

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

STARRED QUESTION NO:627

ANSWERED ON:10.05.2005

EXPORT OF PERISHABLE ITEMS

Chakraborty Shri Swadesh;Shandil Dr. (Col.) Dhani Ram

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

- (a) whether the Government has initiated steps to exploit the huge export potential in different states in marketing fresh and processed fruits and vegetables;
- (b) if so, the details thereof;
- (c) whether the Government is aware of the high container cost involved for transportation of such perishable items;
- (d) if so, whether the Government is considering grant of subsidy on export freight to enable them to compete in the international market; and
- (e) if so, the details thereof alongwith other incentives provided to boost such exports?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH)

(a): Yes, Sir. The Government is promoting export of fresh and processed fruits and vegetables through its ongoing schemes.

(b) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (b) to (e) OF THE LOK SABHA STARRED QUESTION NO. 627 FOR ANSWER ON 10th MAY 2005 REGARDING 'EXPORT OF PERISHABLE ITEMS'.

(b): The details are as under:-

(i) 39 Agri Export Zones (AEZs) have been set up in 19 states to promote export of fresh and processed fruits and vegetables. An investment of Rs.1018.85 crores is expected to be made by private sector, Central and State Governments in these AEZs during the next 3-5 years.

(ii) Incentives are provided to exporters on export of fresh and processed fruits and vegetables under the schemes, being implemented by Agricultural and Processed Foods Export Development Authority (APEDA), for Infrastructure Development, Market Development, Quality Development, Research & Development and Transport Assistance.

(c) Yes, Sir.

(d)&(e): Transport Assistance is being extended to exporters to mitigate the freight cost incurred by them on export of select fresh and processed fruits and vegetables to specified destinations. This includes expenses incurred on inland freight upto ports in reefer containers. The details of assistance admissible are given below:

Transport assistance for export of eligible items by air except fresh cut flowers.
10% of Free-On-Board (FOB) value or 25% of freight or the specific rate whichever is the least.
Transport assistance for export of eligible products exported in non-reefer containers by sea.
10% of FOB value or 25% of freight or the specific rate whichever is the least.
Transport assistance for export of eligible products exported in reefer containers by sea.
10% of FOB value or 33% of freight (inclusive of inland freight in reefer containers) or the specific rate or 50% of ocean freight whichever is the least.

Inland freight by reefer container (from factory to port) is included in the freight subject to fulfilment of specified conditions.

Other incentives provided to exporters are listed in reply to part (b) (ii) above.