INDIA'S VALUE ADDED AGRI FOOD PRODUCTS EXPORT

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APEDA

AGRICULTURAL AND PROCESSED FOOD PRODUCTS EXPORT DEVELOPMENT AUTHORITY(APEDA) MINISTRY OF COMMERCE, GOVT. OF INDIA

- **Established by an Act of Parliament in 1986 for development and promotion of export of scheduled products**

- **There are 5 Regional offices – Mumbai, Bangalore, Hyderabad, Guwahati, Kolkata**

APEDA's Functions

- Promotion of Export Oriented Production
- Infrastructure for Transportation, Handling and Storage
- Support for R&D and Quality Assurance
- Fixing of Quality Standards and Specifications for the Scheduled Products
- Inspection & Certification of Processing Plants, Storage & Transportation Points for Meat Products
- Improving Packaging of Products
- Training in Various Aspects of the Scheduled Products Industries
- Market Development and Promotion
- Market Intelligence – Undertaking Surveys & Feasibility Studies

APEDA scheduled products

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- ❖ Fruits, Vegetables and their Products
- ❖ Meat and Meat Products
- ❖ Poultry and Poultry Products
- ❖ Dairy Products
- ❖ Confectionery, Biscuits & Bakery Products
- ❖ Honey, Jaggery and Sugar Products
- ❖ Chocolates of all kinds
- ❖ Alcoholic and Non-Alcoholic Beverages
- ❖ Cereal and cereal Products
- ❖ Groundnuts, Peanuts and Walnuts
- ❖ Pickles, Papads and Chutneys
- ❖ Guar Gum
- ❖ Floriculture and Floriculture Products
- ❖ Herbal and Medicinal Plants
- ✓ Basmati Rice added in the Second Schedule of APEDA Act.
- ✓ APEDA monitors import of sugar.
- ✓ APEDA also functions as the Secretariat to service the National Accreditation Board (NAB) for organic exports

Global Agri Trade

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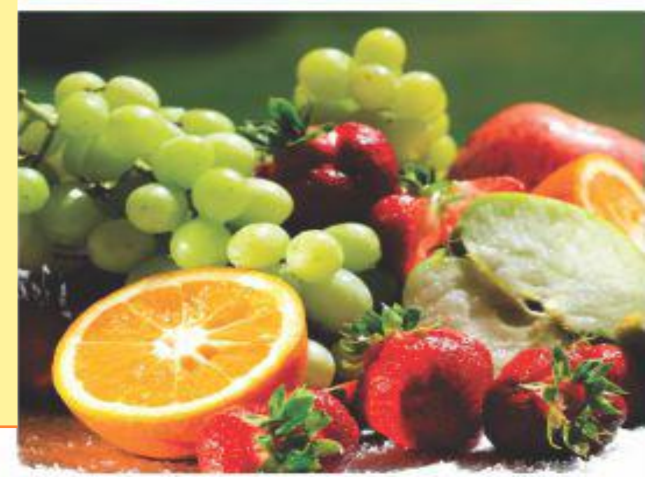
Major Players	% Share
USA	9.8
Netherlands	6.7
Germany	5.8
Brazil	5.4
China	5.0
France	4.7
Spain	3.6
Canada	3.4
Italy	3.2
Belgium	3.1
Indonesia	2.5
India	2.4

Source: UNComtrade 2017

APEDA'S SHARE IN AGRI EXPORTS

	2018-19 (USD BILL.)
TOTAL MERCHANDISE EXPORTS	330.0
EXPORT OF AGRI PRODUCTS	38.5
% SHARE OF AGRI PRODUCTS IN TOTAL MERCHANDISE EXPORTS	12%
EXPORT OF PRODUCTS MONITORED BY APEDA	18.7
% SHARE OF APEDA PRODUCTS IN ALL AGRI PRODUCTS	48.6%



STAR PRODUCTS OF INDIAN AGRI EXPORTS SECTOR

	2018-19	
ProductName	**Qty**	**US$ Mill**
Marine Products	1437445	6796
Basmati Rice	4415085	4713
Buffalo Meat	1233378	3587
Spices	1091104	3308
Non-Basmati Rice	7534205	3000
Cotton Raw Incld. Waste	1143111	2104
Oil Meals	4425134	1492
Sugar	3986742	1360
Castor Oil	619356	884
Tea	270273	831
Coffee	282873	822
Fresh Fruits	736946	763
Fresh Vegetables	2915109	760
Guargum	513218	675

Source: DGCIS

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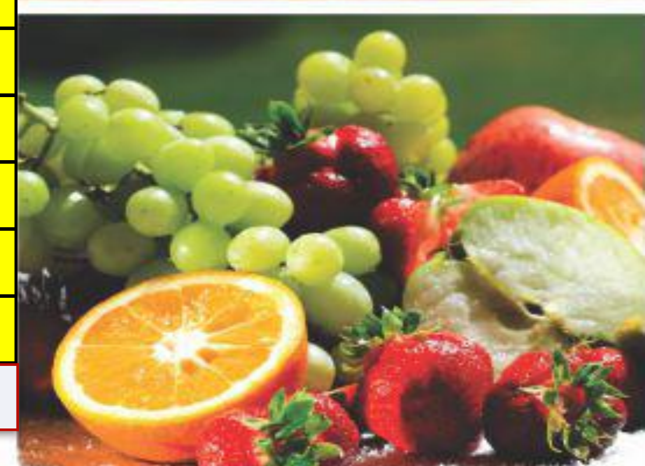
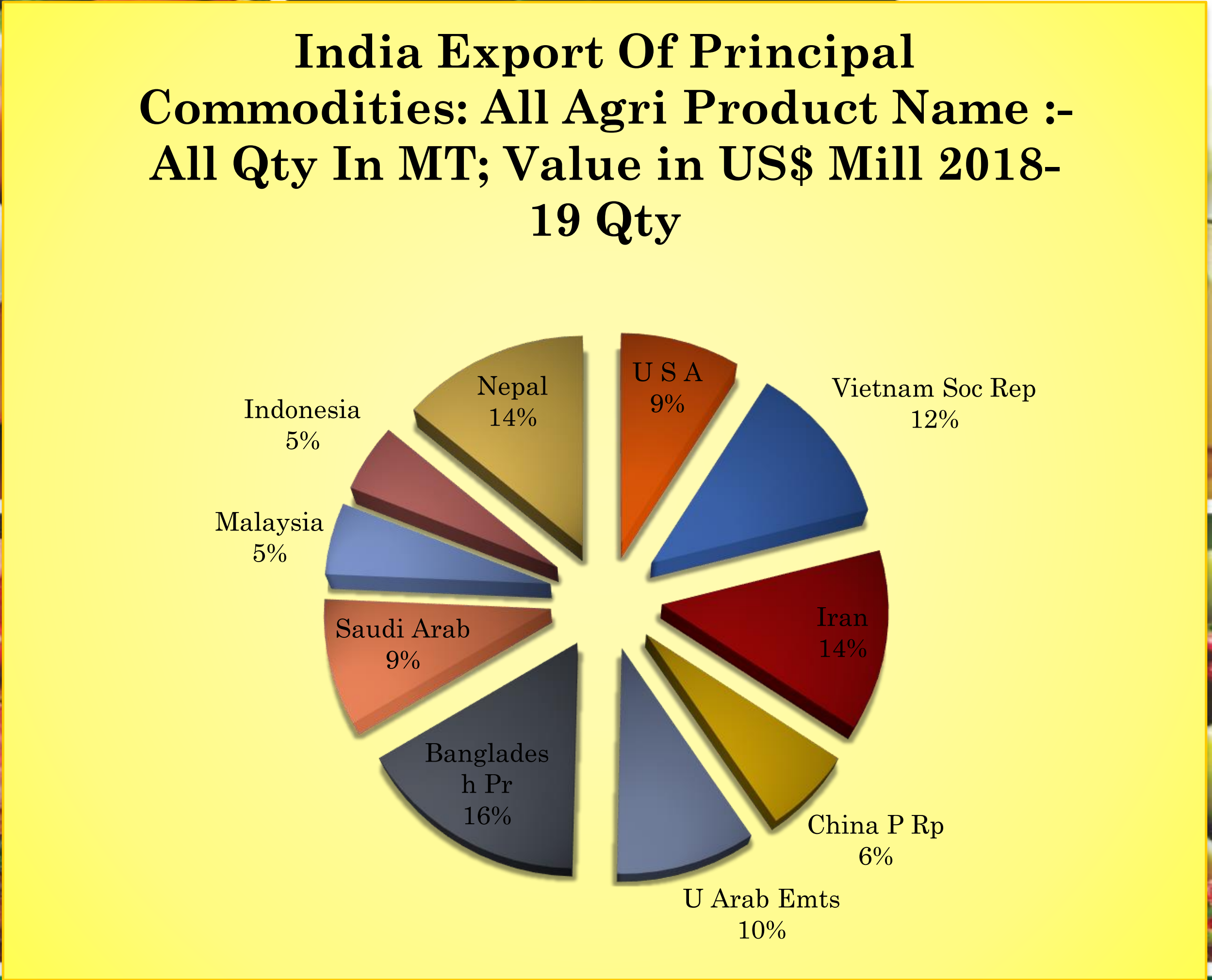
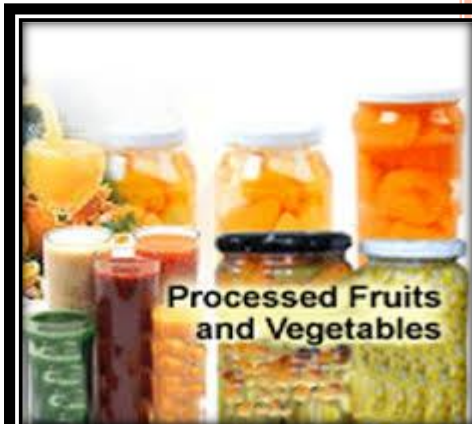


Major 10 Importing Countries of India



FOOD PROCESSING SECTOR IS ONE OF THE LARGEST SECTORS IN INDIA IN TERMS OF



INDIA'S FOOD PROCESSING SECTOR

SPICES

MEAT AND POULTRY

CONFECTIONERY

HIGH PROTEIN FOODS

CHOCOLATES

CONSUMER PRODUCT GROUPS

ALCOHOLIC BEVERAGES

FRUIT AND VEGETABLES

MINERAL WATER

COCOA PRODUCTS

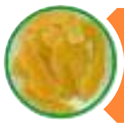
SOYA-BASED PRODUCTS

FISHERIES

MILK AND MILK PRODUCTS

APEDA's EXPORT BASKET-PROCESSED FOOD


CUCUMBER AND GHERKINS (PREPD. & PRESVD)


PROCESSED VEGETABLES


MANGO PULP


PROCESSED FRUITS, JUICES & NUTS


PULSES


GROUNDNUTS


JAGGERY AND CONFECTIONERY


GUAR GUM


COCOA PRODUCTS


CEREAL PREPARATIONS


ALCOHOLIC BEVERAGES


MISCELLANEOUS PREPARATIONS


MILLED PRODUCTS

India's exports of Processed Food

- Mango Pulp (93.97 USD Millions),
- Processed Vegetables (354.75 USD Millions)
- Cucumber and Gherkins(Prepd. & Presvd) (205.84 USD Millions)
- Processed Fruits, Juices & Nuts (402.52 USD Millions)
- Pulses (242.66 USD Millions),
- Groundnuts (473.81 USD Millions)
- Guargum (676.47 USD Millions)
- Jaggery & Confectionary (230.14 USD Millions)
- Cocoa Products (193.26 USD Millions)
- Cereal Preparations (553.17 USD Millions)
- Alcoholic Beverages (301.71 USD Millions)
- Miscellaneous Preparations (583.33 USD Millions)
- Milled Products (151.85 USD Millions)

GLOBAL IMPORT & INDIA'S EXPORT STATUS

PRODUCTS	GLOBAL IMPORT (Value in US$Mill)	INDIA'S EXPORTS (Value in US$Mill)	INDIA'S SHARE(%)	INDIA'S RANK
Cereal Preparation	68471	433	0.63	30
Miscellaneous Preparations	90037	444	0.49	36
Cocoa Products	46949	204	0.43	33
Processed Fruits, Juices & Nuts	39786	464	1.16	23
Processed Vegetables	33413	360	1.07	20
Jaggery & Confectionery	33004	213	0.64	28
Processed Meat	15289	0.476	0.00	92
Pulses	12278	240	1.95	10
Fruits & Vegetables Seeds	7379	163	2.21	14
Milled Products	4311	116	2.70	10
Cucumber and Gherkins(Prepd. &Presvd)	691	171	24.7	1

Source:UNCOMTRADE data 2017

GLOBAL SCENARIO- MAJOR PRODUCTS – MAJOR IMPORTING COUNTRIES

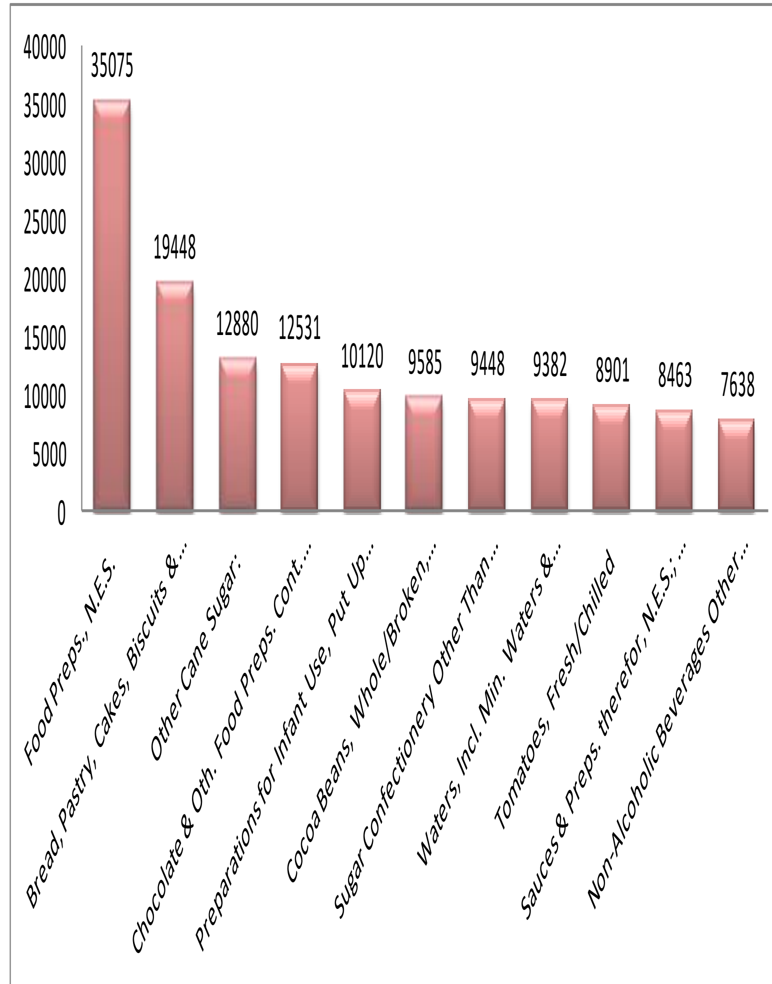
Product	Qty(MT)	(Value in US$Mill)
Miscellaneous Preparations	112404761	90038
Cereal Preparations	29053110	68471
Cocoa Products	12384634	46949
Processed Fruits, Juices & Nuts	25245956	39787
Processed Vegetables	26747563	33414
Jaggery & Confectionery	43441583	33004
Processed Meat	4028945	15290
Pulses	17835324	12279
Fruits & Vegetables Seeds	1578832	7380
Milled Products	11694975	4312
Cucumber and Gherkins(Prepd. & Presvd)	754547	691
Total	285170230	351614

Importing Country	Qty(MT)	(Value in US$Mill)
U S A	20929822	38972
Germany	14016817	24144
U K	12551337	20488
France	11841338	18751
Netherland	15987215	17918
China P Rp	8826650	13933
Japan	6956984	13357
Canada	2802516	13324
Belgium	11868267	11774
Italy	4649575	8023
Spain	4479459	7746

Source:UNCOMTRADE data 2017

Global Potential products

		2017
HS Code	Product	Value (US$Mill)
210690	Food Preps., N.E.S.	35075
190590	Bread, Pastry, Cakes, Biscuits & Oth. Bakers' Wares N.E.S. In Ch.19, Whethe ...	19448
170114	Other Cane Sugar:	12880
180690	Chocolate & Oth. Food Preps. Cont. Cocoa (Excl. of 1806.20-1806.32)	12531
190110	Preparations for Infant Use, Put Up for Rs	10120
180100	Cocoa Beans, Whole/Broken, Raw/Roasted	9585
170490	Sugar Confectionery Other Than Chewing Gum (Incl. White Chocolate), not Con ...	9448
220210	Waters, Incl. Min. Waters & Aerated Waters, Cont. Added Sugar/Oth. Sweeteni ...	9382
70200	Tomatoes, Fresh/Chilled	8901
210390	Sauces & Preps. therefor, N.E.S.; Mixed Condiments & Mixed Seasonings, N.E. ...	8463
220290	Non-Alcoholic Beverages Other Than Waters of 2202.10 (not Incl. Fruit/Veg.	7638



Source: UNCOMTRADE data 2017

India's exports-Processed Fruits and Vegetables, Other Processed Foods major destinations

	2018-19	
Country	Qty(MT)	Value(US$ Mill)
U S A	450057	791
U Arab Emts	246278	307
Indonesia	354445	272
Nepal	125766	167
U K	130069	164
Netherland	138145	149
Saudi Arab	130729	132
Malaysia	170719	128
China P Rp	93731	123
Russia	96264	110
Canada	72619	102

Source: DGCIS

STRENGTHS

- India, with a large and diverse agriculture, is among the world's leading producers of agro products viz. cereals, milk, sugar, fruits and vegetables. Considering the large and diverse production base, there is immense potential which can be harnessed by further value addition to the agro produce

- Global Food Processing industry has consistent demand

- Demand from developed economies :- In developed economies and many developing economies, consumption of processed fruit and vegetable products has long been the staple of a balanced diet

- Demand from the developing world : Demand for processed food products has grown strongly in the developing world, urbanization & increased income paved way for consumers increasingly demanding premium branded products and greater diversity in their diets

INDIA'S GEOGRAPHICAL SITUATION GIVES IT THE UNIQUE ADVANTAGE OF CONNECTIVITY TO

- EUROPE
- THE MIDDLE EAST
- JAPAN
- SINGAPORE
- THAILAND
- MALAYSIA
- KOREA

Weaknesses

- Processing is very low at around 2.20% in fruits and vegetables, 35% in milk, 21% in meat and 6% in poultry.
- Value addition is only to the tune of 20% Food processing sector contributed about 14% of manufacturing Gross Domestic Product.
- Lack of robust infrastructure, logistics , laboratories with up gradated machineries & trained technical manpower to augment processed food exports from India
- Requirement of Research & Development & Technology Up gradation in this sector for increasing shelf life of products
- Implementation of Quality Standards/ Certification: Maintaining quality/standard of food products for the international market is a challenge as raw materials are seasonal (e.g., fruits and vegetables) and heterogeneous (for example, size, age & weight of livestock, marine products etc) in nature

CHALLENGES

Retail, one of the largest sectors in the global economy (USD 7 Trillion), is going through a transition phase in India.

Globally more than 72% of food sales occur through super stores

India is the least saturated of global markets with a small organized retail

India, the least competitive of all global markets

Non-competitiveness due to cost and quality of marketing channels

TARGET PRODUCT IN TARGET MARKET – AGRI EXPORT POLICY

PRODUCT	Present level of exports	Projected exports in the next 3 years	Potential markets
1. Biscuits & Confectionery	$ 185 mn	$ 350 mn	Angola, USA, Haiti, Namibia, Uganda, UAE, Nigeria, Kenya
2. Indian Ethnic Foods	$ 114 mn	$ 200 mn	USA, Australia, Canada, UAE, Nepal
3. Cereal Preparations	$ 471 mn	$ 800 mn	USA, Bangladesh, UK, Nepal, UAE, Angola
4. Dehydrated onion, other vegetables & Frozen vegetables including Gherkin	$ 207 mn	$ 400 mn	USA, Germany, Belgium, Russia, France
5. Processed fruits-juices, concentrates	$ 338 mn	$ 600 mn	Saudi Arabia, Netherlands, Yemen, UK, USA, Algeria, Kenya

ACTION PLAN

- KEY ASPECTS- marketing & branding
- KEY FOCUS- APMC act, supply chain logistics & infrastructure, technology & streamlining the standards for food safety norms, harmonization with international standards etc.
- high tariff/duty rates resulting in non-competiveness of Indian Food Products needs to be revisited in the view of focus countries and negotiate trade agreements or establish new FTAs with key trade countries
- SIMPLIFICATION OF POLICIES & REGULATIONS
- To comply with stringent quality requirements and traceability systems institutionalizing of global quality framework and standards on a fast track mode and expanding agricultural extension, private and NGO involvement can also play a key role in sensitizing the farmers in use of appropriate fertilizers and pesticides to improve the productivity

Way Forward

- Marketing and Branding
- Infrastructure Development
- Financial Assistance
- Trade Agreements beneficial for Indian exporters
- Evolving the supply chain model
- Quality Assurance
- Traceability

INDIA PRESENTS A HUGE OPPORTUNITY AND IS ALL SET FOR A BIG RETAIL REVOLUTION

THANK YOU