

Issues and Solutions of Fresh Fruits Export in India

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India facts.....

- **Largest producer of fruits in the world**
- **Fruit production 46 million tonnes**
 - **10% of world production**
 - **4% of world citrus production**
 - **46% of world mango production**
 - **1% of export earnings from agricultural products**

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India : The March Ahead

fruit production, yields and exports grew faster than the average for the world:

- **production 5.33% compared to 2.2%;**
- **yields 2.14% compared to 0.95%; and**
- **exports 8.21% compared to nearly 2%.**

..... however, India's share in the global exports of fruits remains low.

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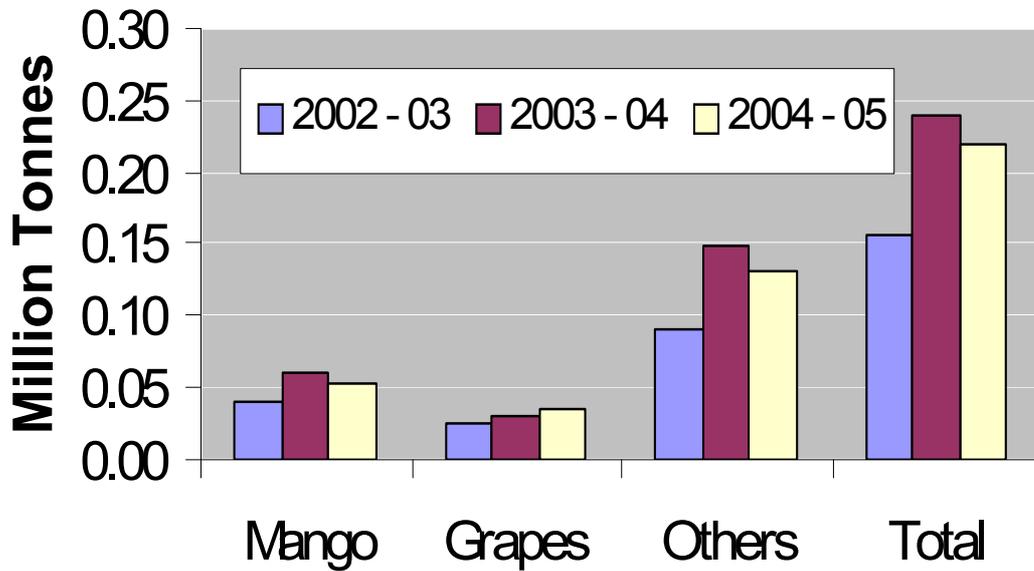
Comparison of major fruits' production in India and World

Fruit	Production (Million Tonnes)	
	India	World
Banana	13.304	64
Grapes	1.250	68
Mango	12.733	25
Papaya	2.150	5
Pineapple	1.172	17
Others	14.5942	267
Total	45.203	446

Source : Ministry of Commerce and Industries Data Sheet, 2005

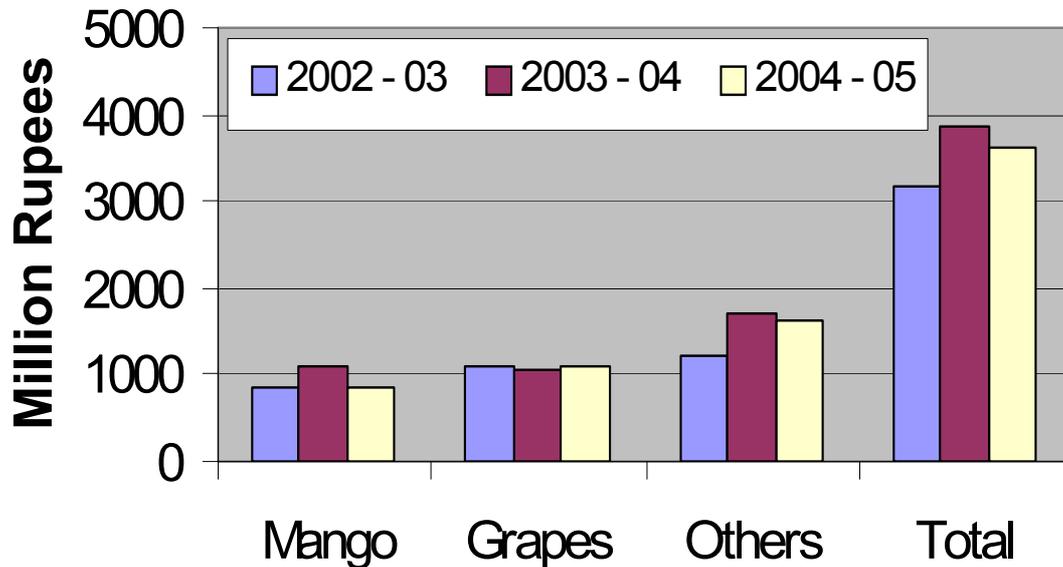
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Fig. 1 Export of Fruits from India



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Fig. 2 Value of Fruit Exports from India



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Constraints for Exports

- **Lack of exportable varieties**
- **Lack of post-harvest infrastructure**
- **High cost of obtaining certification for exports**

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Supply Chain Issues

- **Uneconomic scale of operation**
- **Lack of consistency in supply and quality**
- **Lack of cost competitiveness**
- **Inadequate and inappropriate storage and distribution infrastructure**
- **Lack of technical support for the agro-industrial sector**

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Market Access Issues

- **Non-Tariff Barriers**
 - **Import Policy Barriers**
 - **Standards, Testing, Labelling and Certification requirements**
 - **Anti-dumping & Countervailing Measures**
 - **Export Subsidies and Domestic Support**
 - **Government procurement**
- **Short product life cycle**
- **Lack of brand image**

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Technological Constraints

- **Majority of holdings are small and unirrigated**
- **Unproductive plantations needing replacement / rejuvenation.**
- **Low productivity of crops due to inferior genetic stocks and poor management.**

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Technological Constraints

- **Inadequate supply of quality planting materials of improved varieties**
- **High incidence of pests and diseases**
- **Heavy post harvest losses**

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Proposed Solutions

- **Targeted Products**
 - **India's production advantage (in aggregate terms or for specific varieties)**
 - **Production should shift to demand driven rather than supply driven**
 - **Current and likely trade volumes in the category, based on underlying demand trends**
 - **Potential for differentiation**
 - **Comparative cost advantage**

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Proposed Solutions

- **Improvement of market access**

Market Intelligence

- **Major importing markets**
- **India's competitiveness vis-à-vis key competitors**
- **Existing tariff structure and non-tariff barriers, and likely changes in the context of WTO requirements**
- **Current status of quality standards and food regulations in target markets for imports of defined products.**

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Proposed Solutions

- **Improvement of market access**

Harmonization with international standards/practices, certification and testing

- **Substitute post arrival testing with pre-shipment inspection**
- **Encourage importing countries to set up offices in India for certification of export consignments**

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Harmonization with international standards/practices, certification and testing

- **Encourage food testing laboratories to obtain accreditation from international agencies.**
- **Introduce certification zoning systems**
- **Promote certification of organic farming for different crops**

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Proposed Solutions

- **Supply chain alignment with international requirements**
 - **Enable direct farmer-importer linkages**
 - **Set-up independent world class food testing and inspection infrastructure**
 - **Devise an alternate system of processing grade products specifications based on internationally accepted norms**

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Supply chain alignment with international requirements

- Support private sector initiatives for investing in specialized transport infrastructure
- Encourage investment in infrastructure to improve product quality

• Integration of Government Schemes

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Recommendations

- Integrate all schemes offered for export promotion through various Ministries and allied agencies
- Strengthen food processing infrastructure in identified Agri Export Zones
- Encourage food testing laboratories to get accreditation from international agencies

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Recommendations

- **Set-up independent world class food testing and inspection infrastructure, particularly in clusters with significant presence of exporters**
- **Devise an alternate system of processing grade products specifications based on internationally accepted norms**
- **Promote aggregation of exports to meet the minimum order requirement of importers**

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Recommendations

- **Develop a strong market intelligence system to aid exporters**
- **Introduce certification zoning systems**
- **Promote certification of organic farming for different crops**
- **Build global brands on the back of India's strengths**

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Recommendations

- **Support a responsive research and development infrastructure to provide technological upgradation**

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Thank You

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