**CHAPTER 3** 

# **Developing Districts as Export Hubs**

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## **Developing Districts as Export Hubs**

#### **3.01 Policy**

Policy for Developing Districts as Export hubs is given in Chapter 3 of FTP.

#### 3.02 Objective of policy

To convert each District of the country into an Export Hub by identifying products with export potential in the District, addressing bottlenecks for exporting these products, supporting local exporters/manufacturers to scale and find potential buyers outside India with the aim of promoting exports, manufacturing and services industry in the District. To enable a conducive foreign trade environment, any policy strategy to boost exports formulated by the Central Government can only be effectively implemented with the collaboration of State Governments and the District Administration. Earlier, export promotion was a subject, primarily dealt by only the Central government, without any active mechanism involving the State or District level stakeholders into the decision making to promote goods and services produced at the grassroots level. The export promotion activity needs to be decentralized, for both formulation and implementation purposes, with an objective to boost local products/services.

## 3.03 District Export Promotion Committees -Institutional Mechanism at District Level

Each District has a District Export Promotion Committee (DEPC) which is mostly chaired by Collector/DM/DC of the District and co-chaired by designated DGFT Regional Authority with various other stakeholders as its members.

The likely composition of the DEPC is as under:

Serial No.	Official/Department	Role
1	Collector/DM/DC	Chairperson
2	Designated DGFT Regional Authority	Co-Chair
3	GM – District Industries Center (DIC)	Convener

4	Nominated member from the State Government (Commerce& Industries Department)	Member
5	Lead Bank Manager	Member
6	Representative - Department of MSME, Govt. of India	Member
7	Representative – Sector Specific Export promotion Council	Member
8	Representative – Quality & Standards Implementation body	Member
9	Representative from District Trade/Commerce Associations	Member
10	Sector Specific Ministry in Government of India (Agriculture, Fisheries, plantation boards etc.)	Member
11	Sector Specific Ministry of the State Government	Member
12	Sectoral Agencies specific to Product identified in each District (NABARD etc.)	Member
13	Other State Government Representative (As per requirement)	Member

#### 3.04 District Export Promotion Committees -Functions

The primary function of the DEPC will be to prepare and implement District specific Export Action Plans in collaboration with all the relevant stakeholders from the Center, State and the District level.

The preliminary exercise may include an assessment of a district to identify the current export profile, its further potential in the district, quantifiable targets to increase export performance from the District. This involves identifying and promoting products, which are currently being exported from there, and also identifying and promoting new products in the district with untapped export potential. These efforts are to be taken forward through an institutional mechanism to undertake a baseline study across goods and services, to map current export activities and the future potential along with the infrastructure and other constraints and bottlenecks that would need to be addressed to achieve this potential.

The suggestive functions of the District Export Promotion Committee may include:

S.No	Functions
1.	Prepare a time-bound, detailed District Export Action strategy / plan for the district to develop as an export hub.
2.	Benchmarking baseline export performance of the district, including

identification of products and services currently exported with export volumes, destinations etc. and additional products/services with good promise of targeting export markets.

- 3. Comprehensive analysis of the strength of each district and the gaps in product quality/design, production efficiency/competitiveness, infrastructure, logistics, utilities, enforcement of standards etc. with a view to identifying interventions to enhance export of existing goods and services being exported and achieving the potential available for export of new goods and services.
- **4.** Goods and services being manufactured/produced in the district, identify the export potential of items available in such districts (including GI products).
- 5. Map the existing trade infrastructure available for thrust sector in the districts.
- 6. Identify major bottlenecks and challenges hindering export of thrust sector in the districts. Identify thrust Items/GI Products/Agricultural items from export perspective for further in-depth analysis.
- 7. Identifying training and development needs of District industries and coordination for training with other departments.
- 8. Dissemination of information through trainings, seminars, guest lectures, practical training, and exchange visits with other Districts of excellence.
- 9. Act as one point facilitator for export promotion at District level.
- 10. Entry of all district level data/ information/progress into the portal being developed by DGFT and through the portal activate a virtual engagement/interaction forum for involving and reaching out to all stakeholders in the district, by enabling/facilitating them to come on board.
- 11. Act as a grievance redressal forum for exporters and follow up with the concerned Central and State agency.
- 12. Facilitate in organising buyer-seller meets, exhibitions, trade fairs etc. in the District to encourage the industries to showcase their products to the world.
- 13. Implementing the District Export Action Plan in a phased manner to ensure the District achieves the targeted export growth.

DGFT Regional Authorities will be engaging with State and Central government agencies to take forward this initiative in each District.

#### 3.05 District Export Action Plans for Each District

The District Export Action Plan may be prepared for each District. It may include the support required by the local industry and trade in boosting their manufacturing activity and exports with impetus on supporting the industry from the production stage to the exporting stage. Informative material on various incentives provided by the Government of India and the respective State Government of exporters may be disseminated to the industry and other potential exporters. The Plan may also include strategy to enhance logistics and infrastructure at the District level and better utilization of the Market Access Initiative (MAI) Scheme of the Department of Commerce for inviting foreign buyers under reverse buyer-seller meets at the District level and suitably gathering District level exports data.

District Export Action Plan may include the following:

S.No.	Indicative Content	
1.	District Profile	
2.	Industry Profile	
3.	Comprehensive analysis of the major products (Goods and Services) with export potential from District.	
4.	Identifying the bottlenecks faced by the Industry.	
5.	Identifying institutional responsibilities, specifics of policy, regulatory and operational reforms.	
6.	Identifying infrastructure/utilities/logistics/Policy interventions required.	
7.	Action Plan must identify quantifiable targets with specific timelines for their implementation.	
8.	Clear identification of incentives/Support provided by the State and Central Government.	
9.	Training and development needs for identified export products/services.	

- **10.** Analysis of the export data of the District and ways and means to effectively capture it.
- **11.** Mid-term and long-term export strategy/suggestions to promote exports of identified products/services from the district.

#### 3.06 State/UT Export Promotion Committees

To synergise the efforts of the Department of Commerce/DGFT and the State/UT governments in promotion of exports from the State, each State shall constitute a State Export Promotion Committee(SEPC) headed by Chief Secretary of the State. The designated RA of DGFT shall be the co-convener of the committee.

The primary function of the SEPC may be to prepare/monitor State specific Export Promotion Policy/Strategy, facilitating engagement of exporters with the State government, address all export promotion issues at the State level and monitor the progress of DEPCs in each District of the State. The designated RA of DGFT shall function as a local support to the State government on all matters related to trade and commerce.

#### 3.07 Nodal DGFT Regional Authority

Districts of the States/UTs have been assigned to the Jurisdictional DGFT Regional Authority and the nodal RA shall be responsible for the Districts under their jurisdiction for all activities related to Districts as Export Hubs initiative in those Districts. Appendix 1A has the list of DGFT Regional Authorities with their District and State wise Jurisdiction.

#### 3.08 Online Monitoring of District Export Action Plans

DGFT would develop an online monitoring portal that maybe accessed on the DGFT website to enable the States/ DGFT RAs to upload all information related to the products/services with export potential of every District. The portal mayalso help in monitoring the progress of District Export Action Plan in all the Districts. Each DGFT Jurisdictional RA will be primarily responsible for updating the information/progress made in implementing Export Action Plan for each District under their Jurisdiction. The information will also be available in public domain for the benefit of the trade.

#### 3.09 District Outreach Programs

Each Jurisdictional DGFT RA in collaboration with the State and District administration and concerned agencies/EPCs of Central and State Government shall prepare a calendar of activities in each District to conduct awareness and training programs to promote exports from the District. Wide publicity shall be given to these outreach events to reach every potential exporter in the District.