

Export Promotion Councils: As Catalyst to promote India's exports



**US\$ 7 bn
1980-81**



**US\$ 18 bn
1990-91**



**US\$ 44 bn
2001-02**



**US\$ 251 bn
2010-11**



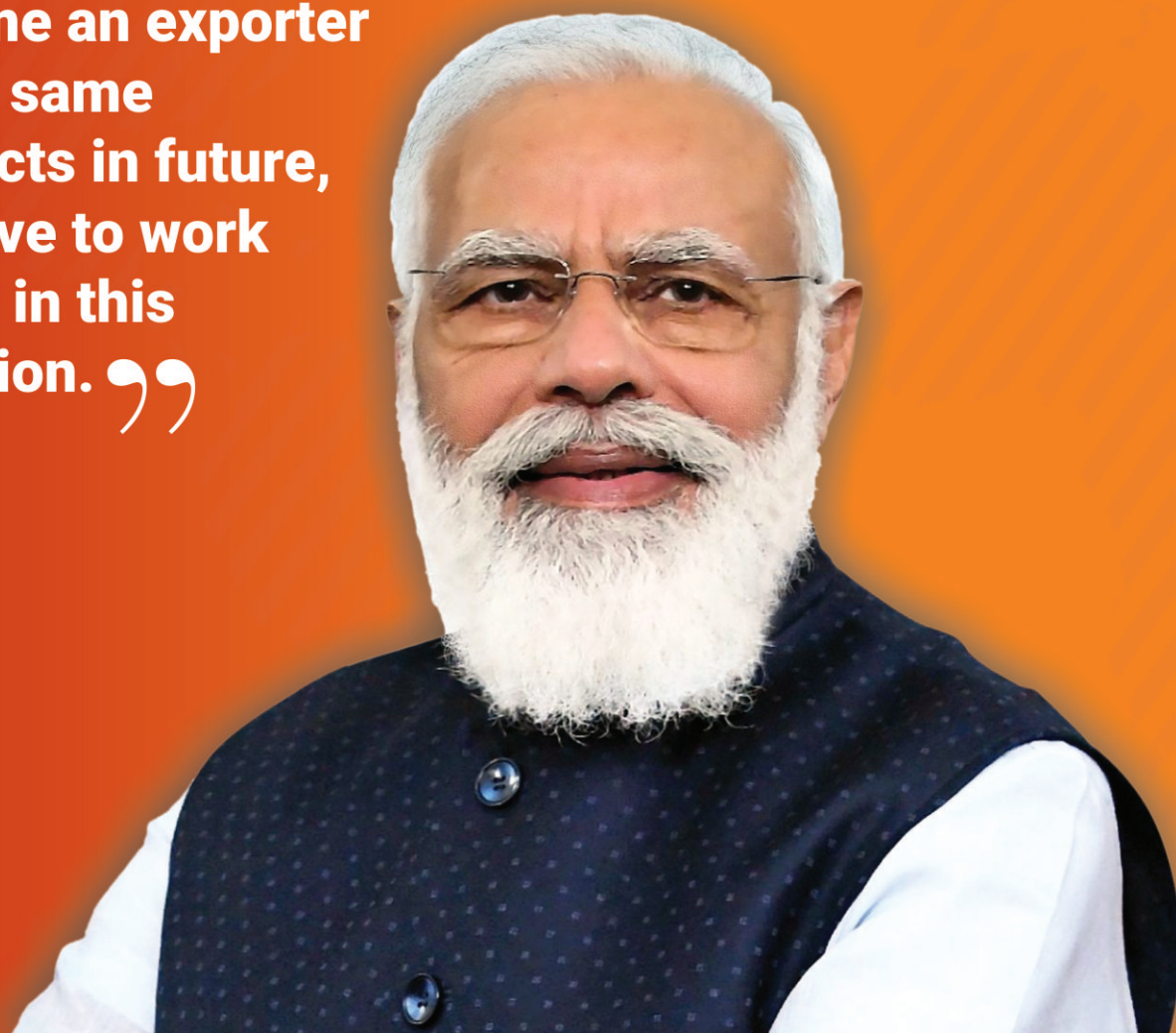
**US\$ 313 bn
2020 (FY 20)**



सत्यमेव जयते

DEPARTMENT OF COMMERCE
Ministry of Commerce and Industry
Government of India

“Everything that the country is forced to import, how it should be made in India, how India should become an exporter of the same products in future, we have to work faster in this direction.”



Export Promotion Councils (EPCs) work as a partner of the Government in supplementing efforts of the latter in facilitating country's exports through diversification of products and markets, adhering to standards and quality, encouraging brand consciousness, enhancing competitiveness by addressing supply side constraints. Having a wide global network, through affiliations and Memorandum of Understandings (MoUs), EPCs provide reciprocal trade promotion activities for the benefits of Indian exporters.



BASIC ROLE

The basic role of EPCs is to contribute to evolving an eco-system for exports to thrive in the country. The EPCs help exporters by:

- ❖ **Sharing Information:** To assist exporters to understand, interpret and implement the export policies and export assistance schemes of the Government including the State Governments.
- ❖ **Providing Assistance:** To provide assistance in export promotional activities such as external publicity, participation in fairs and exhibitions, organising buyers seller meets including the reverse buyer's sellers meet, promotion of exclusive exhibitions and trade fairs of specific products.
- ❖ **Collecting Data:** To collect and compile complete data on export growth and trends, the data of input cost, taxes and duties, average FOB value for fixation of Duty Drawback and RoDTEP Rates.
- ❖ **Acting as a Linkage:** To carry on an effective co-ordination between Government and the industry by providing feedback on Government policies and sensitising Government on various global developments including TBTs and NTMs.
- ❖ **Undertaking Studies:** To undertake product or country studies including various export promotion instruments used by competing countries to support their exports and to circulate the findings in respect of specific product/market to members to assist them in diversifying their exports and to the Government to help in devising suitable Exim Policy /Schemes.
- ❖ **Indicating Export Opportunities:** To collect and supply market information to exporter and thereby to help them to take benefits to take advantage of export opportunities available abroad.
- ❖ **Motivating Start-ups:** To create consciousness among new entrepreneurs/exporters through seminars, workshops, interactive sessions and to motivate them for export promotion.

- ❖ **Offering Guidance:** To offer guidance to member on various matters like utilization of GSP/ FTAs/ CECA/ CEPA, export finance, insurance of goods as well as new challenges like digital frauds, IPR violations etc.
- ❖ **Handholding of New Exporters:** Helping them in complying with regulatory compliance, getting bank finance, hosting of their products at e-com market place, arranging logistics etc.
- ❖ **Settling Disputes:** To help the member in settling their trade disputes through amicable negotiations.
- ❖ **Recognitions and Awards:** To appreciate and recognize the hard work and the excellent performance of the exporting community, the Councils and the FIEO institute awards such as Niryat Shree, Niryat Bandhu, Design Awards, Outstanding Export Performance Awards and Export Excellence Awards.



STRUCTURE

The EPCs are non-profit organisations registered either under the Companies Act or the Societies Registration Act. The EPCs are Governed by their Memorandum and Article of Association and are free to regulate their own affairs. However, if the Central Government frames uniform bylaws for the constitution and/or for the transaction of business for EPCs, they adopt the same with such modifications as Central Government may approve having regard to the special nature or functioning of such EPC.



CHANGING ROLE

For dealing with the international trade, which is volatile and dynamic, it is imperative that EPCs quickly adapt themselves with the changing environment. Over a period of time, EPCs have become more proactive, professional, focussing on digitisation and data management. New facilities extended by EPCs include:

Online Services

All the services to members including registration, amendment, certificate of origin, visa recommendation letters are being provided on an electronic platform with data sharing with various agencies cutting down the time in delivery of various services.

Technology Centres

The Technology Centres set up by the Export Promotion Councils help in addressing the

design and quality requirement of Indian export products. Such centres also ensure connection between the industry and academic, enable cost-effective access to technology especially for the MSME sector and improvement in design and quality.

Incubation Centres

Some EPCs have set up incubation centres for the new entrepreneurs to prepare them for exports and test their products in potential market after detailed market studies and market access issues. These incubation centres are gradually gaining traction attracting them in exports. Incubation and acceleration services for new entrepreneurs into exports commenced recently at FIEO.

Social Media for better Reach

The Councils have also launched their mobile apps and helpline numbers to facilitate ease of access to the entrepreneurs and exporters and to guide the prospective exporters and start-ups, etc. Further, the use of popular social media platforms ensures continuous and interactive communication.

Partnering with States for GI and ODOP

Recognizing the importance played by the States in promoting exports, the Councils have taken initiatives at the State level for nurturing exporters. EPCs are identifying strategies for GI products as well as traditional Indian products such as toys and furniture to provide the requisite impetus to the theme of One District One Product as part of the PM announcement of “**District Export Hub**” Initiative.

FIEO has prepared Export Strategy of many States while studies are going on in respect of few. Further, a study of identified districts under the District Export Hub Initiative is also being undertaken by FIEO in addition to helping various States in formulating their own Export Policy bringing specific schemes to promote products/services having potential in the States.

Global Tariff & Trade Information

FIEO developed ‘The Indian Trade Portal’ to facilitate and increase external trade activities. The Portal provides various online services including details of trade agreements entered by the Government of India, the MFN and preferential tariffs available to Indian products in various markets, rules of origin, SPS/TBT measures at tariff line, India’s export/import policy at tariff line, export incentives at tariff line, top import items of markets, etc. The Indian



“Saffron from Kashmir has now got a distinct identity with the GI Tag recognition. You will be delighted to know that after obtaining the GI Tag certificate, Kashmiri Saffron was launched in a super market in Dubai. Now its exports will get a boost. This will further strengthen our efforts to build an atmanirbhar Bharat. Farmers growing saffron will be especially benefited by this.”

**—Prime Minister in
Mann ki Baat**

missions upload trade and tender queries on the Portal directly. Exporters can access the business interests on real time basis.

Harnessing E-com Potentials

EPCs are working for pushing e-com retail exports by addressing various regulatory and operational challenges besides providing marketing support to start ups and new entrepreneurs. They have tied up with various market platforms to provide free listing/hosting of products particularly to micro and small enterprise. Such an initiative will help artisans, self-help groups, female entrepreneurs and small enterprises to explore exports opportunities.



EPCs RESPONSE TO COVID-19

In critical times, as experienced during the disruptions caused by the Covid-19, the institutional mechanism of the EPCs helped to quickly understand the difficulties of the exporters and the Councils acted as a bridge between the exporters and the Government. The feedback provided helped both the Central and State Government to strike a fine balance between life and livelihood and minimal disruptions to the exports. Various concessions in filing claims, exemption from late cut, enhancement in the validity of authorizations, extension in export period, longer period for exports realizations were provided by regulatory agencies on the inputs given by EPCs.

During Pandemic, the EPCs and FIEO extended nearly 24 x 7 services, guiding exporters through the policies which were being introduced by the Government from time to time to facilitate production and also exports.

To manage restrictions on travel and assembling, Councils came up with the solution to organize virtual export promotion and facilitation activities to enable their members to reach out to the potential foreign buyers to market/ promote Indian products and services. Necessary modifications in the guidelines of the Market Access Initiative Scheme enabled the EPCs to organize more such events with Government assistance.



WAY AHEAD

India's endeavour to become a US\$ 5 Trillion economy by 2025 exports contributing to US\$ 1 Trillion, requires an aggressive facilitating approach by EPCs . EPCs are exploring new areas of work such as:

Mapping the Supply Chain

EPCs are preparing to move beyond their existing role to not only look into the export chain from factory to the port and subsequent post exports operations but the entire supply chain. Each component of the supply chain is being analysed both for operational efficiency and cost cutting so as to impart competitiveness to our exports.

Focussing on Standards & Quality

EPCs have started working with the BIS and other standard bodies in India for developing national standards, helping in adoption of such standards and thereafter pushing for imposition of such standards on imports to provide adequate protection to the domestic industry and curb cheap imports. Focus on MRAs for better market access is being pushed by EPCs. Similarly, industry is being encouraged to move up the value chain while adhering to quality parameters.

Adding to Exports Basket

EPCs are focussing on the changing imports profile globally so as to align Indian exports with such trends. Building manufacturing on specific products in electronics, electrical equipment & machinery, automobile & auto components, pharma, chemicals and plastics, defence aerospace, technical textiles etc. would help in getting a substantial share in world's exports. While PLI kind of schemes will help in getting investment in these sectors, EPCs are initiating the process of motivating their members to look into opportunities in these sectors and also explore the possibility of Joint Ventures and FDI with their global buyers.

Creating Digital Stores

EPCs are keen to develop their own e-com market places particularly as vertical marketplaces are in huge demand and help small businesses to go digital by creating their stores on such platforms. Exporters of industrial and chemical products, agri-products, lifestyle products, R & D service providers, housewives selling recipes, embroidery services, etc., are being facilitated to create their digital stores on the platform.

Developing Hybrid Marketing Model

The drive to increase market coverage and the need to contain costs will push demand for hybrid marketing models during the post pandemic period. EPCs are preparing themselves for such a strategy providing facility of both physical shows with virtual shows to exporters as new technologies provide near feel factor in respect of products with precise specifications.

EPCs are gearing up to meet new challenges and opportunities, many of which may not be yet on the horizon, by building capacities and capabilities focussing on technologies and analytics to carve out a relevant place for themselves while simultaneously supporting the exports efforts of the Government.