
UNIT 10 EXPORT RELATED REGULATIONS AND STANDARDS SET BY EXPORT PROMOTION BODIES

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10.0 OBJECTIVES

After studying this unit, you should be able to:

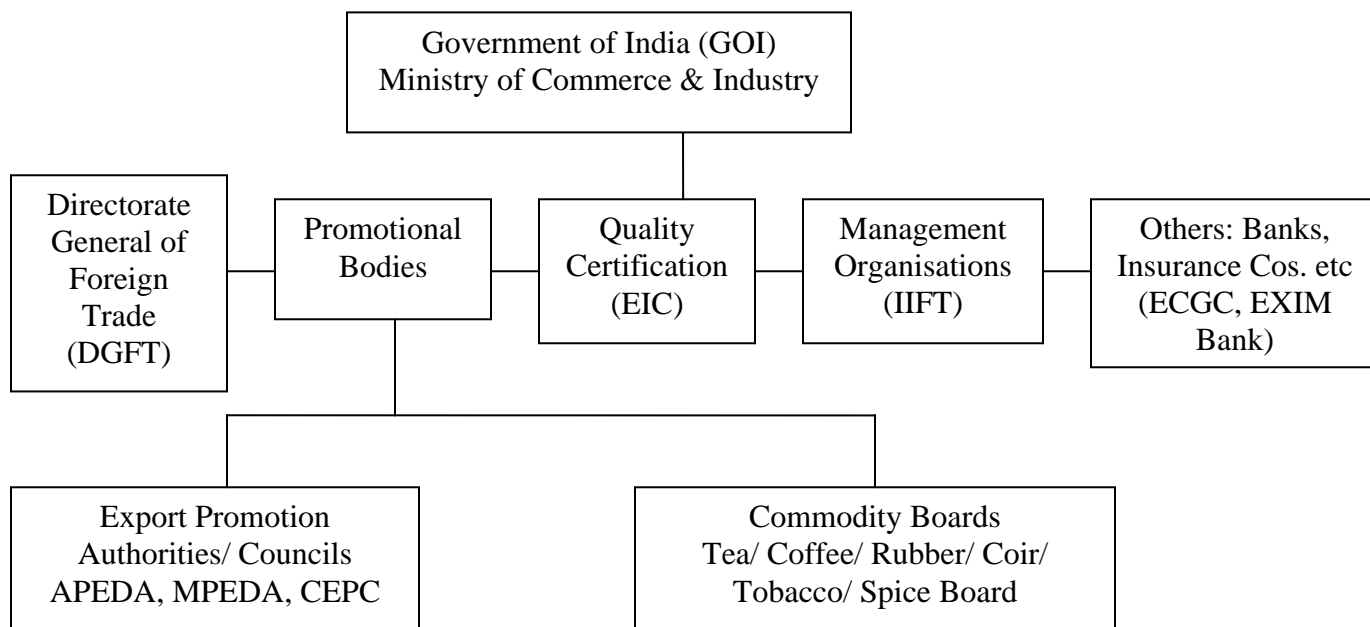
- understand the role and functions of export promotional authorities;
- develop awareness about activities performed by export promotion councils and commodity boards; and
- understand various modes and means provided by promotional bodies for enhancement of exports as well as quality of commodities.

10.1 INTRODUCTION

Before this unit you might have studied various aspects of food safety, food quality and its management. Food is an integral unit for survival of human being. Like any other engine, the human body also requires sufficient neat and clean fuel i.e food in order to draw energy to operate our body mechanism through its combustion i.e. digestion. If food consumed by human being is not safe, the human engine (digestive system) will not be able to give its maximum efficiency and at the same time it will spoil other organs over a period of time. That is why food safety has an vital impact on our day to day life.

As we are aware, India being an agriculture based economy has a lot of potential for agricultural produce exports. But unfortunately even after the green revolution the quantum of our agricultural produce exports was meagre as compare to the total production.

Therefore, the Government of India had taken the initiative and established various institutions/organization to promote/help the agricultural and processed food exports from India. A diagrammatic presentation of major organizations playing a significant role in exports of agricultural and food commodities are given below:



From the above diagram you may observe that the Government of India has set up DGFT, EIC, IIFT & EXIM bank for licensing, quality certification, management and consultancy and financial activities respectively under Ministry of Commerce & Industry. In addition to these Export Promotion Authorities/ Councils and Commodity Boards were also set up for the development of agricultural and marine products with regard to exports.

10.2 AGRICULTURAL AND PROCESSED FOOD PRODUCTS EXPORT DEVELOPMENT AUTHORITY (APEDA)

The Agricultural and Processed Food Products Export Development Authority (APEDA) came into existence in 1986 under an Act of the Parliament to further develop our agricultural commodities and processed foods, and to promote their exports. The objectives of this organization are to maximize foreign exchange earnings through increased agro exports, to provide better income to the farmers through higher unit value realization and to create employment opportunities in rural areas by encouraging value added exports of farm produce. APEDA went about achieving these by identifying new markets, providing better support systems to our exporters and manufactures, and introducing new products to the international market.

10.2.1 Activities

A. Development Programmes of APEDA

In order to promote the exports of agricultural products (except marine, tea, coffee, rubber, spices, coir and cashew) from India, APEDA undertakes the following development programmes:

- Development of data base on products (export statistics), markets and services.
- Publicity and information dissemination.
- Invites official and business delegations from abroad.
- Organisation of product promotions abroad and visits of official and trade delegations abroad.
- Participation in international trade fairs in India and abroad.
- Organisation of buyer-seller meets and other business interactions.
- Distribution of Annual APEDA awards.
- Provides recommendatory, advisory and other support services to the trade and industry.
- Problem solving in Govt. Agencies and Organisations, RBI, Customs.
- Import/export procedures, problems with importers through Indian missions abroad.
- Registration of establishments.
- APEDA recognition of HACCP Implementation/ Certification Agencies.

B. Financial Assistance

India's exports of agricultural and food products are about INR 330 billion (approx. USD 6.5 billion) which constitutes only about 1.3% of the total global trade in food and agriculture (USD 460 billion, Source: FAO). Exports of agriculture & food products have grown at 15% annually (vis a vis 19% growth in India's national exports) in the last decade. The share of agricultural exports in India's total exports has decreased from 19 % to 13 % in the same period.

Therefore, in order to fill up above mentioned gap, APEDA has launched the following assistance programmes with the objective of helping growers, processors and exporters:

- 1) Schemes for Market Development
- 2) Scheme for Infrastructure Development
- 3) Schemes for Quality Development
- 4) Schemes for Research and Development
- 5) Transport Assistance of Horticultural & Processed Food Products by Sea & Air

C. Agri Export Zones

Government of India has identified 60 product-wise potential zones which can be developed to increase agricultural exports from India. These Agri Export Zones are spread across the India. These specified zones are provided special care, assistance and certain privileges through various Government Agencies like Ministry of Food Processing Industries, National Horticulture Board, Ministry of Agriculture and APEDA.

10.2.2 Network of Organisation

APEDA provides the above services to processors/ exporters of country through its 5 regional and 12 virtual offices located at Mumbai, Hyderabad, Kolkata, Bangalore, Guwahati and Raipur, Chandigarh, Ahmedabad, Jammu, Thiruvananthapuram, Bhopal, Imphal, Kohima, Bhubaneswar, Chennai, Agartala and Lucknow respectively. The Head Officer of APEDA is in New Delhi.

10.3 MARINE PRODUCT EXPORT DEVELOPMENT AUTHORITY (MPEDA)

Till the end of 1960, export of Indian marine products mainly consisted of dried items like dried fish and dried shrimp. Although frozen items were present in the export basket from 1953 onwards in negligible quantities, it was only since 1961 the export of dried marine products was overtaken by export of frozen items leading to a steady progress in export earnings. With the devaluation of Indian currency in 1966 the export of frozen and canned items registered a significant rise. Frozen items continued to dominate the trade. Markets for Indian products also spread fast to developed countries from the traditional buyers in neighboring countries

The Marine Products Export Development Authority (MPEDA) was constituted in 1972 under the Marine Products Export Development Authority Act 1972 (No.13 of 1972). The role envisaged for the MPEDA under the statute is comprehensive - covering fisheries of all kinds, increasing exports, specifying standards, processing, marketing, extension and training in various aspects of the industry.

MPEDA functions under the Ministry of Commerce, Government of India and acts as a coordinating agency with different Central and State Government establishments engaged in fishery production and allied activities.

10.3.1 Objectives of MPEDA

- Conservation and management of fishery resources and development of offshore fishing.

- Registration of exporters and processing plants.
- Acting as an agency for extension of relief as per directions from Government.
- Helping the industry in relation to market intelligence, export promotion, and import of essential items.
- Imparting training in different aspects of the marine products industry, with special reference to quality control, processing and marketing.
- Promotion of commercial shrimp farming.
- Promotion of joint ventures in aquaculture, production, processing and marketing of value added seafood.

10.3.2 Role of MPEDA in Indian Aquaculture

In the context of stagnating catches of shrimps from the traditional fishery resources, MPEDA was given the mandate for development of shrimp/prawn culture as the only alternative for generating additional raw material for augmenting exports from the country since 1979. MPEDA plans, popularises and implements various schemes for promotion of export-oriented aquaculture in the country.

MPEDA plays an advisory role in formulation of various rules and regulations connected with fishery and aquaculture. MPEDA acts as a liaison agency between various stake holders in shrimp/prawn culture such as banks and other financial institutions; insurance agencies etc; state fisheries departments; research institutions and the farmers and entrepreneurs, etc.

MPEDA implements projects for proving the techno-economic viability of culture of diversified variety of exportable fishes and shell fishes by utilising technology developed indigenously or by importing the same from overseas.

10.3.3 Activities of MPEDA

A. Assistance Programmes

MPEDA offers assistance (including financial assistance) to marine industry under plan schemes implemented under four major heads:

- Export production - Capture Fisheries
- Export production - Culture Fisheries
- Induction of New Technology and Modernisation of Processing Facilities.
- Market Promotion

In addition to these MPEDA has work programmes to help to increase marine exports from India which are given below:

- Registration of infrastructure facilities for seafood export trade
- Collection and dissemination of trade information
- Projection of Indian marine products in overseas markets by participation in overseas fairs and organising international seafood fairs in India.
- Implementation of development measures vital to the industry like distribution of insulated fish boxes, putting up fish landing platforms, improvement of peeling sheds, modernisation of industry such as upgrading of plate freezers, installation of IQF machinery, generator sets, ice making machineries, quality control laboratory etc.
- Promotion of brackish water aquaculture for production of prawn for export.
- Promotion of deep sea fishing projects through test fishing, joint venture and equity participation.

B. Marketing Services

MPEDA compiles and disseminates trade enquiries received from overseas buyers among exporters. In association with concerned agencies it sorts out trade disputes. It compiles and disseminates information about reefer space requirements for shipment of frozen cargo and liaises with shipping companies and airlines to meet the demands of the industry. It liaises with the government for conservation measures of over exploited resources like shrimps, lobsters, sea cucumbers, sea weeds, sea shells etc. Marketing expertise is shared with exporters and those involved in fishing industry.

10.3.4 Network of Organisation

The Head Quarters of MPEDA is located at Kochi in Kerala. The regional offices of MPEDA in Veraval (Gujarat), Mumbai (Maharashtra), Kochi (Kerala), Chennai (Tamil Nadu), Visakhapatnam (Andhra Pradesh) and Kolkata (West Bengal) and six sub regional offices at Goa, Mangalore (Karnataka), Kollam (Kerala), Tuticorin (Tamil Nadu), Bhubaneswar (Orissa) and Guwahatti (Assam) are functioning as field offices for implementation of various activities of the Authority besides engaging themselves in export promotion of marine products by providing guidance and assistance to the processing industry and the export trade.

Similarly six regional centres in Kochi (Kerala), Panvel (Maharashtra), Valsad (Gujarat), Thanjavur (Tamil Nadu), Vijayawada (Andhra Pradesh), and Bhubaneswar (Orissa) and four sub regional centres in Kannur (Kerala), Karwar (Karnataka), Bhimavaram (Andhra Pradesh) and Kolkatta (West Bengal) extend assistance to augment production of shrimp to sustain and increase exports.

MPEDA has also set up three stand alone laboratories, other than the one in Head Quarters, at Bhimavaram, Nellore in Andhra Pradesh & Bhubaneswar (Orissa) equipped with sophisticated equipments like LC MS MS for testing various parameters.

The Authority operates two overseas Trade Promotion Offices, one at Tokyo (Japan) and the other at New York (USA) with Resident Directors as Head of Offices. The objectives of the

overseas Trade Promotion Offices are to promote seafood imports into the respective countries by liaising with Indian exporters as well as overseas importers, developing contact with Government agencies/officials to remove identified constraints, promote the image of Indian products through publicity campaigns, identify markets for new products, create awareness on the capabilities of Indian processing, packaging, quality inspection procedures etc. and also to identify suitable joint venture partners for deep sea fishing, aqua culture projects, processing and marketing value added products etc. The adviser Agriculture and Marine Products Division of the Indian Trade Centre, Brussels (under the Ministry of Commerce) assists MPEDA in its trade promotion activities in Europe, and liaises with the European countries. The Trade Promotion Office at New Delhi serves as a liaison office with Central Ministries.

10.4 COFFEE BOARD

The Coffee Board of India is an autonomous body, functioning under the Ministry of Commerce and Industry, Government of India. The Board serves as a friend, philosopher and guide of the coffee industry in India. This was set up under an Act of the Parliament of India in the year 1942, the Board focuses on research, development, extension, quality upgradation, market information, and the domestic and external promotion of Indian coffee.

Till 1995, the Coffee Board had a monopolistic control over the marketing of coffee in India. However, the winds of liberalization swept the Indian coffee industry and since 1995, marketing of coffee is strictly a private sector activity. In fact the Coffee Board went through a massive down- sizing and two- thirds of its employees were retired under a voluntary retirement scheme. The Coffee Board conducts basic and applied research on coffee and can boast of 75 glorious years in coffee research. The Central Coffee Research Institute in the Chickmagalur district, Karnataka State has been in the forefront of coffee research over the years and continues to remain one of the premier institutes of the world as far as coffee research is concerned. The Research Department publishes various journals and periodicals. It also offers various services to growers and exporters.

The Board also has a vast extension network spread over the three main producing states of Karnataka, Kerala and Tamil Nadu, as well as in the non-traditional areas of Andhra Pradesh, Orissa and the seven North-eastern states. The extension set up provides the day- to- day link with the grower community and this wing facilitates the transfer of technology from lab to land.

The Board also encourages the consumption of coffee in India and abroad. Towards this end, the Board participates in food and Beverage exhibitions abroad. The Board also runs 14 India Coffee Houses in the country. The India Coffee House brand of coffee powder is well known in India for its quality and aroma.

The Board has for long years worked on the quality of Indian coffee. The Board runs two quality control laboratories in Bangalore and Hassan, which control and advise the industry on quality issues. The labs are equipped with the best roasting and brewing machines. The best cup- tasters and quality evaluators keep a strict vigil on the pre and post harvest processes with a view to ensure that the quality of Indian coffee is maintained.

The Board has an Economic & Market Intelligence Unit functioning from its head office at Bangalore. The unit undertakes various activities related to market information & intelligence, market research studies, crop forecasting and coffee economics aspects. The unit also undertakes studies on research related to the coffee trade including WTO issues. Notable publications include the daily market intelligence report, a comprehensive database on coffee (Bimonthly) and market intelligence report (Quarterly). The periodical reports that are already completed included Coffee Consumption in Urban India 2001 and Coffee Consumption in India 2003. The unit is currently coordinating a study on logistics and competitiveness of coffee producing countries (India, Vietnam & Brazil) and a manual on coffee retailing. The unit also in the process of implementing a project on price risk management for coffee growers.

10.4.1 Development Assistance Programme

A. Assistance Programmes

Coffee Board implements the following assistance programmes for Coffee growers/processors/exporters:

- Special Coffee Term Loan (SCTL) relief package to coffee growers.
- Modalities for Implementation of Support to Small & Medium Growers Sector Scheme (SS & MGS)
- Self Help Group(SHG)
- Special Assistance Programme (SAP) for NE Region
- Coffee Development Programme
- Price Stabilization Fund (PSF)
- Price Crisis in Coffee Sector & Measures taken by the GOI
- Action Programme to combat White Stem Borer

The assistance given by Coffee Board under above schemes is a major share of financial assistance which is offered to grower/ processor/ exporter, directly or indirectly.

B. Research, Extension and Trainings

The Research Department of Coffee Board plays a vital role in rendering necessary technical support to the coffee grower sector. The Coffee Board introduced a nominal charging system for the various technical and advisory services rendered by its Research Department, for the benefit of coffee planting community & others connected with coffee.

In addition to the above, Coffee Board conducts problem based research and extension work for the development and enhancement of coffee producers/processors/ exporters. Coffee Board presents a great learning opportunity for Coffee Roasters, Hotel/Restaurant/Cafeteria personnel, Institutional Caterers and Entrepreneurs interested in coffee retailing.

Check your Progress Exercise 1

Note: a) Use the space below for your answer.
b) Compare your answers with those given at the end of the unit.

1) List out the schemes being offered by MPEDA and APEDA to assist exporters.

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2) How does the Coffee Board provide help to exporters of this sector?

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3.5 SPICES BOARD

Out of the 109 spices listed by the International Organisation for Standardisation (ISO), India produces as many as 75 in its various agro climatic regions. India accounts for about 45% (0.25 M Tons - 2002-03) of the global spice exports, though exports constitute only some 8% of the estimated annual production of spices at 3.2 million tons (2002). Overall, spices are grown in some 2.9 million hectares in the country. Spice production in India, is undertaken in millions of tiny holdings and determine the livelihood of large number of the rural population.

Spices Board was constituted on 26th February 1986 under the Spices Board Act, 1986 with the merger of the erstwhile Cardamom Board (1968) and Spices Export Promotion Council (1960). Spices Board is one of the five Commodity Boards functioning under the Ministry of Commerce & Industry. It is an autonomous body responsible for the export promotion of the scheduled spices and production development of some of them such as Cardamom and Vanilla

From time immemorial India has been known as the Land of Spices. The Chinese, Arabs and The Europeans came to the Indian shores lured by the spices grown here. Pepper, ginger, turmeric and cardamom are the most renowned of Indian spices. We earn Rs. 1612 crores from the export of spices annually (2000-01). The world consumption of spices is growing steadily year by year. Expansion of our export of spices to increase or even to retain our share of world market is imperative. This can be achieved only through increased productivity and improved quality.

10.5.1 Main Functions of Spice Board

A. Export Promotion

Spice Board of India performs the following primary functions to help the growth of spice exports from India:

- Research, Development and Regulation of domestic marketing of Small & Large Cardamom
- Research & production development of vanilla
- Post harvest improvement of all spices
- Promotion of organic production, processing and certification of spices
- Development of spices in the North East
- Provision of quality evaluation services

Spice Board has the provision of quality evaluation services under following schemes:

- ✓ Technology upgradation.
- ✓ Quality upgradation
- ✓ Brand promotion
- ✓ Research & product development

Spice Board also has promotional programmes on production development, post harvest improvements and export promotion for spice sector.

B. Other Responsibilities

In addition to the above, Spice Board also performs the following other export promotion related activities of spices :

- ❖ Quality certification
- ❖ Quality control
- ❖ Registration of exporters
- ❖ Collection & documentation of trade information
- ❖ Provision of inputs to the Central Government on policy matters relating to import & export of spices

10.5.2 Quality Marking

Spice Board approves use of quality marking as 'Indian Spices Logo and the Spice House Certificate under its promotional strategy.

The Indian Spices Logo is awarded to those who export spices in branded consumer packs. The award is given after a two-tier inspection to satisfy compliance with regard to adherence to practices ensuring quality, hygiene and safety. Hazard Analysis and Critical Control Points (HACCP) Certification is a precondition for awarding Indian Spices Logo. Nineteen (19) spice exporters are awarded with Indian Spices Logo. The Board has registered Indian Spices Logo with the Trade Registry Authorities in 18 countries.

Spice House Certificate is awarded to exporters of spices who possess the specified infrastructural facilities for cleaning, processing, grading, packaging and warehousing as the case may be. So far 58 units have been awarded the Spice House Certificate.

With effect from 10th September 2003, prior ISO and HACCP Certification is mandatory for obtaining 'Indian Spice House Certificates'.

Another step taken by Spices Board to ensure improved quality of exported spice is registration of brands (consumer as well as institutional packs - up to 25 kgs.) of registered exporters. The objective of the brand registration is to ensure specified standards of quality of both the product and packing. Presently 55 exporters have registered their brands with the Board.

10.5.3 Network of Organisation

The Head Office of the Board is located at Cochin. The Board has Regional, Zonal and Field Offices. A central Quality Evaluation Laboratory (QEL) is located at the Head Office. A Biotechnology Lab also functions at the Head Office. Indian Cardamom Research Institute the research wing of the Spices Board has its main station at Myladumpara (Idukki Kerala) with Regional Stations located at Thadiankudissai (Tamil Nadu) Saklespur (Karnataka) and Gangtok (Sikkim).

10.6 TOBACCO BOARD

Tobacco is an important commercial crop grown in the country. It occupies third position in the world with a production of about 680 Million Kgs. of different types grown including flue-cured tobacco, country tobacco, burley, bidi and chewing tobacco a the important ones. India, as an exporter of tobacco, ranks sixth in the world next to Brazil, China, USA, Malawi and Italy.

Tobacco and tobacco products earn about Rs.7,319 Crores to the national exchequer in terms of excise revenue and foreign exchange of Rs.1362 Crores (2004-05). Furthermore, tobacco provides gainful employment to several lakhs of people who thrive on this weed crop.

The Govt. of India established the Tobacco Board under an Act of Parliament in the year 1975 with a view to bring about all-round development of the tobacco industry with effect from 1 January 1976 with headquarters at Guntur, Andhra Pradesh.

10.6.1 Activities of Tobacco Board

Recognizing the need to regulate production, promotion of overseas marketing and to control recurring instances of imbalances in supply and demand, which lead to market problems, the Government of India established the Tobacco Board, in place of Tobacco Export Promotion Council, under the Tobacco Board Act of 1975. The Tobacco Board Act aims at the planned development of Tobacco Industry in the country. Various activities of the Board outlined in the Act for the promotion of the industry are:

- ✓ Regulating the production and curing of Virginia Tobacco with regard to the demand in India and abroad.
- ✓ Constant monitoring of the Virginia tobacco market, both in India and abroad and ensuring fair and remunerative price to the growers and reducing wide fluctuations in the prices of the commodity.
- ✓ Sustaining and improving the existing international markets and developing new markets overseas for Indian Virginia Tobacco and its products and devising marketing strategies in consonance with demand for the commodity including group marketing under limited brand names.
- ✓ Establishing auction platforms for sale of Virginia tobacco by registered growers and functioning as an auctioneer at auction platforms either established by it or registered with it.
- ✓ Recommending to the Central Government the minimum prices to be fixed for exportable Virginia tobacco with a view to avoiding unhealthy competition amongst the exporters.
- ✓ Regulating other aspects of Virginia tobacco marketing in India and export of Virginia tobacco having due regard to the interests of growers, manufacturers, dealers and the Nation.
- ✓ Propagating information useful to the growers, dealers and exporters (including packers) of Virginia tobacco and manufacturers of tobacco products and other concerned.
- ✓ Purchasing Virginia tobacco from growers when the same is considered necessary or expedient for protecting the interests of the growers and disposing it in India or abroad as and when considered appropriate.
- ✓ Promoting tobacco grading at the level of growers and sponsoring, assisting, co-coordinating or encouraging scientific, technological and economic research for promotion of tobacco industry.

Check your Progress Exercise 2

Note: a) Use the space below for your answer.
 b) Compare your answers with those given at the end of the unit.

1) List the export promotion programmes offered by Spice Board.

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2) Write down a brief note on functions performed by Tobacco Board.

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3) Write a short note on Quality Marking programme of Spice Board.

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10.7 TEA BOARD OF INDIA

Tea is one of the industries, which by an Act of Parliament comes under the control of the Union Govt. The genesis of the Tea Board India dates back to 1903 when the Indian Tea Cess Bill was passed. The Bill provided for levying a cess on tea exports - the proceeds of which were to be used for the promotion of Indian tea both within and outside India. The present Tea Board set up under section 4 of the Tea Act 1953 was constituted on 1st April 1954. It has succeeded the Central Tea Board and the Indian Tea Licensing Committee which functioned respectively under the Central Tea Board Act, 1949 and the Indian Tea Control Act, 1938 which were repealed. The activities of the two previous bodies had been confined largely to regulation of tea cultivation and export of tea as required by the International Tea Agreement then in force, and promotion of tea Consumption.

10.7.1 Functions of Tea Board

The Tea Board has wide functions and responsibilities under the direction of the Central Government. Briefly the primary functions of the Tea Board are as under :

1. Rendering financial and technical assistance for cultivation, manufacture and marketing of tea.
2. Export promotion
3. Aiding research and development activities for augmentation of tea production and improvement of tea quality.
4. Extending financial assistance in a limited way to the plantation workers and their wards through labour welfare schemes.
5. Encouraging and assisting both financially and technically the unorganised small growers sector.
6. Collection and maintenance of Statistical data and publication
7. Such other activities as assigned from time to time by the Central Government.

10.7.2 Financial Assistance

Funds for the aforesaid functions are made available to the Board by the Government through **Plan** and **Non-Plan Budgetary allocations**.

The **Plan funds** are being used exclusively for the activities mentioned at (1) above. Funds for all other activities mentioned above (2 to 7) are met from **Non-Plan Budget** allocation for which cess levied on tea is the major source. Tea Cess is levied on all teas produced in India under Section 25 (1) of the Tea Act, 1953. The said Act provides for levying cess upto 50 paise per kilogram of tea produced in India. Currently, however, the cess is collected at the rate of 30 paise per kg. excepting Darjeeling teas for which only 12 paise is levied. The Cess at present is collected by the Central Excise Department and credited to the Consolidated Fund of India after deducting the expenses of collection. Funds are released by the Central Government in favour of Tea Board from time to time on the basis of the sanctioned budget after due appropriation by the Parliament. Such funds received by the Board are being utilised for meeting the non-plan expenditure.

10.7.3 India Tea Logo on Teas Exported from India

In accordance with the recommendations of the Medium Term Export Strategy, (2002-07) Tea Board India has formulated the procedure for approval/monitoring mechanism for India Tea Logo (World's Gold Standard) for teas Packed in India. The matter regarding the quality monitoring against usage of the said Logo for teas packed in India has assumed great importance in the context of focusing on quality image and brand value of Indian tea. The mechanism, as stated, has been formulated by Tea Board India in consultation with the tea trade community and the tasters panel appointed by the Tea Board. A specimen of logo is given below:



10.7.4 Approval/Monitoring Mechanism for India Tea Logo on Teas

In accordance with the recommendations of the Medium Term Export Strategy, (2002-07) Tea Board India has formulated the procedure for approval/monitoring mechanism for India Tea Logo (World's Gold Standard) for teas packed in India and appointed an inspection body for the quality monitoring and inspection exercise. The matter regarding the quality monitoring against usage of the said Logo for teas packed in India has assumed great importance in the context of focusing on quality image and brand value of Indian tea. The mechanism, as stated, has been formulated by Tea Board India in consultation with the tea trade community and the tasters panel appointed by the Tea Board.

10.7.5 Offices of Tea Board

Tea Board has head office at Kolkata, West Bengal and fifteen offices which include Zonal, Regional and Sub-Regional Offices located at Coonoor, Guwahati, New Delhi, Agartala, Jorhat, Tezpur, Kurseong, Palampur and Almora.

10.8 THE CASHEW EXPORT PROMOTION COUNCIL OF INDIA (CEPC)

The Cashew Export Promotion Council of India (CEPC) was established by the Government of India in the year 1955, with the active cooperation of the cashew industry with the object of promoting exports of cashew kernels and cashewnut shell liquid from India. By its very set up, the Council provides the necessary institutional frame-work for performing the different functions that serve to intensify and promote exports of cashew kernels and cashewnut shell liquid. The Council provides the necessary liaison for bringing together foreign importers with member exporters of cashew kernels. The enquiries received from the foreign importers are circulated amongst Council members.

The Council also extends its good offices in settling complaints amicably in the matter of exports/imports either on account of quality and /or variation in fulfillment of contractual obligations.

Exports of cashew kernels from India are normally subject to voluntary quality control and pre-shipment inspection. Inspection of cashews is being conducted under the consignment-wise inspection. It is ensured that the product is processed and packed as per the standards prescribed, by drawing samples from the finished product. Export of roasted and salted cashew kernels are also normally subjected to voluntary quality control.

In order to promote cashew exports from India CEPC provides technical, financial & other suitable help to growers/ processors and traders.

Check your Progress Exercise 3

Note: a) Use the space below for your answer.
b) Compare your answers with those given at the end of the unit.

1) What is the rate and procedure of cess payable by tea exporters?

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2) Whether voluntary or compulsory quality control / pre-shipment inspection is required for exports of cashew kernels from India?

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10.9 LET US SUM UP

Export Promotion Bodies namely Export promotion Councils and Commodity Board were set up by Govt of India under Ministry of Commerce & Industry for the promotional activities. APEDA, MPEDA, CEPC, Coffee/ Spice/ Tobacco / Tea Board are the organisations working for export promotion of agricultural, marine, cashew, coffee, rubber, spice, tobacco tea and coir respectively from India.

In order to promote agricultural products, APEDA has several developmental and financial assistance programmes for the processors, exporters of country where as MPEDA holds similar responsibilities for marine sector.

Coffee, Spice, Tobacco and Tea Board are the commodity specific autonomous promotional bodies which help to increase export from India through financial/ technical assistance schemes. Commodity Boards also conduct problem based sector specific research activities to resolve technical, quality problems of the product.

10.10 KEY WORDS

Key-Term		Definition
Export Promotion Activities	:	The assistance and supports rendered by export promotion bodies to farmers, processors, exporters and other stake holders are considered as export promotion activities.
Export Certification	:	In order to ensure the quality of commodity being exported, the procedure/ system followed is the export certification process.
Quality	:	Measure of excellence or state of being free from defects, deficiencies and significant variations. ISO 8402-1986 standard defines quality as “the totality of features and characteristics of a product or service that bears its ability to satisfy stated or implied needs.
Quality Assurance	:	It includes the regulation of the quality of raw materials, assemblies, products and components; services related to production; and management, production, and inspection processes.

10.11 ANSWERS TO CHECK YOUR PROGRESS EXERCISES

Check Your Progress Exercise 1

1) Your answer should include the following:

Schemes offered by APEDA

- Scheme for Market Development
- Scheme for Infrastructure Development
- Schemes for Quality Development
- Schemes for Research and Development
- Transport Assistance of Horticultural & Processed Food Products by Sea & Air

Schemes offered by MPEDA

- Export production - Capture Fisheries
- Export production - Culture Fisheries
- Induction of New Technology and Modernisation of Processing Facilities.
- Market Promotion

2) Your answer should include the following:

- Special Coffee Term Loan (SCTL) relief package to coffee growers.
- Modalities for Implementation of Support to Small & Medium Growers Sector Scheme (SS & MGS)
- Self Help Group(SHG)
- Special Assistance Programme (SAP) for NE Region
- Coffee Development Programme
- Price Stabilisation Fund (PSF)
- Price Crisis in Coffee Sector & Measures taken by the GOI
- Action Programme to combat White Stem Borer

Check Your Progress Exercise 2

1) Your answer should include the following:

- Rubber (Production and Marketing) Act, 1947
- Indian Rubber Board
- The Rubber Production and Marketing (Amendment) Act, 1954
- The Rubber Board”

2) Your answer should include the following:

- Regulating the production
- Constant monitoring
- Sustaining and improving the existing international markets
- Establishing auction platforms for sale
- Recommending to the Central Government the minimum prices
- Propagating information useful to the growers.
- Purchasing Virginia tobacco from growers
- Promoting tobacco grading

3) Spice Board issues Indian Spices Logo and the Spice House Certificate as Quality Marking programme. The Indian Spices Logo is awarded after a two-tier inspection to satisfy compliance with regard to adherence to practices ensuring quality, hygiene and safety. Spice House Certificate is awarded to exporters who possess the specified infrastructural facilities for cleaning, processing, grading, packaging and warehousing.

Check Your Progress Exercise 3

1) Your answer should include the following:

- Act provides for levying cess upto 50 paise per kilogram of tea produced in India. Currently, however, the cess is collected at the rate of 30 paise per kg. excepting Darjeeling teas for which only 12 paise is levied. The Cess at present is collected by the Central Excise Department and credited to the Consolidated Fund of India after deducting the expenses of collection.

2) Your answer should include the following:

- Export of roasted and salted cashew kernels are also normally subjected to voluntary quality control.

TERMINAL QUESTIONS

- 1) Write a brief note on role and functions of APEDA & MPEDA.
- 2) How does Coffee Board help/ promote the export of Coffee from India?
- 3) What are the activities performed by Spice Board for the growth of Indian spice exports.
- 4) What are the functions of the Tea Board and how Tea India Logo augment tea exports?
- 5) Briefly explain the role and functions of Cashew Export Promotion Council (CEPC).

IMPORTANT NOTE FOR STUDENTS

Material contained in the chapter has been prepared on a particular date. International Trade being a very vibrant and ever changing sector, students are advised to visit the websites of

different departments/Ministries related to them so as to get an upto date knowledge on the various schemes contained in the material.

Websites of the Export Promotion Bodies

1. Agricultural and Processed Food Products Export Development Authority (APEDA) : www.apeda.com
2. Marine Product Export Development Authority (MPEDA) : www.mpeda.com
3. Coffee Board : www.indiacoffee.org
4. Spices Board : www.indianspices.com
5. Tobacco Board : www.indiantobacco.com
6. Tea Board of India : www.teaboard.gov.in
7. The Cashew Export Promotion Council of India (CEPC) : www.cashewindia.org

Editor's Comments

Some aspects may need to be corrected/ added as follows:

1. Self assessment 2 – Answer 3 should relate to Spice Board and not Rubber Board and Answer for the Quality Marking of Spice Board needs to be added.
2. Answers to terminal questions need to be given : **No need (Shalini)**
3. May need to check if cess is still applicable for tea under 10.7.2.
4. Websites of various departments to be added