

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

UNSTARRED QUESTION NO:2455
ANSWERED ON:14.03.2006
NATIONAL EXPORT INSURANCE ACCOUNT
Deora Shri Milind Murl

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

- (a) whether the Government propose to create a National Export Insurance Account(NEIA);
- (b) if so, the details thereof alongwith its aims and objectives; and
- (c) the manner in which it will make the balance of trade favourable?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH)

- (a) Yes, Sir. Government has decided to establish a National Export Insurance Account (NEIA).
- (b) The NEIA shall be maintained and operated by a public trust constituted by the Department of Commerce and the Export Credit Guarantee Corporation of India. A Committee of Directions (CoD), constituted under the Ministry of Commerce & Industry is the competent authority to approve the projects under the Scheme. The objective of the Scheme is to ensure the availability of credit risk cover for medium and long term high-value projects, which are commercially viable and desirable from the national interest point of view.
- (c) The implementation of the Scheme is expected to enhance Indian exports.