



Changing the Agri exports basket

Crux: India has the potential to become a global leader in the food processing sector

General trends of Agri Exports:

1. The Indian government has been encouraging agricultural exports to meet an ambitious target of \$60bn by 2022.
2. The Ministry of Food Processing Industries shows that the contribution of agricultural and processed food products in India's total exports is 11%. Primary processed agricultural commodities form the majority share.
3. India's export earnings will increase by focusing more on value-added processed food products rather than primary processed agricultural commodities. From 2015-16 to 2019-20, the value of agricultural and processed food increased significantly from \$17.8bn to \$20.65bn.
4. The Indian agricultural economy is shifting from primary to secondary agriculture where the focus is more on developing various processed foods. The Indian food processing industry promises high economic growth and makes good profits.

Changes over the years

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PARASHRAM PATIL

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Changes over the years

India's agricultural export basket is changing from traditional commodities to non-traditional processed foods. Traditionally, Basmati rice is one of the top export commodities. However, now there is an unusual spike in the export of non-basmati rice. In 2020-21, India exported 13.09 million tonnes of non-basmati rice (\$4.8bn), up from an average 6.9 million tonnes (\$2.7bn) in the previous five years.

Similarly, Indian buffalo meat is seeing a strong demand in international markets due to its lean character and near organic nature. The export potential of buffalo meat is tremendous, especially in countries like Vietnam, Hong Kong and Indonesia.

In 2020-21, the export of poultry, sheep and goat meat, cashew kernels, groundnuts, guar gum, and cocoa products went down in terms of value and total quantity.

The export of processed food products has not been growing fast enough because India lacks comparative advantage in many items. This may imply that the domestic prices of processed food products are much higher compared to the world reference prices.

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The main objective of the Agriculture Export Policy is to diversify and expand the export basket so that instead of primary products, the export of higher value items, including perishables and processed food, be increased. The exporters of processed food confront difficulties and non-tariff measures imposed by other countries on Indian exports (Siraj Hussain, 2021). Some of these include mandatory pre-shipment examination by the Export Inspection Agency being lengthy and costly; compulsory spice board certification being needed even for ready-to-eat products which contain spices in small quantities; lack of strategic planning of exports by most State governments; lack of a predictable and consistent agricultural policy discouraging investments by the private sector; prohibition of import of meat and dairy based products in most of the developed countries; withdrawal of the Generalised System of Preference by the U.S. for import of processed food from India; export shipments to the U.S. requiring an additional health certificate; and the absence of an equivalency agreement with developed countries for organic produce.

The way forward

The Centre's policy should be in the direction of nurturing food processing companies, ensuring low cost of production and global food quality standards, and creating a supportive environment to promote export of processed food. Developed countries have fixed higher standards for import of food items. Reputed Indian brands should be encouraged to export processed foods globally as they can comply with the global standard of codex. Indian companies should focus on cost competitiveness, global food quality standards, technology, and tap the global processed food export market. India has competitive advantages in various agricultural commodities which can be passed onto processed foods. It has the potential to become a global leader in the food processing sector.

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What counts is seldom counted

Census data in India are losing their relevance in the development agenda

Losing significance

First, we must recognise what the Census does. It has a lot of potential in policymaking and the exercise is not merely about counting the population.

1. Unfortunately, though, the limited information collected, and the under-utilisation or non-utilisation of Census data, have limited the role of the Census in policymaking.
2. Its importance is further diminished when numerous large-scale surveys are funded by the various ministries of the Government of India. These surveys are conducted periodically.
3. They allow for a detailed analysis of the socio-economic issues of significance since the raw data are made available in the public domain. Hence, the Census, at best, serves as a framework for designing these surveys.

What counts is seldom counted

Census data in India are losing their relevance in the development agenda



S. ANANDARAMAN & C. SUBRAMANIAN



Photo: Anandaraman and Subramanian

While it is true that the Census is a major source of data for the government, it is often under-utilised. The Census provides a wealth of information on the population, but this information is often not used to its full potential. The Census is a valuable tool for policymakers, but it is often not used to its full potential. The Census is a valuable tool for policymakers, but it is often not used to its full potential.

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4. But the fundamental reason why the Census has lost significance is that the data collected are not disseminated on time, despite the use of technology.
5. The primary reason for this is that the government regulates the release of the numbers based on its calculations of whether or not the Census data have the potential to harm the political agenda.
6. For instance, the data on internal migration collected in the 2011 Census was made available to the public only when the Chief Economic Advisor decided to write a chapter for the Economic Survey 2016-17 in 2017.
7. Concerns now are only about counting castes and minorities, which will help the political class serve their own interests. Census data are mainly used by demographers, who have now redefined themselves as data analysts.

Characteristic information

1. The primary axes of disaggregation of Census-based information are residence, age, gender, administrative units, Scheduled Castes and Scheduled Tribes, and religion.
2. Apart from such disaggregation, the Census offers two units of analysis: at the individual level and at the household level. These may appear quite limited, but a lot can be inferred from these attributes of disaggregation.
3. Counting ascribed identities like caste and religion is perhaps less progressive than counting achieved identities or capability attributes like education and profession and other tangible endowments like the ownership of land, house and other consumer durables.
4. Further, associating any adversity with an ascribed identity may at best help focus the intervention but the effort should be on addressing the adversity irrespective of the identity.
5. A better example to this effect is blaming certain minority communities for high fertility rates rather than identifying the real reason for the same in terms of socio-economic exclusion.

On the whole, count and characteristics are equally important, but the characteristics that are modifiable hold the key towards change. It is rightly said that what can be counted may not count and what counts is seldom counted.