

50 district export hubs likely in FTP

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The districts as export hubs initiative is aimed at mobilizing each district to achieve its potential as an export hub. MINT

The department of commerce will develop 50 districts as export hubs that are likely to be part of the foreign trade policy set to be unveiled on 30 September.

The move, the first of at least two planned phases, is aimed at helping domestic producers in these districts scale up and find potential buyers abroad to boost exports.

The 'districts as export hubs' plan will go for union cabinet approval with the department of commerce likely to move the note to the cabinet in the coming weeks.

"We are trying to make it a part of the upcoming foreign trade policy...the finance ministry has given clearance to take up 50 districts in a pilot phase. We will move the proposal to the cabinet soon," said a government official.

If the pilot is successful, the government will expand it to another 150 districts in the next phase.

The DGFT had proposed the scheme to the department of expenditure as a centrally sponsored scheme, with the

Centre paying 60% of the cost estimated at ₹50 crore per district.

"We were proposing 200 districts of the total 750, of which the department of expenditure has approved 50 in the first phase, and they have said that subject to the good performance of these 50, another 150 will be considered," a government official said.

It amounts to an expendi-

ture of ₹1,500 crore by the Centre, if one goes by the ₹50 crore per district sought by the DGFT.

DGFT had initially suggested covering 200 districts at one go, but it was asked to do it in phases

The DGFT had initially suggested covering 200 districts at one go, but the department of expenditure recommended doing it in phases and mapping the actual impact

first. This comes as the government is looking at ways to boost exports amid declining global demand. Exports

declined by 1% in August compared with a year ago.

Queries emailed to the department of commerce on Tuesday remained unanswered till press time.

The districts as export hubs initiative is aimed at mobilizing each district to achieve its potential as an export hub.

Under it, support may be provided in the form of infrastructure and logistics, e-commerce, marketing, branding, skill development, training, testing facilities, research and development/technology upgradation, export promotion, and outreach activity.

The department of commerce has also been implementing the Trade Infrastructure for Export Scheme (TIES) since FY 2017-18, helping central and state government agencies create appropriate infrastructure for the growth of exports.

The FTP was initially scheduled on 1 April 2020, but was postponed by a year due to covid-19 till 31 March 2021 and by another six months till 30 September 2021 and further to 1 April.

The government is finally expected to come up with the policy on 30 September.