

## Improving Agricultural Exports

### Why in news?

\n\n

\n

- Products registered with 'Agricultural and Processed Food Products Export Development Authority - APEDA' have seen a sharp decline in export.

\n

- APEDA has hence urged the central government to allow 10-20% of annual agricultural produce to be exported.

\n

\n\n

### What are the reasons?

\n\n

\n

- A major reason for decline in export is frequent change in government policy for products like Rice, pulses, wheat and sugar.

\n

- Sometimes, export has been banned and at other times, duties have been raised or lowered.

\n

- Although policy decisions were based agri-output & local demand, it effectively resulted in importers switching to alternative sources, for long-term supply assurance.

\n

- Notably, the country's agricultural and processed food export fell to \$33.4 billion in 2016-17, from a record \$42.9 bn in 2013-14.

\n

\n\n

### What needs to be done?

\n\n

\n

- At 2.2% of the total, India is at ninth position in global agri trade and is considered to have a huge export potential.

\n

- Export of agri items contributes 13.1% of agricultural GDP, thereby having a considerable impact on the economy.

\n

- Developing a sustained export market requires a reliable supplier.

\n

- Hence, stable export policy to ensure at least an assured export of 10-20% of production of an item in a season.

\n

- Experts say keeping this much for export would suffice, as shipments have rarely exceeded such a proportion.

\n

- Improvements in crop production estimation, buffer stock, future projection and domestic demand are needed.

\n

- While India produces surplus in a number of agri commodities, their transportation, marketing continues to be a challenge.

\n

\n\n

\n\n

**Source: Business Standard**

\n

