

New Foreign Trade Policy likely to be implemented from Oct 1

Commerce Ministry may choose to give 'big-bang' sops a miss; may focus on ease of doing business, facilitation of trade

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The Commerce & Industry Ministry is keen to implement the new Foreign Trade Policy (FTP) from October 1, 2022, and not extend the existing policy further, but no "big-bang" incentive schemes are in the offing as the focus is likely to be mostly on ease of doing business and facilitation of trade, a person tracking the matter has said.

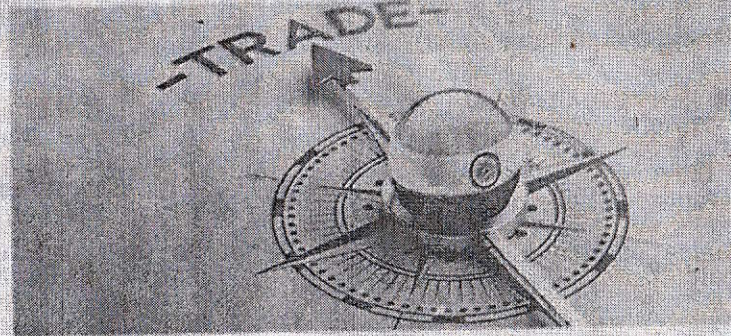
"The current five-year FTP policy (2015-20), which has been extended several times because of the pandemic and uncertain global conditions, is likely to be allowed to lapse finally on September 30. The Commerce Department will announce the policy as soon as all clearances are obtained, including from the Finance Min-

istry, and hopes to implement it on October 1," the source told *BusinessLine*.

Greater level of IT-enablement, promoting districts as export hubs, helping smaller exporters take advantage of e-commerce and using the online platform to market GI (geographic indication) products would be some of the prominent features of the new FTP, the source added.

Export target

A decision on the export target, however, is yet to finalised. The Commerce Department has not yet been able to even decide what the goal for the current fiscal should be because of the uncertain global environment, particularly due to the continuing conflict between Russia and Ukraine.



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Commerce & Industry Minister Piyush Goyal recently said that India could achieve \$1 trillion exports of goods and services by 2030, but prior to the pandemic-induced slowdown, the government was hoping that the target could be achieved earlier.

"There is a lot of flux in the global economy with major countries experiencing a slowdown in growth. Fixing an ex-

port target is not easy in this scenario but goals must be forward looking," the source said.

Exporters, however, cannot hope for any major incentive schemes this time round. "The government has already announced new incentive schemes, such as the Remission of Duties and Taxes on Exported Products, replacing them with schemes that are not WTO compatible. The government does not want to announce any new incentive that can't be defended at the WTO," the source said.