### **Uttar Pradesh Agriculture Export Policy 2019**

[As amended-2021 (First Amendment)]



### **Government of Uttar Pradesh**

Department of Agriculture Marketing & Agriculture Foreign Trade, Uttar Pradesh

#### 1. Background

Uttar Pradesh is the fourth largest State in terms of geographical spread which is 240,928 sq. km. covering 7.3 per cent of the total area of the country. The State has four ecological zones covering terai, gangetic plain, bhabhar and vindhyan area. It is the most populous state of the country, having 18 divisions and 75 districts. The State has six well defined and distinct soil groups- Bhabar soils, Terai soils, Vindhyan soils, Bundelkhand soils, Aravali soils and Alluvial soils. Based on rainfall, terrain and soil characteristics, UP has nine different agro climatic zones. State climate is subtropical and congenial for agriculture. The main source of livelihood of the people of Uttar Pradesh is agriculture and about 66 % of the population earns livelihood from agricultural and allied activities. Being blessed with river Ganga and its tributaries, State grows wheat, maize, paddy, potato, sugarcane, pulses, oil seeds and many others fruit and vegetable crops. Uttar Pradesh produces 21% of food grains, 10.8 % fruits and 15.4% of the vegetables produced in the country.

Agriculture contributes 25.7 % (2017-18 at current price and 22.7% at constant price) in gross State domestic product (GSDP). The State has 177.21 lakh ha. cultivated area, and against it net cultivated area is 166 lakh ha. out of which 86.7% is irrigated area. It stands  $1^{st}$  in food grains, sugarcane, potato , milk , meat and total horticultural production in the country.

To meet out the mandate of doubling farmer's income, it is necessary that a better demand for agricultural produce is created not only at national level but also at international level and better price realization is ensured through increase in exports. To enable the farmers to fetch better price of their produce it is necessary to give emphasis on agricultural exports. This requires a stable agriculture export policy regime in the State.

The share of Uttar Pradesh in National Agricultural exports is 7.35% (2018-19). Presently in terms of quantity exported in 2018-19 Uttar Pradesh contributed 50.34% in buffalo meat, 37.88% in wheat, 26.59% in natural honey, 4.12% in fresh mangoes, 15.84% in other fresh fruits, 13.31 % in dairy products, 4.02 % in non- basmati rice, 3.21% in basmati rice, 0.57 % in floriculture, 0.51% in processed fruits, juices & nuts, in the total agricultural exports from India.

Ministry of Commerce and Industry, Government of India formulated a National Agriculture Export Policy in the year 2018 with a vision to double the agricultural exports from present approximately US\$30+Billion to approximately US\$60+ Billion by

2022. It is envisaged that each state should formulate its own agriculture export policy to help in achievement of this objective. In view of this, Uttar Pradesh Agriculture export policy is being formulated in coherence with the national vision.

#### 2. Vision of the policy

The vision of the Uttar Pradesh Agriculture Export Policy 2019:

"To provide new framework for promoting agriculture exports, to harness the potential of exports of agricultural produce and products, and to substantially augment the income of farmers and other stakeholders."

#### 3. Objective of the policy

- To double the agricultural exports from Uttar Pradesh from the current value of US\$ 2524 million (Rs. 17591 crore) by 2024.
- To facilitate export of environmentally sustainable agricultural produce and also a shift from export of unprocessed agricultural produce to value added products.
- To identify and promote potential agricultural crops and products for export which are indigenous, organic and which can compete in the international markets.
- To create institutional mechanism for accessing international market and overcoming obstacles related to its management.
- To develop framework for reaching out to farmers with information related to exportable agricultural products and global opportunities.
- To look at synergistic opportunities among key departments in the State for expanding exports in agriculture sector.
- To enhance the income of farmers by expanding the market thereby ensuring better remunerative price.

#### 4. Strategies for implementation

- 4.1 Strengthening institutional mechanism, higher synergy among departments & effective utilization of existing institutional framework.
- 4.2 Enabling infrastructure to facilitate agricultural exports from the State and ensuring quality control and maintaining required standards at all levels.
- 4.3 Establishing State level Agriculture Exports Facility Center as a contact point for stakeholders.
- 4.4 Promoting and facilitating ways to make business easy for exporters of agricultural produce and products.
- 4.5 Encouraging private sector investments to create modern value chain which are well integrated with global market.
- 4.6 Promoting Good Agriculture Practices , developing disease and pest free areas and long distance sea protocol for the export of fresh fruits and vegetables.
- 4.7 Conducting capacity building of officials and stakeholders.
- 4.8 Setting up systems to promote innovation and start-ups.
- 4.9 Organizing promotional events to connect State with international market opportunities.
- 4.10 Attracting business for more investment and emphasis on state brand promotion.
- 4.11 Increasing agriculture exports from the state through cluster approach by forming clusters of areas within the district or groups of districts in which the exportable agriculture produce is being traditionally produced or processed or which are otherwise suitable for the purpose.

4.12 Encouraging research and development in collaboration with national and state level institutions.

#### **5. Implementation of the policy**

- 5.1. This policy shall come in to effect from the date of its notification.
- 5.2. In case of any amendments in this policy, any package of incentives, which is already committed by the state government to any Farmer/ FPO/ FPC/ Exporter/ Unit, shall not be withdrawn and the Farmer/ FPO/ FPC/ Exporter/ Unit shall continue to remain entitled to the benefit.

#### 6. Implementation framework

#### 6.1 Strengthening Institutional Mechanism:

- **6.1.1** This policy shall be implemented by all the departments of agriculture and allied sector departments e.g. Agriculture Department, Agriculture Marketing & Agriculture Foreign Trade department in which also includes Rajya Krishi Utpadan Mandi Parishad Uttar Pradesh, Animal Husbandry department, Food and Drug Administration, Fisheries, Dairy and Milk development Department, Horticulture & Food Processing Department, Sugar Industry & Cane Development department and such other departments as are directed by the State Level Export Monitoring Committee constituted under clause 6.1.2 of this policy and these departments shall be called allied department under this policy.
- **6.1.2** To strengthen and monitor the implementation of the policy, a **State Level Export Monitoring Committee** shall be formed. The State level monitoring committee shall be as follows:-

| SI. | Committee   | Official Designation  |  |
|-----|---|---|--|
| No. | Designation   |   |  |
| 1.  | Chairman  | Chief Secretary, Govt. of U.P.                                  |  |
| 2.  | Vice Chairman   | Agriculture Production Commissioner, Govt. of U.P.              |  |
| Α.  | State Government Agriculture Export related departments/ Institutions |   |  |
| 1.  | Member  | Additional Chief Secretary/ Principal Secretary, Finance, Govt. |  |

|     |        | of U.P.   |  |
|-----|--------|---|--|
| 2.  | Member | Additional Chief Secretary/ Principal Secretary, Planning,<br>Govt. of U.P.           |  |
| 3.  | Member | Principal Secretary, Agriculture, Govt. of U.P.                                       |  |
| 4.  | Member | Principal Secretary, Agriculture Marketing & Agriculture foreign Trade, Govt. of U.P. |  |
| 5.  | Member | Principal Secretary, Horticulture & Food Processing, Govt. of U.P.                    |  |
| 6.  | Member | Principal Secretary, Animal Husbandry, Govt. of U.P.                                  |  |
| 7.  | Member | Principal Secretary, MSME, Govt. of U.P.  |  |
| 8.  | Member | Principal Secretary, Fisheries, Govt. of U.P.   |  |
| 9.  | Member | Principal Secretary, Sugar Industry & Cane Development. Govt.<br>of U.P.              |  |
| 10. | Member | Principal Secretary, Dairy & Milk Development Govt. of U.P.                           |  |
| 11. | Member | Export Commissioner, Export Promotion Bureau, U.P.                                    |  |
| 12. | Member | Commissioner, Food Safety & Drug Administration, Govt. of<br>U.P.                     |  |
| 13. | Member | Director General, Uttar Pradesh Council of Agriculture Research<br>(UPCAR)            |  |
| 14. | Member | Managing Director, HoFED, Uttar Pradesh.  |  |
| 15. | Member | Director, Rajya Krishi Utpadan Mandi Parishad, Uttar Pradesh.                         |  |

| 16. | Member   | Director, U.P. State Organic Certification Agency, Lucknow.  |  |
|-----|--|--|--|
| 17. | Member   | Director, Directorate of Agriculture Marketing & Agriculture |  |
|     | Secretary  | Foreign Trade, Uttar Pradesh.                                |  |
| В.  | Central Government Agriculture Export related departments/Institutions |  |  |
| 1.  | Member   | DGFT or his representative                                   |  |
| 2.  | Member   | Chief Commissioner Customs , Govt. Of India                  |  |
| 3.  | Member   | Representative member of Agricultural and Processed Food     |  |
|     |  | Products Export Development Authority (APEDA), New Delhi     |  |
| 4.  | Member   | Representative of Indian Council of Agriculture Research     |  |
|     |  | (ICAR), New Delhi  |  |
| 5.  | Member   | Regional Authority of Export Inspection Council (EIC)        |  |
| 6.  | Member   | Regional Officer/ Representative of Directorate of Plant     |  |
|     |  | Protection Quarantine and Storage, Faridabad, Haryana        |  |
| 7.  | Member   | Regional Officer/ Representative, Animal Quarantine &        |  |
|     |  | Certification Services, New Delhi.                           |  |
| 8.  | Member   | Representative of Federation of Indian Export Organizations  |  |
|     |  | (FIEO), New Delhi  |  |
| С.  | Other Members  |  |  |
| 1   | Member   | Two (02) Nominated Progressive Farmers and / or FPOs by      |  |
|     |  | the State Government   |  |
| 2   | Member   | Two (02) Nominated Eminent Exporters by the State            |  |
|     |  | Government   |  |
| 3   | Member   | Two (02) Nominated Representative of Industry Chambers by    |  |
|     |  | the State Government   |  |

Vice chairman shall act as Chairman in the absence of Chairman and the tenure of nominated members shall be 2 years.

The State Level Export Monitoring Committee shall act as the **Empowered Committee** for the purpose of this policy. The State Level Export Monitoring Committee shall periodically review the status of agriculture export at state level and shall facilitate export promotion measures by coordinating between different State and Central Government Departments and other stakeholders. It shall also finalise formation of clusters, expand and modify the list of cluster. It shall also provide functional guidance to divisional and district level committees. The chairman of the committee shall be authorize to nominate the member from any department, institutions, etc. as per the requirement to fulfil the objective of this policy.

**6.1.3** The Department of Agriculture Marketing and Agriculture Foreign Trade, Uttar Pradesh shall act as nodal department at State level, Directorate of Agriculture Marketing and Agriculture Foreign Trade, Uttar Pradesh shall act as nodal agency. In order to make adequate discharge of its obligations and activities of agricultural export promotion, the nodal agency shall be allocated the budget every year by the government according to the minimum requirement. Nodal agency shall leverage the support of Rajya Krishi Utpadan Mandi Parishad, U.P. and Mandi Samiti for the implementation of this policy. The funds provided by the state government shall be utilised to fill the critical gaps in infrastructure and also to incentivise exports and related issues.

The nodal agency shall liaise with different departments of the State government to address the issues raised by exporters/ stakeholders and it shall organize events and meets, disseminate information, conduct capacity building programmes etc. The nodal agency shall work with concerned agencies to develop operational and commodity specific standard operating procedure (SOPs) for different departments and institutions.

To meet out the objectives of this policy the nodal agency shall strengthen institutional structure by roping in experts in the field of agriculture exports and by using information technology and by providing operational and IT support in line with this policy for the division and district level cells. **6.1.4** A **Divisional Level Agricultural Export Monitoring Committee** shall be formed and monitored at the level of the Divisional Commissioner, which shall be as follows:-

| SI. | Committee   | Official Designation   |  |
|-----|-------------|--|--|
| No. | Designation |  |  |
| 1.  | Chairman    | Divisional Commissioner  |  |
| 2.  | Member      | Representative of Agricultural and Processed Food Products<br>Export Development Authority (APEDA), New Delhi      |  |
| 3.  | Member      | Representative of Directorate of Plant Protection Quarantine<br>and Storage, Faridabad, Haryana                    |  |
| 4.  | Member      | Representative of state/ Central Agriculture University nominated by the chairman.                                 |  |
| 5.  | Member      | Joint Director Agriculture/ Deputy Director Agriculture  |  |
| 6.  | Member      | Joint Commissioner, Industries MSME & Export Promotion Department  |  |
| 7.  | Member      | Deputy Director, Horticulture  |  |
| 8.  | Member      | Principal, State Food Science Training Centre/Food<br>Processing Officer, Deptt. of Horticulture & Food Processing |  |
| 9.  | Member      | Additional Director, Animal Husbandry  |  |
| 10. | Member      | Assistant Commissioner (Food), Deptt. of Food and Drug<br>Administration, U.P.                                     |  |
| 11. | Member      | Deputy Director ( Administration/ Marketing), Mandi Parishad   |  |
| 12. | Member      | Deputy Director Fisheries  |  |
| 13. | Member      | General Manager, Sugar Mill, Nominated by the Chairman   |  |
| 14. | Member      | Representative of National Bank for Agriculture and Rural Development (NABARD)                                     |  |
| 15. | Member      | Representative of Small Farmer's Agri-Bussiness Consortium   |  |

|     |                     | (SFAC)   |  |
|-----|---------------------|--|--|
| 16. | Member              | Representative of NABL accredited Laboratory nominated by the chairman.  |  |
| 17. | Member              | Representative of reputed Non Government Organization (NGO), Nominated by the Chairman   |  |
| 18. | Member              | Two (02) Nominated Progressive Farmers and / or FPOs by the Chairman   |  |
| 19. | Member              | Two (02) Nominated Eminent Exporters of the Division by the Chairman   |  |
| 20. | Member<br>Secretary | Assistant Agriculture Marketing Officer/ Assistant Marketing<br>Officer, Deptt. of Agri. Marketing & Agri. Foreign Trade, U.P. |  |

The tenure of nominated members shall be 2 years.

The Divisional Level Exports Monitoring Committee shall review the status of agricultural exports minimum twice a year at the division level and facilitate exports promotion measures by coordinating between different departments. This committee shall review the development and working of clusters formed for the production of exportable agricultural produce and products.

**6.1.5** At the District level, a **Cluster Facilitation Cell** shall be set up under the chairmanship of District Collector, as follows :-

| SI.<br>No. | Committee<br>Designation | Official Designation      |  |
|------------|--------------------------|---------------------------|--|
| 1.         | Chairman                 | District Collector        |  |
| 2.         | Member                   | Chief Development Officer |  |

| 3.  | Member    | Deputy Director Agriculture/ District Agriculture Officer   |  |
|-----|-----------|---|--|
| 4.  | Member    | District Horticulture Officer   |  |
| 5.  | Member    | Chief Veterinary Officer, Animal husbandry  |  |
| 6.  | Member    | Deputy Commissioner, Industries & Industry Promotion<br>Center  |  |
| 7.  | Member    | Designated Officer , Food and Drug Administration, U.P.   |  |
| 8.  | Member    | Assistant Director Fisheries  |  |
| 9.  | Member    | General Manager, Sugar Mill, Nominated by the Chairman  |  |
| 10. | Member    | Representative of National Bank for Agriculture and Rural<br>Development (NABARD)/ Representative of Small Farmer's<br>Agri-Bussiness Consortium (SFAC) |  |
| 11. | Member    | Representative of reputed Non Government Organization (NGO), Nominated by the chairman.   |  |
| 12. | Member    | Representative of NABL accredited Laboratory, Nominated by the chairman.  |  |
| 13. | Member    | Two (02) Nominated Progressive Farmers and / or FPOs by the Chairman  |  |
| 14. | Member    | One (01) Nominated Exporters of the district by the Chairman  |  |
| 15. | Member    | District Agriculture Officer /Senior Agriculture Marketing  |  |
|     | Secretary | Inspector, Department of Agriculture Marketing  |  |

The tenure of nominated members shall be 2 years.

Cluster Facilitation Cell shall endeavour that:-

- a) Each sectoral department defines the area and number of farmers/ FPOs/FPCs in the cluster as per suitability and goals of export promotion.
- b) Monitor the cluster development work.
- c) Promote to increase area under cluster cultivation of the exportable items and improve quality of produce.

- d) Promote the registration of FPOs/ FPCs under various agencies like SFAC, NABARD etc. in each cluster.
- e) Facilitate the cluster level coordination among key departments ( Agriculture, Animal Husbandry, Horticulture & Food Processing, Dairy and Milk Development, Food and Drug Administration, Fisheries, Agriculture Marketing, Mandi Samiti etc.) and stakeholders (Exporters, Potential Exporters, Farmer's Producers Companies (FPCs)/ Farmer Producer Organisation (FPOs), Farmers and Producer's Cooperatives, Farmers etc.) for various agricultural crops and products.
- f) To facilitate and promote the registration of farmers under APEDA online traceability system, and connect exporters with registered FPOs/FPCs/Farmers for direct procurement of produce.
- g) Promote and facilitate primary and secondary processing units and their linkage with exporters.
- h) In the formation of clusters the help of Organizations/ Institutions/ Non Governmental Organizations (N.G.Os) and other stakeholders shall be taken.
- i) To recommend the cluster formation of new cluster of identified agricultural produce and products as per the suitability of the area to State Level Export Monitoring Committee to decide and finalising the formation of new cluster.

Note-

- 1- "Farmer Producer Company (FPC)" means a company of farmer producer members as defined in Section IXA of the Companies Act,1956, including any amendments thereto, re-enactment thereof and incorporated with the Registrar of Companies;
- 2- "Farmer Producer Organisation" (FPO) means an association of farmers, by whatever name/ form it is called/ exists, registered under any law for the time being in force, which is to mobilize farmers and build their capacity to collectively leverage their production and marketing strength;

**6.1.6** Endeavours shall be made to leverage various state level related policies including Uttar Pradesh Agriculture policy 2013, Industrial Investment and Employment Promotion Policy of UP 2017, Uttar Pradesh Warehousing and Logistics Policy 2018 and The Uttar Pradesh Food Processing Industry Policy 2017 to enhance the export of agricultural produce and products.

## 6.2 Enabling infrastructure–Development of new and upgrading existing infrastructure

Setting up adequate infrastructure at the State, division and district levels is prerequisite for supporting agricultural exports through collection centers, pack houses, warehouses, ripening chambers, logistics, Inland Container Depots (ICDs), Center for Cargo at airport with all equipped instruments as per the international requirement to connect the foreign markets and quality assurance. GoUP intends to help in setting up NABL (National Accreditation Board for Testing and Calibration Laboratories) accredited pesticide residue, heavy metal and biological contamination testing laboratories at the state and divisional levels as required.

Pack houses/ Collection Centers/ Ripening Chambers/ Reefer vans- Non reefer vans/ Warehouses/ Cold Storages facilities shall be created in public, private and public-private-partnership (PPP) mode in order to preserve the perishable items at various levels including pack houses/ ICDs & Center for Cargo at Airport. For transport of perishables facilities such as reefer vans/ trucks shall be suitably promoted and the incentive given under the Uttar Pradesh Warehousing and Logistics Policy 2018 and The Uttar Pradesh Food Processing Industry Policy 2017 shall be leveraged for this policy.

A comprehensive need gap analysis shall be done by the concerned departments to identify infrastructural demands, which shall be needed for the achievement of the targets of exports in their respective sectors. Sectoral targets shall be decided and strategies to achieve them shall be framed by the respective departments. Based on analysis, efficient value chain shall be developed specially for perishable products in order to meet the stringent quality and sanitary and phytosanitary norms of the importing countries.

**6.2.1** The Uttar Pradesh Agriculture Export Policy focuses on cluster approach for produce and products and the identification of cluster shall be based on production, contribution to exports, exporter's operations, scalability of operations, size of export markets and potential for increase in exports. Efforts shall be facilitate to focus on

development of infrastructure in the indentified clusters to increase the exports.

Under this policy, minimum 50 hectares of agricultural land should be within the development block for export cluster, which will be approved by the Cluster Facilitation Cell, set up under the chairmanship of the District Collector.

The policy specially aims at the realisation of agriculture export potential of crops and products in districts mentioned in Annexure-1 (as amended). The list of clusters will be expanded and amended on the recommendation of District Level Cluster Facilitation Cell by a State Level Sanction Committee constituted under the chairmanship of Additional Chief Secretary/Principal Secretary, Agriculture Marketing and Agriculture Foreign Trade, Government of Uttar Pradesh, whose member Secretary Director, Agriculture. Marketing and Agriculture, Foreign Trade, Uttar Pradesh and other members will be officer nominated by the government.

# **6.2.2 Export based incentive provision for new processing units to be set up near clusters.**

The nodal agency will provide export incentives to the new processing unit / pack house / cold storage / ripening chamber etc. set up for processing agricultural produce produced in clusters. This incentive will be given 10 percent of the turnover of exports or Rs. 25 lakhs, whichever is less, from the year of commencement of export to 05 years. This will be payable only to new units, which will be set up near the clusters. For this, the said unit will have to export minimum 40 percent of the purchased agricultural produce in original or processed form. This incentive will be given after proving the export obligation. In this regard, the payment will be made by the nodal agency after getting approval of the incentive amount from a State Level Sanction Committee constituted under the chairmanship of Additional Chief Secretary/Principal Secretary, Agriculture Marketing and Agriculture Foreign Trade, Government of Uttar Pradesh, whose member Secretary Director, Agriculture Marketing and Agriculture Foreign Trade, UP and other members will be officer nominated by the government.

#### 6.2.3 Incentives for private sector

Following measures shall be taken to encourage exporters to promote agriculture exports:

**6.2.3.1** Additional incentives will be given for facilitating and setting up export oriented clusters and to ensure the establishment of necessary processing units in such clusters and to promote exports from these clusters:

| Category          | Minimum eligibility requirements              | Incentives   |
|-------------------|---|--|
| Farmer<br>cluster | Cluster Area<br>50 hectares to 100 hectares   | 10 lakhs on completion<br>of cluster construction,<br>registration and export<br>obligation. |
|                   | More than 100 hectares and up to 150 hectares | 16 lakhs on completion<br>of cluster construction,<br>registration and export<br>obligation. |
|                   | More than 150 hectares and up to 200 hectares | 20 lakhs on completion<br>of cluster construction,<br>registration and export<br>obligation. |
|                   | More than 200 hectares and up to 250 hectares | 28 lakhs on completion<br>of cluster construction,<br>registration and export<br>obligation. |
|                   | More than 250 hectares and up to 300 hectares | 34 lakhs on completion<br>of cluster construction,<br>registration and export<br>obligation. |
|                   | More than 300 hectares and up to 350 hectares | 40 lakhs on completion<br>of cluster construction,<br>registration and export<br>obligation. |

As per above, if the area of the cluster increases, an increase in the amount of Rs 6 lakh will be allowed.

Of this, 40 percent in the first year and 15 percent thereafter on export for the next 04 years.

In order to obtain additional incentives, on account of the local productivity of agricultural commodities produced by the cluster (according to the production data of the Agriculture Department / Department of Horticulture / Concerned Department), export obligation will be considered complete if a minimum of 30 percent of the total production is exported and efforts will be made to increase export volume up to 50 percent in the next 04 years.

Physical inspection and verification of the cluster will be done by the district level Cluster Facilitation Cell. Cluster formed by FPO / FPC or Farmer's Aggregate registered under the Company Act, 1956 or Uttar Pradesh Cooperative Societies Act 1965 or Societies Registration Act 1860 and the promotional incentives shall be provided to such formed institutions for promoting good agricultural practices in the such cluster.

## 6.2.3.2 Transport subsidy for export of agricultural produce and processed products:

Uttar Pradesh is located very far from sea coast, due to this exporters faces difficulties in competition from sea coast states. Export by air is very costly. In view of this transport subsidy (Air way/ Railway/ Road/ Sea route) shall be given to exporters.

The payment of incentive amount for transport grant on export of agricultural products and processed goods will be made by the nodal agency after getting approval of the incentive amount by a State Level Sanction committee constituted under the chairmanship of Additional Chief Secretary/Principal Secretary, Agriculture Marketing and Agriculture Foreign Trade, Government of Uttar Pradesh, whose member Secretary Director, Agricultural Marketing and Agriculture Foreign Trade, UP and other members will be officer nominated by the government. The rates of transport subsidy (airways/railways/roads/waterways) are determined as follows:-

A) For exports by air or waterways transport subsidy of Rs.10 (Rupees ten) per kg or 25 per cent of the actual freight, whichever is less (including the transit cost of the product to the port).

B) For export by railway or road transport subsidy Rs. 05 (Rupees five) per kilogram or 25% of actual freight, whichever is less.

A maximum of Rs. 10 lakhs transport subsidy per year per exporter / firm shall be payable.

The said transport subsidy shall not be payable on meat and sugar exports.

This transport subsidy will be given after obtaining a certificate from the exporter to the effect that no such grant has been taken from any other source / department.

- **6.2.3.3** Exemption from mandi fee and development cess on specified agricultural produce used in agricultural exports (product / production) will be given as follows:
  - 1: In case of direct purchase from Farmers, Farmer Producer Organisations (FPOs/FPCs) or Farmer Producer Aggregates formed under Society Registration Act shall be exempted from Mandi fee/ user charge & development cess.
  - 2: In case of purchase through Trader/Broker Mandi fee & user charge shall be exempted but development cess shall be charged.

After proving the export obligation as per the provisions available in the Uttar Pradesh Krishi Utpadan Mandi Adhiniyam, 1964, the export will be exempted from Mandi Fee / User Charges and Development Cess etc., which is generally given for 5 years. The procedure for proving export obligation will be decided by the government from time to time.

### 6.2.3.4 Incentive for conducting Degree/Diploma/Certificate Courses in Agriculture Exports / Post Harvest Management & Technology:

To promote and generate employment and to ensure the availability of skilled personnel's in the sphere of exports and post-harvest management in the state, additional financial support up to a maximum limit of 50 percent of annual course fees or maximum Rs. 0.50 Lakh per student shall be provided towards the expenditure incurred on fees in the Universities/Government Institutions located in Uttar Pradesh for conducting degree/diploma/certificate courses in Agriculture exports and post-harvest management and technology. For courses of duration exceeding 15 months, Rs. one Lakh towards fees shall be given.

A lump sum grant of Rs. 50 Lakhs shall be given to a government institution of higher studies for starting such a programme.

#### 6.2.4 Market Intelligence and Research:

Currently the market in Uttar Pradesh is largely supply driven whereas the global trends are changing day by day. This policy intends a shift towards demand driven agriculture production to increase the profitability at all the stages of value chain. The nodal agency will seek cooperation from the Government of India to facilitate, develop export-oriented market intelligence system in the state and ensure the dissemination among stakeholders through the use of information technology. The necessary services of experts may be accessed in this regard.

#### 6.2.5 Packaging:

To facilitate attractive and acceptable packaging of commodities as per international standards, the stakeholders shall be incentivised for the design, printing, manufacturing of packaging material to meet out the expenses as per the international packaging requirement as decided by empowered committee. The GoUP shall also promote the research and development of packaging solutions for specific commodity requirements of the importing country in collaboration with the premier State / Central institutions and make item available to stakeholders.

#### 6.2.6 Traceability

To promote international acceptability of exportable agricultural produce a traceability system of exportable produce shall be established and promoted in

the state through digital tools. The State Level Export Monitoring Committee shall be authorised to incentivise the traceability.

#### 6.3 Establishing Export Facilitation Centers

A State level Agricultural Export Facilitation Center/ Agriculture Export Promotion Cell shall be set up at the Directorate of Agriculture Marketing and Agriculture Foreign Trade, Uttar Pradesh, which shall avail the services of the experts as and when required. It shall act as central contact point for stakeholders to get information and assistance on various schemes and products.

At the State level, all sectoral departments (Agriculture, Animal Husbandry, Horticulture and Food processing, Sugar Industry & Cane Development, Dairy and Milk Development, Food and drug Administration, Fisheries, Mandi Parishad etc.) shall set up export promotion cell in coordination with the nodal agency. In coordination with the export promotion cell established in each sectoral department shall monitor export development promotion work in the respective sectoral department. Each sectoral department shall endeavour to allocate adequate budget for enhancement in the quality production of exportable surplus and export promotion. All Sectoral departments shall be responsible for developing and implementing annual action plan in order to diversify and expand exports from the state and suitable budget shall be allocated by the concerned departments for this purpose.

#### 6.4 Information Dissemination and Capacity Building

The exporters, farmers shall be provided with adequate and updated information on agriculture exports scenario on time-to-time basis by the sectoral facility center and departments. Nodal agency shall coordinate at state level with these departments and Non-Governmental Organizations (N.G.Os) to disseminate information, education and communication (IEC) material to reach out to farmers and other stakeholders.

Nodal agency shall plan and conduct capacity building programmes in collaboration with universities, institutions, Non-Governmental Organizations (N.G.Os), International organization (USDA, CITD, etc.) and concerned state departments on various aspects of agricultural export promotion and facilitation. The programmes shall be focused on agricultural exports promotion and also on promoting environment friendly sustainable agricultural practices in the State.

#### 6.5 Encouraging Business, Start-ups and Investment Promotion

Nodal agency shall make endeavour to promote start-ups and private investment in the area of agriculture exports and to encourage business in this respect.

All sectoral departments shall endeavour to incentivize and ensure preferential allotment of farm inputs like quality seed, fertilizers, pesticides, bio pesticide, organic production input, farm machinery, allotment of shops/ space and transportation assistance etc. to the farmers/ agriculture exporters/ FPOs meant for exports through their departmental schemes.

For all exportable fruits and vegetables, seamless supply chain shall be facilitated and exemption in Mandi fees and Development Cess chargeable shall be given. The provision of Direct Marketing (Wholesale direct purchase from farmers outside the market yard, sub-market yard, private market yard), Contract Farming, establishment of Private Market Yards, establishment of Special Commodity Markets, declaring Collection Center/Ripening Chambers/ Pack houses/ warehouses/Silo/Cold Storages/ or other such structure or places as Market Sub-Yard and marketing freedom to agriculturist/producer shall be promoted and facilitated in the state.

#### 6.6 Implementation of Good Agricultural Practices

As per international norms and guidelines, the sectoral departments shall promote good agricultural practices to ensure better business in the long run. Nodal agency shall work in coordination with departments and institutions to share information on the practices to be adopted at various levels. Information shall be disseminated among stakeholders to ensure product acceptability at international market. For this propose adequate documentation shall also be done for handy reference.

#### 6.7 Innovation, Research and Development

There is a need to ensure greater interaction between the various agricultural universities, research institutions and export promoting agencies which shall enable the research bodies to work on export specific requirements. Areas for specific research (such as pest and disease-free area, long distance sea protocol, development of exporting varieties/ import the exportable variety, etc.) shall be identified by nodal agency for research institutions in order to ensure identification and development of exportable indigenous varieties, organic agricultural practices and good quality exportable products.

#### 6.8 **Promotional Events**

The nodal agency shall organize international buyer-seller meets (BSM) within the country and abroad. It shall use all platform and modes i.e. road shows, social media, exhibitions, digital platform etc.

#### 6.9 Miscellaneous

In line of this policy, various opportunities for promoting business among stakeholders shall be created in consultation with various departments and agencies. Information and Technology shall be used for reaching out to farmers and exporters for its better coordination and implementation for all concerned departments shall ensure issuance of Government orders and guidelines for timely implementation of this policy.

#### 6.10 Impact Assessment

A third-party assessment shall be conducted periodically to assess the impact of this policy in achieving the desired objective of enhancing agricultural export and bridging the critical gaps in this regard.

#### 6.11 Conclusion

The UP Agricultural Export Policy 2019 (UP-AEP,2019) aims at addressing a variety of issues and possibilities in the area of agriculture export promotion which would help in strengthening the economics of agriculture in the state.

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