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14.20 hrs

Title: Regarding adoption of the amendments made by Rajya Sabha to the Agricultural and Processed Food Products Export Development Authority (Amendment) Bill, 2008.

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI JAIRAM RAMESH): In the last Session, the Lok Sabha had amended the APEDA Act of 1985 to empower APEDA to apply for the geographic indication for Basmati rice. Subsequently the Bill, after the passage of Lok Sabha went to Rajya Sabha. The Rajya Sabha also gave its approval. So, the present Bill that is now before the consideration of the House is with very minor amendments and corrections. This Bill has already been passed by Lok Sabha. I would like to request that these amendments and corrections be carried without discussion. I beg to move:

"That the following amendments made by Rajya Sabha in the Bill to amend the Agricultural and Processed Food Products Export Development Authority Act, 1985, be taken into consideration:-

ENACTING FORMULA

1. that at Page 1, line 1, -
for "Fifty-ninth", substitute "Sixtieth"

Clause 1 Short title and commencement

2. That at Page 1, line 3, -
for "2008", substitute "2009" -

* The Bill was passed by Lok Sabha on 23rd December 2008 and transmitted to Rajya Sabha for its concurrence. Rajya Sabha passed the Bill with amendments at its sitting held on the 16th February 2009 and returned it to Lok Sabha on the 17th February 2009 (Message from Rajya Sabha, Debate dtd.18.2.09).

NEW CLAUSE 6A Insertion of new Section 35

3. That at page 2, after line 24, insert the following:-

"6A. After section 34 of the principal Act, the following section shall be inserted, namely,-

"35. All things done, or, omitted to be done,

and actions or measures taken, or not taken, during the period beginning on or after the 13th day of October, 2008 and ending immediately before the date of commencement of the Agricultural and Processed Food Products Export Development Authority (Amendment) Act, 2009, shall, in so far as they are in conformity with the provisions of this Act, as amended by the Agricultural and Processed Food Products Export Development Authority (Amendment) Act, 2009, be deemed to have been done, or omitted to be done, or taken, or, not taken, under the provisions of this Act, as amended by the Agricultural and Processed Food Products Export Development Authority (Amendment) Act, 2009, as if such provisions were in force at the time such things were done or omitted to be done and actions or measures taken or not taken during the said period."

MR.DEPUTY-SPEAKER: Motion moved:

"That the following amendments made by Rajya Sabha in the Bill to amend the Agricultural and Processed Food

Products Export Development Authority Act, 1985, be taken into consideration:-

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with the provisions of this Act, as amended by the
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Act, 2009, as if such provisions were in force at the
time such things were done or omitted to be done
and actions or measures taken or not taken during the
said period."

श्री संतोष गंगवार (बरेली): उपाध्यक्ष महोदय, जैसे मंत्री जी कह रहे हैं, बात बिल्कुल ठीक है कि लोक सभा में इस पर चर्चा हुई थी और बिल पास किया गया था। जैसे अभी आपने बासमती राइस का जिक्र किया है, हिन्दुस्तान का क्षेत्रफल बहुत बड़ा है, लेकिन अगर आप ध्यान दें, तो पाकिस्तान करीब-करीब हमारे बराबर ही बासमती राइस का उत्पादन करता है। इस सत्र में ऐसा हुआ है कि हमारे बासमती राइस का निर्यात रोक दिया गया। इसका कारण जो भी हो, मैं उसकी व्याख्या में नहीं जाना चाहता। पाकिस्तान ने बासमती राइस का निर्यात किया और हमारे मुकाबले में मूल्य भी कम किए। मैं तराई के क्षेत्र से आता हूँ जहाँ बासमती चावल बहुत होता है। चावल के उत्पादक हमें कहते हैं कि सरकार ने ऐसी नीति बना दी जिससे हमें नुकसान हो रहा है, इस बार हमें पैसा मिल सकता था, हमारी आर्थिक स्थिति उपयुक्त हो सकती थी। मैं आपसे कहना चाहूँगा कि आपने इस बिल में जो संशोधन किया है, वह आवश्यक था, समझ में आता है, लेकिन हम जिस प्रकार अंतर्राष्ट्रीय क्षेत्र में इन कामों को कर रहे हैं, अगर हमारे इन उत्पादों का सही मूल्य उत्पादनकर्ता को नहीं मिलेगा तो सारी नीतियों के बारे में विचार करना पड़ेगा कि यह हम किसके लिए बना रहे हैं। मेरा आपसे निवेदन है कि आपने जो किया, उसे आप पारित करेंगे ही, लेकिन मैंने एक स्पैसिफिक बात कही कि मैं जिस क्षेत्र का हूँ, वहाँ बासमती चावल के सारे उत्पादक, जितने भी किसान हैं, वे सब परेशान हैं। हमारे यहाँ इतनी सारी राइस मिलें हैं कि सबका कहना है कि पता नहीं सरकार क्या नीति बना रही है, हम पाकिस्तान का मुकाबला नहीं कर पाते। मेरा आपसे आग्रह है कि भविष्य की रणनीति को ध्यान में रखते हुए इस ढंग के फैसले लें जिससे आम आदमी, खास तौर से प्रोसेस्ड फूड और एग्रीकल्चर, जिसकी आप बात कर रहे हैं, उसे हम सही दिशा में ले जाने का काम कर सकें।

SHRI SUDHANGSHU SEAL (CALCUTTA-NORTH WEST): Thank you, Mr. Deputy-Speaker, Sir, I would like to support this Bill. But while supporting this Bill, I must request our hon. Minister, Shri Jairam Ramesh that APEDA is definitely doing well for promoting exports. Regarding Basmati rice, whatever decision the Government has taken, I do agree. Though Pakistan had taken earlier stand and we are late but we should take some precautionary measures. For that, it is needed and the Government should take it. But I must request the hon. Minister – he knows everything – that our potential in our country for fruits and vegetables is so good, we can have a very good export market, global market but only because of not having the required infrastructure, we are not in a position to do it. As we know, these are perishable items. So, we need to have a number of cold storages; we need to have a cool chain; we need to have a proper mechanism to export these goods conforming to the international standard of packaging.

Our hon. Minister, I have seen on various occasions, is taking corrective steps as per the need of the day but still we are lagging behind. As we know, in West Bengal where we are producing potato – our production is more than 83 lakhs MT but our consumption is only 53 lakh MT. That way we are producing 30 lakh MT surplus. With our efforts, we are in a position to export our potato to different countries for the last three or four years. [s47] [p48] But in spite of requesting repeatedly the fact remains that we do not have the refrigerated container of our own in our country. We have to hire these containers from other countries, paying hire charges. I would the hon. Minister, if we are really interested in exporting the potatoes or any other perishable items, we must have the required infrastructure; we should not be dependent on other countries. We should have our own fleet of containers. That should be procured or it should be given to some agency who can handle properly, procuring this.

When we are talking about exports, we must have the idea of the global requirement. As I said, we are exporting potatoes. But what is the actual scenario in potato. Whatever we are producing, that is a particular variety. But in the global market, the global consumers' mental set up is only on a particular variety, that is, Holland variety, the 'Yellow Meat' is a very famous variety. We need to have these seeds from Holland. So, we will have to get permission from the authorities concerned to obtain seeds from Holland. We have already taken up the issue; the hon. Minister from the State Government has already written to the hon. Agriculture Minister, Shri Sharad Pawar. We had a meeting last week; he was kind enough to sanction so as to bring the Holland variety seeds from Holland. If we get the import licence, what will happen is that we will start producing all these special variety potatoes in the Indian soil. We are confident of producing this. Bangladesh is doing it; Bangladesh is bringing the same seeds and getting the Holland variety, conforming to the international standards. They are exporting also.

So, we have already tested it; we brought some sample seeds. Only last month, we had got the results. The yield is very good; the product is very good; our global buyers are asking in good quantities. So, I will request our hon. Minister to look into this.

As far as mango is concerned – I will not talk about other fruits – in West Bengal, we are producing a good quality, Himsagar mangoes and Langra. But in the global market, only Alphonso is known; only Alphonso is exported from Mumbai. We tried two years back to export Himsagar quality mangoes to London market and we were successful. But we need to have the support from the Central Government. For the perishable items, the main thrust should be given on infrastructure which should be built, the cold chains should be maintained. The anomalies in air freight, etc. that we are having at the moment should be minimized and the problem of containers should be looked into.

That way, I can give you the guarantee that only for potatoes, we can have a very big global market. This is particularly a job-oriented sector where lakhs and lakhs of growers will be benefited and the nation will be definitely benefited.

With these words, I again support this and thank you for the time.

SHRI JAIRAM RAMESH: I am grateful to the two hon. Members, Shri Gangwar and Shri Seal, for giving support to the amendments.

I would like to respond to some of the points and issues that they had raised. I would like to clarify to the hon. Member, Shri Gangwar, that there is absolutely no restriction on export of basmati rice that has been imposed by our Government, except to specify a minimum export price. The MEP, the Minimum Export Price, is \$1100 a tonne. Now, the reason why the MEP has been imposed is that at various points in time, the Government has been sensitive to the domestic price situation and there was a lot of rice that was

being exported from India. non-basmati rice that was going under the guise of basmati rice, because basmati rice was being imported duty-free into the European market, and it commands a huge premium.

It is in this context, it is because the Government wanted to control inflation in the domestic market, that we imposed first a physical ban on the export of non-basmati rice, and we imposed a certain MEP for basmati rice. [p49] It was 1200 dollars

a tonne a couple of months ago and it has now become 1100 dollars a tonne. This year, in the year 2008-09, the hon. Member would be glad to know that the total exports of basmati rice from India is about 1.6-1.7 MT valued at about Rs.7,200 –Rs.7,300 crore.

श्री संतोष गंगवार : पाकिस्तान ने तो 1.3 मिलियन टन का एक्सपोर्ट किया है।

SHRI JAIRAM RAMESH: I am coming to that. If the hon. Member will have a little patience I will talk about Pakistan as well.

About 3-4 lakh basmati growers in Punjab, Haryana, Himachal Pradesh, Western U.P. and two districts of Jammu and Kashmir have benefited from this.

Sir, the hon. Member has talked about Pakistan. It is true that Pakistan is also a very significant exporter of basmati rice. This year, my estimate is that Pakistan would have exported close to 1.2 MT to 1.3 MT of basmati rice- a little lower – about .2 MT to .3 MT lower than that of India. There is no denying the fact that Pakistan is also an exporter of basmati rice. It is this India-Pakistan factor that gave certain urgency to this Bill.

As you know, Sir, the word 'basmati' is a Geographic Indication that applies to the entire Himalayan belt crisscrossing both India and Pakistan. Unless we protect the word 'basmati', unless we protect basmati variety domestically we do not have a case to protect it internationally. In fact, the Basmati Growers Association of Lahore has got a trademark, from registrar of trademark from Pakistan, on basmati. APEDA went on appeal and that appeal has been admitted. Our legal case is strengthened when we go to the federal court in Karachi, Pakistan and say that Parliament has empowered APEDA to protect basmati by law. That is why this amendment has been brought forward. I am glad and I am happy that the Members have extended their support.

We have consistently fought in international markets infringement on basmati. In various countries there have been over 300 cases where the word basmati has been tried to be usurped. The Government of India has fought these cases very successfully. We are now going to apply for the GI in the European Union. But before we do that we need to apply for the GI in India. In November we have applied for the GI in India and I expect that by June or July 2009 we will get the GI, Geographic Indication, from the GI Registry in Chennai.

I might indicate here, Sir, that about 104 GIs have already been granted. The first and the most famous of which is the Darjeeling tea. After the grant of the GI the value that Darjeeling tea has fetched in international markets has increased by 10-12 per cent and we expect the same thing to happen in basmati as well. But I want to enter one word of caution here that I am repeatedly inundated by letters from Members of Parliament particularly that rice grown in their areas be also classified as basmati. I have got request from Madhya Pradesh, Rajasthan, Karnataka and Kerala as well that theirs is also basmati rice. Sir, we are going to make a mockery of the word basmati if we are going to universalize the Geographic Indication of basmati. My request to the hon. Members is that basmati rice is a long-grain, aromatic aroma rice grown in the foothills of the Himalayas in Pakistan, in India only in designated areas. Let us keep it that way. If we are going to classify much of the rice that is produced in India as basmati rice, we are going to lose the real legal and technical meaning of GI and internationally we will not be made to look good.

Sir, the hon. Member from West Bengal has made a large number of comments on the export of fruits and vegetables. He is not only an hon. Member but is also a very energetic exporter himself. I have been in close touch with him. We are trying, through APEDA, to promote export of processed food which requires cold chain, refrigerated vans and infrastructure at airports. [R50] We have set up perishable cargo complexes in various airports of the country and one of which happens to be in Kolkata. We have set up perishable cargo complexes in almost all airports in the North-East which will help provide an impetus for export of processed food from the North-East, an area of great potential.

I agree with the hon. Member that there is great market for mango from Malda and all the other varieties in West Bengal. After 20 years, Indian mango is now being sold in Japan. After a long time, alphonso and other Indian varieties are also being sold in the United States of America. We have had good breakthrough as far as mango exports are concerned. Over a period of time, we are going to expand the basket of mangoes that are going to be exported. Right now, it is alphonso, banganapalli, chousa, langra and I am sure over a period of time, these varieties will increase. We are setting up vapour heat treatment plants to destroy the fruit fly which is a big health hazard in markets like Japan. We have also set up an irradiation facility in Nhava Sheva because without irradiation, our mango cannot be exported to the American market.

Sir, I am very glad to hear from the hon. Member from West Bengal particularly as he is talking about global markets; he is talking

about global marketing and it is music to my ears that an hon. Member belonging to Community Party is singing the virtues of global markets. I am sure that he knows that our Government has supported the West Bengal Government in the export of potatoes, flowers and many other processed goods which we are doing in other States as well. I want to re-assure the hon. Member that when the UPA comes back to power in a couple of months from now, this process will be continued irrespective of whether you support us or not. We would continue with this process of supporting the agricultural exports and exports of processed foods.

With these remarks, I would like to request the hon. Members to pass the amendments.

MR. DEPUTY-SPEAKER: The House shall now take up the motion for consideration of amendments.

The question is:

"That the following amendments made by Rajya Sabha in the Bill to amend the Agricultural and Processed Food Products Export Development Authority Act, 1985, be taken into consideration:-

ENACTING FORMULA

1. That at page 1, line 1 –

for "Fifty-ninth", substituted "Sixtieth"

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Clause 1 Short title and commencement

2. That at page 1, line 3 –

for "2008", substitute "2009" -

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NEW CLAUSE 6A Insertion of new section 35

3. That at page 2, *after* line 24, *insert* the following:-

"6A. After section 34 of the principal Act, the following section shall be inserted, namely, -

"35. All things done, or, omitted to be done, and all actions or measures taken, or, not taken, during the period beginning on or after the 13th day of October, 2008 and ending immediately before the date of commencement of the Agricultural and Processed Food Products Export Development Authority (Amendment) Act, 2009, shall, in so far as they are in conformity with the provisions of this Act, as amended by the Agricultural and Processed Food Products Export Development Authority (Amendment) Act, 2009, be deemed to have been done, or, omitted to be done, or taken, or, not taken, under the provisions of this Act, as amended by the Agricultural and Processed Food Products Export Development Authority (Amendment) Act, 2009, as if such provisions were in force at the time such things were done or omitted to be done and actions or measures taken or not taken during the said period."

The motion was adopted.

MR. DEPUTY-SPEAKER: The Minister may now move that the amendments made by Rajya Sabha in the Bill be agreed to.

SHRI JAIRAM RAMESH: Sir, I beg to move:

"That the amendment Nos. 1 to 3 made by Rajya Sabha in the Bill, as passed by Lok Sabha, be agreed to. "

MR. DEPUTY-SPEAKER: The question is:

"That the amendment Nos. 1 to 3 made by Rajya Sabha in the Bill, as passed by Lok Sabha, be agreed to. "

The motion was adopted.
