malaysia, Egypt and Indonesia.

“We continue to focus on creating infrastructure for boosting exports by focusing on clusters in collaboration with state governments while taking into consideration aim of Agriculture Export Policy, 2018,” Dr M Angamuthu, Chairman, APEDA, said.

APEDA has been engaged with State Governments for the implementation of Agriculture Export Policy. Maharashtra, U.P., Kerala, Nagaland, Tamil Nadu, Assam, Punjab, Karnataka, Gujarat, Rajasthan, Andhra Pradesh, Telangana, Manipur, Sikkim, Uttarakhand, M.P., Mizoram and Meghalaya have finalized the State Specific Action Plan for exports while the action plans of other States are at different stages of finalization.

According to World Trade Organization (WTO) data, India's agricultural exports touched USD 37,371 million in 2019 against USD 23,106 million in 2010, recording a compounded annual growth rate (CAGR) of 5.49 per cent during the last ten years. CAGR of the world's agricultural exports was 3.11 per cent during 2010 to 2019.

India's share in world agricultural exports stood at 2.1 per cent in 2019, moving up from 1.71 per

cent in 2010. However, India's rank in worldwide agricultural exports slipped to 16 in 2019 from 17 in 2010, according to data released by the World Trade Organization (WTO).

In terms of share of top ten products exports under APEDA basket, there has not been much change in the last one decade even as India's exports reached more countries across the world. The top ten APEDA exports in share terms in 2020-21 were Non-Basmati Rice (23.22%), Basmati Rice (19.44%), Buffalo Meat (15.34%), Miscellaneous Preparations (3.84%), Groundnuts (3.52%), Cereal Preparations (3.08%), Maize (3.07%), Wheat (2.66%), Processed Vegetables (2.43%), Processed Fruits, Juices & Nuts (2.07%) and Cashew Kernels (2.03%).

In 2011-12, the top ten APEDA export in share terms were Guar gum (19.89%), Basmati Rice (18.60%), Buffalo Meat (16.56%), Non-Basmati Rice (10.43%), Groundnuts (6.32%), Maize (6.21%), Cereal Preparations (2.26%), Fresh Onions (2.07%), Alcoholic Beverages (1.76%) and Processed Vegetables (1.47%).

In 2020-21, the top ten products in the APEDA export basket account for more than 78 per cent in total exports against 85 per cent in 2010-11.

Top ten APEDA exports in value terms during 2020-21 were Non-Basmati Rice (USD 4799.91 million / Rs 35,477 crore), Basmati Rice (USD 4018.71 million / Rs 29,850 crore), Buffalo Meat (USD 3171.19 million / Rs 23,460 crore), Miscellaneous Preparations (USD 793.08 million / Rs 5,866 crore), Groundnuts (USD 727.4 million / Rs 5,382 crore), Cereal Preparations (USD 635.75 million / Rs 4,706 crore), Maize (USD 634.85 million / Rs 4,676 crore), Wheat (USD 549.7 million / Rs 4,038 crore), Processed Vegetables (USD 502million / Rs 3,719 crore) and Processed Fruits, Juices & Nuts (USD 428million / Rs 3,173 crore).

Top ten APEDA exports in value terms during 2011-12 were Guar gum (USD 3446.37million / Rs 16,524 crore), Basmati Rice (USD 3222.31 million / Rs 15,450 crore), Buffalo Meat (USD 2869.36 million / Rs 13,757 crore), Non-Basmati Rice (USD 1806.03 million / Rs 8,659 crore), Groundnuts (USD 1094.25 million / Rs 5,246 crore), Maize (USD 1075.7 million / Rs 5,158 crore), Cereal Preparations (USD 392.21 million / Rs 1,889 crore), Fresh Onions (USD 359.36 million / Rs 1,723 crore), Alcoholic Beverages (USD 304.4 million / Rs 1,459 crore) and Processed Vegetables (USD 254.56 million / Rs 1,250 crore).

The rise in export of agricultural and processed food products has been largely due to the various initiatives taken by APEDA such as organizing B2B exhibitions in different countries, exploring new potential markets through product specific and general marketing campaigns by active involvement of Indian Embassies.

APEDA has also taken several initiatives to promote geographical indications (GI) registered agricultural and processed food products in India by organizing virtual Buyer Seller Meets on agricultural and food products with the major importing countries across the world.

In order to ensure seamless quality certification of products to be exported, APEDA has recognized 220 labs across India to provide services of testing to a wide range of products and exporters.

APEDA also assists in up-gradation and strengthening of recognized laboratories for export testing and residue monitoring plans. APEDA also provides assistance under the financial assistance schemes of infrastructure development, quality improvement and market development for boosting export of agricultural products.

APEDA organizes participation of exporters in the International Trade Fairs, which provides a

platform to the exporters to market their food products in the global marketplace. APEDA also organizes National events like AAHAR, Organic World Congress, BioFach India etc. to promote agri-exports.

APEDA also initiates registration of pack-houses for horticulture products for meeting the quality requirements of the international market. Registration of export units for peanut shelling and grading and processing units, for instance, is to ensure quality adherence for the EU and non EU countries.

APEDA carries out registration of meat processing plants and abattoirs for ensuring compliance with global food safety and quality requirements. Another key initiative includes development and implementation of traceability systems which ensure the food safety and quality compliances of the importing countries. For boosting exports, APEDA compiles and disseminates various international trade analytical information, market access information amongst exporters and address trade enquiries.

TABLE: Export Trend

Year	
	Rs Crores
	USD Million
2011-12	83484
	17321
2012-13	118251
	21740
2013-14	136921
	22707
2014-15	131343
	21489
2015-16	107483
	16421

2016-17	113858
	17022
2017-18	125858
	19524
2018-19	135113
	19407
2019-20	119401
	16700
2020-21	153050
	20674

Source: DGCIS, data about APEDA Products

PK/MS

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