

Uttarakhand Export Policy 2021

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1. Preamble

Located at the foothills of the Himalayan mountain ranges, Uttarakhand shares international borders with China (Tibet) in the north & Nepal in the east and inter-State boundaries with Himachal Pradesh in the west & northwest and Uttar Pradesh in the south. The State is in close proximity with the National Capital Region which gives access to important market as well as raw materials.

The State is rich in natural resources and has export potential in the sectors such as organic agricultural products, agro based & processed food, aromatic & medicinal plant-based products, pharmaceuticals, nutraceuticals and service sectors like tourism & wellness.

After its creation in 2000, Uttarakhand witnessed rapid growth in its Industry sector on the back of policy interventions by the State and Central Government. The State, through its agency SIIDCUL, developed world class industrial infrastructure. The State has also notified a policy for private industrial estates. The industry friendly policies and conducive environment for industrial development has helped Uttarakhand emerge as an attractive investment destination.

This has resulted in the Gross State Domestic Product (GSDP) of the State expanding at a compound annual growth rate (CAGR) of 11.16 per cent to INR 2.18 trillion (US\$ 33.76 billion) between 2011-12 and 2017-18. The cumulative FDI inflows in Uttarakhand stood at around US\$ 652 million between April 2000 to December 2017. During 2013-14 to 2017-18, exports from Uttarakhand registered a positive CAGR of 6.79 per cent to reach USD 1.46 billion against a negative growth of -0.89 per cent in India's overall exports.

In the Ease of Doing Business ranking conducted by Department for Promotion of Industry and internal trade (DPIIT) in collaboration with World Bank under Business Reform Action Plan (BRAP) 2019-20, Uttarakhand stood amongst the top-ranking states of India.

In the Export Preparedness Index (EPI) 2020 report released by NITI Aayog, Government of India in August 2020, the State has been recognized as the top performing State in the Himalayan States category. This was made possible by the presence of basic export facilities & infrastructure, a conducive business & export environment as well as good export performance by the State.

Being a land locked, exporters of the State have an inherent cost disadvantage over suppliers from other States as they have to incur higher logistics cost in bringing raw material to their premises as well as shipping out finished products. Despite these challenges, Uttarakhand exported goods worth of approx. INR 16970.8 Cr (US\$ Mn 2280) during 2019-20.

In the Logistics Ease Across Different States (LEADS) index released by the Ministry of Commerce & Industry, Government of India in March 2019, the State has been placed at 19th position.

With this backdrop and aligning with the Central Government's vision to make India a five trillion-dollar economy, the Government of Uttarakhand intends to extend its support to new and existing exporters of the State for promoting international trade from

Uttarakhand. This policy aims at promoting exports from the State by facilitating the exporters by facilitating them with fiscal and non-fiscal support.

Recognizing the important role States have to play in developing the Export eco-system, Ministry of Commerce & Industries, Government of India has proactively involved the States in the nation's export promotion efforts. Government of Uttarakhand intends to leverage the various initiatives of the Central government & align its own efforts with those of the central government.

2. Policy Vision & Objectives

Vision

To develop Uttarakhand as one of the leading states in exports by leveraging its natural resource profile at domestic as well as global level and creating an adequate export infrastructure, enabling a friendly ecosystem and promoting trade across emerging sectors.

Objectives

- i. Provide a simplified, proactive and responsive institutional mechanism for rapid growth of exports.
- ii. Develop new and strengthen existing export infrastructure such as warehouses, inland container depots (ICDs), cold storages, rail-road connectivity from industrial estates / clusters etc.
- iii. Enhance export potential of traditional & focus export sectors such as pharmaceuticals, handicrafts, handlooms, and automobiles through value addition and quality competitiveness.
- iv. Provide fiscal and non-fiscal incentives to exporters to boost exports from Uttarakhand.
- v. Provide handholding support to existing and new exporters of the State.
- vi. Coordinate with all national and global agencies connected with promotion of exports.

3. Uttarakhand Export Profile

Export Profile

Out of 99 Indian Trade Clarifications based on Harmonized System (ITC HS) chapters, Uttarakhand has registered its presence in exports in 91 ITC HS chapters, including 20 major chapters contributing 92%. The position of outward exports from the State is as follows:

S.No.	ITC HS Code	Sector	Export from Uttarakhand (Value in US Million Dollar)	Indian National Rupees (Value in Crore)*
1.	30	Pharmaceuticals	103.11	685.96
2.	87, 75, 78	Engineering (including	144.69	962.58

		Automobiles)		
3.	29, 33, 34	Chemicals & Allied	90.19	600
4.	39	Plastics	88.38	587.97
5.	04, 10	Agri & Allied	32.96	219.27
6.	63, 57, 55	Textile & Allied	26.78	178.16
7.	94	Furniture	7.02	46.70

* Rate per dollar in the year 2017 was Rs. 66.5275.

Source: Directorate General of Commercial Information & Statistics (CGCI&S) 2017 Data

4. Policy Targets & Implementation

Policy Targets:

- i. Increase share of exports from INR 15,900 Cr in FY 2021 to INR 30,000 Cr in 5 years.
- ii. Create additional employment opportunity for 30,000 individuals.

Implementation of the Policy

- i. This policy will come into effect on the date of its notification and will remain in force for a period of 5 years.
- ii. This policy may be modified with necessary amendments or supersession as may be required, and notified from time to time.
- iii. In case of any amendment in this policy, if any package of incentives is already committed by the State government to any unit, it shall not be withdrawn and the unit shall continue to remain entitled to the benefits.

5. Focus Areas / Sectors

The key areas identified in the Uttarakhand Export Strategy prepared by Federation of Indian Export Organization (FIEO) are enlisted below. These are based on revealed comparative advantage with respect to India and the world and constitute more than 50% of overall exports from Uttarakhand.

A) Agri and Allied

Uttarakhand is one of the leading fruit cultivating states in India. It is ranked no.1 in production of peaches and plums, ranked no.2 in production of walnuts and pears and ranked no. 3 in apple cultivation amongst all States in India. The State has vast export potential for fruits and agricultural products such as honey, mushroom, rice, maize cereals, etc., spices, horticulture and floriculture.

i. Fruits:

State has vast potential of export for fruits (Temperate & subtropical) Apple (Uttarkashi), Peach (Nainital), Mango (Haridwar), US Nagar, Litchi

(Ramnagar, Nainital), Guava (Udham Singh Nagar).

ii. Vegetables/ Off Season Vegetables Potato:

State has diverse agro climatic conditions which favours wide range of off-season cultivation in the hilly areas (February onwards), while seasonal vegetables is grown in plain areas, Under off-season vegetables cultivation, tomato, peas, capsicum, potato are prominent crops.

iii. Spices:

All over the State, spices crops; like ginger, turmeric, garlic and Lakhori chillies are grown because of conducive climatic conditions. Major production (25-30% of total Production) of ginger is produced by Tehri District while Lakhori chilli, in Almora district.

iv. Basmati Rice

The State has a variety of Basmati Rice which is famous for its rich aroma and distinctive flavour. The Udham Singh Nagar has Agro climatic conditions where the rice can be grown organically and has good markets in various parts of the world.

v. Manduva (Finger Millet)

Manduva is cultivated in an area of 88,577 hectares in Uttarakhand and at present its production in the state is 1,29,244 metric tonnes. Found in the mountainous region of Uttarakhand, Manduwa is a treasure trove of nutrients. It has an important place in the traditional crops here. Manduva is beneficial for people suffering from heart and diabetes. Its excessive consumption is helpful in the treatment of night blindness of the eyes. Iodine, iron, Protein and fiber are abundant in Manduva. It is beneficial for children and women. Due to the presence of sufficient nutrients, it is also helpful in protecting against malnutrition. Presently products like biscuits, roti, halwa, namkeen are prepared from Manduva. Due to its cultivation with organic manure, there is a good demand for Manduva in the foreign market.

vi. Tea:

The State is known for its orthodox variety of tea that has a distinct taste and aroma and has anti-oxidant properties. The agro-climatic condition in the State is favourable for this variety. At present, the State has five tea estates (4 are state owned, and others are private owned tea estates) with approximately 2000 hectares area under tea cultivation. The four tea estates, each equipped with a tea processing unit, producing around 1 lakh Kg of tea annually.

Uttarakhand Tea Development Board has developed approximately 1,400 hectares of tea gardens in the hilly areas of the state which shall further boost the export potential in this sector.

vii. Honey:

The weather conditions of Uttarakhand are favourable for the production of honey throughout the state. About 8950 beekeepers produce 22500 metric

tonnes of honey in the state. This industry provides wide employment opportunities to rural youth and landless farmers. The industry also provides by-products with antioxidant potential such as bee pollen, bee venom, propolis, royal jelly and bee wax. Uttarakhand has immense potential to produce organic honey from high hills. Different types of honey are produced, such as: Himalayan honey, multi-botanical forest honey, organic honey, herbal honey, various mono-floral honeys etc. There are about 5000 beekeepers in Uttarakhand and this industry provides wide employment opportunities to the youth of the state.

viii. Mushroom

The climatic conditions prevailing in Uttarakhand are favourable for the production of mushrooms like; Button, milky etc. Presently there are 27 mushroom units (Production, Manure, Spawn Lab) in the state producing about 16500 metric tonnes of mushrooms. There is great potential for export of processed mushroom products. Freeze, Dried, Dehydrated, Powdered Mushroom Powder are the major products, which are rich in protein and have good export potential.

ix. Organic:

Absence of use of chemicals & fertilizers by growers in hilly region provides immense scope for promoting organic farming in the State.

x. Food Processing:

Uttarakhand is one of the major producers of fruits and vegetables with an annual surplus production of 4 lakh metric tonnes. Uttarakhand is one of the leading fruit producing states in India. The availability of robust infrastructure facility in the State including 2 Mega Food Parks, 4 Food Processing Clusters, 58 Food Processing Units, 19 Cold Storages and 60 Farmer Producer Organizations (NABARD Promoted FPOs) enhances the export potential of the region.

xi. Livestock

There is lot of scope of scientific livestock production and animal breeding is very much due to weather condition of the Uttarakhand. The State may take initiatives to encourage goat farming, sheep farming, rabbit farming, buffalo farming, etc. This will also give birth to courage woollen industry and leather from the State.

xii. Floriculture:

Uttarakhand has different agro-climatic conditions which are favourable for floriculture. The exquisite varieties of flowers like carnations, lilies, chrysanthemums, lilioms, gladiolus and Indian red roses have high demand in the domestic as well as international markets in the state. There are more than 225 spas in Uttarakhand. Due to the favourable climatic conditions in Uttarakhand, the productivity of flowers per hectare is high, due to which there is a strong potential for its export.

It is proposed that the State Government will identify and develop common infrastructural facilities, such as pack houses, processing units, cold storages, etc., in the potential agricultural areas, so as to enable small and medium scale exporters to utilize these facilities, as It cannot bear the expenditure on the

development of such facilities.

There is a need to encourage value addition in the agriculture and allied sector and there is a need for incentives to overcome the logistic connectivity adversity in the State.

In line with the 'Strategy for Implementation of Agriculture Export Policy in the State of Uttarakhand', the State Government will prioritize and focus on agricultural export activities in this policy.

B) Wellness & AYUSH (Ayurveda, Yoga & Naturopathy, Unani, Siddha, Sowa Rigpa and Homoeopathy)

AYUSH in Uttarakhand is growing at close to 25% to 30% per annum and is likely to continue at the same level for the next 2-3 years. The recent COVID-19 Pandemic has increased the awareness around incorporating Wellness in everyones day to day life. Uttarakhand is well placed in this regard with Rishikesh already known as the “Yoga capital of the world”. The State also has 272 Ayurvedic and Unani medicine pharmacies, 206 AYUSH wings being operated in Allopathic hospitals. The State has geographic advantage in cultivation of aromatic and medicinal plants and is home to more than 200 unique plants with medicinal properties.

C) Pharmaceuticals

Pharmaceutical industry of Uttarakhand caters to 20% of the country’s domestic requirement and the State is on its track to become a global pharma hub. To facilitate pharmaceutical industries in the State. The State has developed Pharma City, Selaqui Industrial Area, Dehradun with world class infrastructure. The State also proposed to develop Phase II of the Pharma City in the near future. There are more than 300 pharmaceutical units engaged in manufacturing at Uttarakhand. Currently, this sector employs more than 1,00,000 people in the State. With such a strong base, this sector has immense potential for boosting Uttarakhand’s image as an export focused State.

D) Automobile and Allied sector

Uttarakhand is home to auto majors like Hero Motors (world’s biggest 2-wheeler manufacturer operating the world’s largest integrated 2 wheeler plant in Haridwar), Tata Motors (World’s 2nd largest truck manufacturer), Bajaj Auto (World’s largest 3 wheeler manufacturer), Ashok Leyland (4th largest manufacturer of buses in the world) and has a presence of a large number of ancillary units in the districts of Udham Singh Nagar & Haridwar. The State offers locational advantage due to its proximity to important markets of National Capital Region as well as emerging markets of North India.

E) Tourism and Hospitality

Being geographically situated on the foothills of Himalayas, Uttarakhand encompasses in its fold numerous hill stations, wildlife sanctuaries, pilgrimage sites and hot water springs which attract tourists from India as well as abroad, thus earning foreign exchange for the exchequer.

The State can cater to all segments of tourism sector including adventure & water sports, pilgrimage/ spiritual activities, nature & wildlife, health& wellness, rural tourism and aroma tourism.

i. Film Shooting:

With existence of large number of beautiful locations, Uttarakhand is an ideal destination for films shooting. More than 150 films have already been shot in the State since its inception.

ii. Yoga Retreats

The 'Land of Yoga', Uttarakhand is the perfect place for your body where it will release all the negativity within leaving you calmed, relaxed and refreshed. Charming hill stations juxtaposed against snow-capped peaks, quaint villages along winding mountain roads, serpentine rivers carving their way through the hills, world renowned conservation parks like 'Jim Corbett Tiger National Park' and 'Asan Wetland Conservation Reserve', world heritage sites like 'Valley of Flowers' and 'Nanda Devi Biosphere Reserve', waterfalls hurtling down slopes and serene lakes shimmering amidst beautiful towns – that's Uttarakhand for you.

F) Handloom & Handicraft

Uttarakhand has a long tradition of silk production. Known as the "Bowl of Bivoltine Silk in India", it is the only State in India producing all four kinds of cocoon viz. Mulberry, Oak Tassar, Muga and Ericulture. With the establishment of a Silk Park in Dehradun district, a well-known infrastructure base has been laid down through implementation of Silk Emporium, Silk Exchange, Design Studio, Weaving Workshop, Silk Fabric Sale Counter, CFC Yarn Dyeing Unit and CFC Fabric Processing Unit.

G) Educational Services

Uttarakhand is a leading centre for education and learning in India. The State has many notable schools and institutions offering various professional courses. Further, the State has a potential for developing itself as an education hub for students from Asia and Africa which will lead to FDI inflows.

6. Definitions

"Exporter" means a person who exports or intends to export and holds an IEC number, unless otherwise specifically exempted.

EOU: means Export Oriented Unit for which a letter of permit (LOP) has been issued by Development Commissioner, Unit's with at least 30% exports of annual turnover will be termed as EOU and will be eligible for the policy benefits.

Greenfield Projects / New Units: Units with fresh investment & operational set-ups

- i)** New units should achieve the target of 30% exports of annual turnover by 3rd year of commencement of operations OR
- ii)** New unit's average export of first 3 years should be at least 25% of turnover to

be termed as Exporter for the purpose of this benefits

- iii) New Units should provide the details of export commitments to this effect

7. Policy Features

7.1 Export Infrastructure

Being a landlocked State and far from sea ports, logistics is a major challenge for exporters in the State. The State's strategic location & proximity to the National Capital Region (NCR), and the upcoming 2 National Industrial Corridors, Amritsar Kolkata Industrial Corridor (AKIC) and DMIC (Delhi Mumbai Industrial Corridor) will help in meeting the infrastructural requirement for facilitating trade & exports.

The State government will undertake the following measures to enhance the export infrastructure of the State:

A) Enhancing Warehousing and Container Facilities and Air Cargo Facilities

- i. The State will set up new ICD / Dry facilities at Haridwar and other emerging industrial hubs, to address challenges/ difficulties in cargo storage, customs clearance and container availability.
- ii. The state will set up new ICD/dry facilities in major industrial centers of the state so that there is no difficulty in cargo storage, customs clearance and availability of containers at these locations.
- iii. A Land Custom Station (LCS) at Banbasa, Champawat will be set up as an Integrated check Post (ICP) by Land Port authority of India (LPAI)
- iv. Upgrade the existing ICDs at Kashipur and Pant Nagar & key airports at Jolly Grant & Pant Nagar
- v. Increase the air connectivity by starting new flights to destinations including metro cities of India
- vi. The State will set up a cargo terminal at the airport along with integrated facilities for cold chain and warehousing to facilitate agri/horticulture/floriculture exports
- vii. Improvement & maintenance of the existing road infrastructure across the Industrial regions to increase the cargo inflow / outflow, thereby reducing the transactional cost incurred by the exporters
- viii. Increase the rail connectivity across regions
- ix. Ongoing Projects like Rishikesh - Karanprayag Rail project, All Weather Chardham Road project and Bharatmala road project aims to enhance the connectivity to the remotest parts of the State

B) Multimodal Logistics Park

As part of the National Perspective Plan, prepared under the Sagarmala Programme of the Ministry of Shipping, 7 Multi-Modal Logistic Parks (MMLPs) were proposed in different states of India, out of these, one park has been setup under an area of approximately 38 acres, in Pant Nagar,

Uttarakhand. The domestic operations have already been initiated at this facility and the State government will facilitate international operations. This park will support industries located at IIE Pant Nagar, and adjoining areas like Rudrapur, Kashipur, Kiccha and Khatima where major industry players are located. The park will operate as a rail linked MMLP.

The MMLP shall have all requisite facilities for trade facilitation, including warehousing, customs clearance of export/import cargo and transportation of containers and cargo through rail and road. In addition, the facility will also have dedicated areas for handling rail wagons for loading of conventional commodities, including auto /cars, agri commodities, etc.

C) Encourage new product development

i. Identifying primary & secondary sector export products

ii. Promoting new innovative technology for product manufacturing

This would provide impetus for the growth of industries in the State and would curb the high freight charges as faced by the industries.

D) Establishment of Growth Centres

Government of Uttarakhand has adopted Growth Centre Scheme for promoting local products / services in the domestic and global markets and generating employment opportunities. The development of growth centres will **enable backward and forward linkages** which will help in strengthening the export eco system in the State.

The objectives of these growth centres will be as follows:

i. Identification and development of Lead exportable products/ services by critical gap analysis and expanding the economic activity

ii. Facilitating the MSME manufacturers and service providers through a cluster approach

iii. Development of common facilitation centres (CFCs), design centres, exhibition cum trade centres, testing labs, and skill development programs

iv. Technical assistance on design, packaging and marketing activities for promising sectors in the export market

v. Educating investors on policies and schemes provided by State / central government

vi. Promoting and facilitating industries for e-marketing and participation in domestic as well as international trade fairs and exhibition thereby promoting trade and export

E) Uttarakhand - One District - Two Product (ODTP)

The main objective of the One District Two Product Scheme promulgated by the Department of Micro, Small and Medium Enterprises is to create a cluster of production of identified products in 13 districts of Uttarakhand. These clusters will promote the production of identified products and will become the

identity of the districts of the state. Under this scheme, there will be value addition at the local site by rapid development of traditional and sophisticated crafts & enterprises and attractive cost effective, high quality and relevant products can be manufactured according to the demand of the customers. Improvements in packaging and branding will also be done to enhance the design and quality of products so that the concept of one district two product can be replaced at national and international level so that exports can be promoted by producing exportable goods according to market demand.

Prime Minister Micro Food Processing Enterprises (PMFME) scheme was launched under Atmanirbhar Bharat Abhiyan-2020 to formalize the unorganized sector in food processing to promote food processing of perishable crops. One district one product approach is being used under this scheme.

Horticulture and Food Processing Department, Government of Uttarakhand will act as a coordinator for promotion and coordination between the departments for production and market strategy.

The proposed scheme will cover every district of the state and will promote efficient production and market promotion strategies.

F) Districts as an Export Hub

The Department for Promotion of Industry and Internal Trade (DPIIT), Government of India has launched an initiative to convert Districts as Export Hubs, complementing to the same and to synergise the institutional mechanisms, the State Government has notified the District Export Promotion Committees

The objective is to convert each district of the State into an export hub by identifying products with export potential in the district. The objective will be to address bottlenecks in exporting these products and extend the support to the local exporters by scaling up its manufacturing and by finding its potential buyers outside India.

The districts will be encouraged to formulate a District Export Plan (DEP), appoint nodal officers, monitoring committees, identify target export markets, suggestions for improving logistics and infrastructure etc., and propose a way forward/ strategy to boost the exports.

Representatives from DGFT, Industrial Associations, Industry, Lead banks etc., will also be involved in the facilitation process & thereby promoting the districts as an Export hub.

G) Development of Testing and Research Laboratories

To boost & strengthen the existing export ecosystem, the State government will encourage development of new laboratories / in-house research laboratories in industries etc. These labs will be recognised by international / national bodies like Quality Council of India (QCI), National Accreditation Board for Testing and Calibration Laboratories (NABL) / NABL accredited Quality Testing labs for honey / NABL Quality Food Testing labs / Bureau of Indian Standards (BIS) / Export Inspection Council (EIC) etc. and shall provide services to exporters to facilitate the trade. Apart from the above, tie-ups with various

public and private sector R&D laboratories across different regions in the State will be established to leverage their existing R&D setup, know-how and expertise like Uttarakhand State Council for Science and Technology (UCOST), Dehradun, CSIR – IIP, Dehradun, CSIR - Central Building Research Institute, Roorkee, Defence Electronics Application Laboratory (DEAL), Dehradun, Defence Institute of Bio-Energy Research (DIBER), Haldwani, Indian Institute of Technology (IIT), Roorkee, ICAR- Indian Institute of Soil and Water Conservation, Dehradun, ICAR-Directorate of Cold Water Fisheries Research, Bhimtal, Nainital, G. B. Pant University of Agriculture and Technology, University of Petroleum & Energy Studies, Dehradun, Dehradun Institute of Technology etc.

In addition, a Public Food & Drug Testing Laboratory and R&D Centre to cater to the sectoral requirements will be set up by the State which will be in collaboration with pharma & food majors in the State. The main activities will include testing samples and conducting contract R&D for small units in the State, It will also support the manufacturers/ exporters for obtaining regulatory certification, conducting studies / analysis like Trace Analysis, Shelf Life Studies and Nutritional (food) & Drug Labelling etc., enabling them to not only comply with the global standards but also to make their product globally competitive and well-integrated with the supply chain.

H) Strengthening backward and forward linkages:

To meet the production of export quality product of various horticultural crops, area expansion of high density, ultra high density plantation of fruits, area expansion of vegetables, spices, flowers, mushrooms, precision farming will be done under central and state sponsored schemes.

With backward and forward linkages i.e. sorting, grading, packing units, processing units, integrated pack houses, cold rooms, cold storages, CA stores, refer vans, marketing and food processing infrastructure, retail outlets will be established/strengthened in crop clusters. Strengthening of supply chain through community based organization/co-operative association etc.

I) Establishment of Agri Export Cell

A dedicated Agri Export Cell will be created in the Export Promotion Cell setup in the Directorate of Industries, Uttarakhand and will contribute towards facilitating and promoting exports of agriculture & allied products (other than plantation crops - tea, coffee and spices products).

Agri Export Cell will also coordinate with APEDA for the effective implementation of Agri Export Strategy prepared (with the help of APEDA) for the State of Uttarakhand.

The Agri Export cell will be headed by Export Commissioner, Government of Uttarakhand.

7.2 Export Promotion Institutional Setup

Export Promotion Empowered Committee

In order to create a conducive & favourable export ecosystem and promotion of exports, State Level & District Level Export Level Committee have been notified as under:

State Level Export Promotion Empowered Committee

- | | | | |
|--------------|--|---|-------------|
| i. | Chief Secretary, Govt. of Uttarakhand | & | Chairperson |
| ii. | Principal Secretary / Secretary, Industries | & | Member |
| iii. | Principal Secretary / Secretary –Science &Technology, Aayush (Service Exports) | & | Member |
| iv. | Principal Secretary / Secretary - Finance | & | Member |
| v. | Principal Secretary / Secretary –Agri, Horticulture & Food Processing | & | Member |
| vi. | Principal Secretary / Secretary –Tourism | & | Member |
| vii. | Director General / Investment Officer – Industries | & | Convener |
| viii. | Deputy DGFT, Regional Authority of Uttarakhand | & | Co-Convener |

Roles & Responsibilities

- i.** Policy initiatives for promotion of standards and certifications to adhere with International norms
- ii.** Coordinating with the Central ministries / Departments regarding various export related schemes and Policies of Government of India
- iii.** Planning sector wise export promotion activities with help of State Departments / Agencies
- iv.** Strategy for improving the export volumes of potential products / services
- v.** To formulate comprehensive plans for addressing the issues faced by exporters of the State by strengthening the export ecosystem of Uttarakhand
- vi.** Planning for upgrading / developing export infrastructure
- vii.** Development across sectors with special emphasis on Focus areas as identified in the export policy of State.
- viii.** Timely approvals and disbursements of Incentives proposed under export policy.

District Level Export Committee

- | | | | |
|-------------|----------------------------|---|---------------------|
| i. | District Magistrate | - | Chairperson |
| ii. | Chief Development Officer | - | Member
Secretary |
| iii. | Chief Agricultural Officer | - | Member |
| iv. | Chief Education Officer | - | Member |

v.	Representative from a Leading bank	- Member
vi.	District Horticultural Officer	- Member
vii.	District Tourism Officer	- Member
viii.	District Development Officer – NABARD	- Member
ix.	District Handloom & Handicraft Officer	- Member
x.	Regional Officer – SIIDCUL	- Member
xi.	Regional Officer – DGFT	- Member
xii.	Representative from District Level Export Promotion Council	- Member
xiii.	Representatives from District Level Industrial Associations – 2	- Member
xiv.	Prominent Exporters – 2	- Member
xv.	General Manager, District Industries Centre	- Member

Roles & Responsibilities of District Level Export Committee

- i. Identification and mapping of products having export potential
- ii. Preparation of District Export Plan in line with the vision of converting each district into an export hub
- iii. Preparation of Database of the existing export units
- iv. Formation of working groups and subgroups (within the identified potential export products) which will involve stakeholders comprising of manufacturer, artisans & exporters etc.,
- v. Strategy for improving the export volumes of potential products / services
- vi. To formulate comprehensive plans for addressing the issues faced by exporters of the State by strengthening the export ecosystem of Uttarakhand
- vii. Identifying Training & Development, Capacity Building Needs
- viii. Act as a One-point facilitator from District

The above State level empowered export promotion committee / district level committee will also act as State / District Level empowered committees for Agri Export Promotion

7.3 Ease of Doing Exports

Uttarakhand has been consistently ranked amongst the top states in India by DPIIT in its assessment for Ease of Doing Business and was ranked at 11th position for the year 2019. As a part of its ongoing business reforms and to streamline the current export procedures involved in getting the required approvals from the concerned Departments. The State Government intends to reduce the procedural formalities by re-engineering and digitizing the current processes involved in application submission and approval. An online system integrated with Single Window System will be developed for online application submission, payment, tracking and approval etc., which shall remove the physical touch points across levels unless there is a need for physical verification. To

make sure that the application is approved within time limit, fixed timelines as per The Uttarakhand Enterprise Single Window Facilitation and Clearance Act, 2012 would be followed.

7.4 Award of Excellence in Exports

To promote exports and encourage best practices, Government of Uttarakhand will provide awards and accolades to exporters operating in the State as per the below categories:

- i. **Best Exporter Award:** The exporter with the highest exports in terms of the value of exports for the evaluation year will be awarded with the Best Export Award. (Proposed Categories- Platinum, Gold, Silver)
- ii. **Quality Award:** The exporter who delivers exports without any damage / loss, in the evaluation year will be awarded with the Quality Award
- iii. **Certificate of Excellence:** The exporter who achieves more than 20% growth in the export value from the preceding year will be awarded with the Certificate of Excellence.

7.5 Export Incentives (Indicative)

To create a friendly environment for the growth of exports from the State, Government intends to provide following incentives, concessions and facilities to the exporters (New units as well as the existing units undergoing substantial expansion).

- i. **Rebate/ Concession on Land Cost:** A rebate/concession of 25% on the prevailing land rates / premium fixed for (institutional/ commercial/ industrial) plots available with SIIDCUL This rebate / concession will be applicable to the first 25 exporting units and will be given on the discretion of the SIIDCUL board.
- ii. **Reimbursement of Land Conversion Charges**:** 25% land conversion charges from agriculture use to industrial use, limited to INR 15 Lakhs will be reimbursed to Export Oriented MSMEs. The reimbursement will be made over a period of 4 years in equal tranches to the first 20 exporting units, subjected to the condition that unit derives minimum 30 % of its revenues from exports for each of the year
- iii. **Marketing Assistance***:** Reimbursement of 75% of the space rent with a ceiling of INR 2 lakh per year for 100% Export oriented units for setting up stalls to extend their business interests in international exhibitions and conferences, after certification by ITPO, New Delhi or the Export Promotion Councils and subject to prior approval. If the exhibition is held within India, 50% of the space rent with a ceiling of INR 50,000 would be provided. This assistance will be applicable to the first 100 exporting units. An additional benefit of 15% will be provided to women entrepreneurs.
- iv. **Skill Development Support**:** To encourage export of products and services from the State, Department of Industries (DoI) will coordinate with the sector export promotion agencies like Agricultural and Processed Food Products Export Development Authority (APEDA) & Export Promotion Council for

Handicrafts (EPCH) etc., to provide orientation & training to the local manpower. The State will contribute 50% of the cost involved in training/ skill up-gradation limited to INR 1,00,000 per Unit per Year. This support will be provided to the first 50 new exporting units

- v. **Financial incentives for Research & Development**:** The Government of Uttarakhand proposes a matching contribution of up to INR 25 lakhs (applicable to first 4 projects) for pharma related projects of public importance where an equal amount has been funded by private/public sector companies. The research outcomes will be reviewed by Govt.
- vi. **Assistance towards Certification*:** The State will refund expenses incurred for global certification marking like Conformity European (CE) / ISO etc. to the extent of 50 percent of expenses subject to a maximum of INR 10.00 Lakh per unit per annum. (applicable to first 25 units/ projects)
- vii. **E-Assistance (selling of products on e-commerce platforms)***:** The State Government would aid up to INR 1 lakh per annum per enterprise (applicable to first 100 enterprises) to sell their products through online national & global platforms such as Snapdeal, Amazon, Alibaba etc., for the commission paid to the e-commerce companies and towards the logistic / transportation cost incurred.
- viii. **Reimbursement of Interest on Working Capital**:** Exporters will be reimbursed upto 5% (a maximum of INR 3 Lakh per year) on working capital and will be granted on the basis of export performance of the exporter (applicable to first 30 units)
- ix. **Promote export of Services:** The state shall encourage exporters from the State to avail benefits/ assistance under the Service Exports from India Scheme (SEIS), Foreign Trade Policy, Government of India
- x. **Awareness Programme:** A provision of INR 75 lakh / year is also proposed for capacity building / sensitization and awareness activities.

(These incentives will be applicable to existing exporters and those exporters who undergo expansion, Government of Uttarakhand will regularly review the progress of this policy and take necessary steps to make it more effective and result oriented.)

7.6 Partnerships

The State Government will assist in identifying the potential export markets. It will establish linkages with export promotion desks by tying up with trade centres in embassy offices of foreign countries.

To enhance export competitiveness in the State, Government will leverage schemes like Trade Infrastructure for Export scheme (TIES), Micro & Small Enterprises Cluster Development Program (MSE-CDP) etc.

The State Government will also collaborate with relevant Export Promotion Councils and other Export Promotion organizations like FIEO, IIFT, EEPC, SEPC, ECGC, Tea Board etc. for strengthening the existing export ecosystem and also setting up of camp

offices of relevant export councils in the State.

The State will coordinate with various export promotion councils and facilitate exporters in accessing information on various export commodities

Please Note:

- *applicable to existing units
- **applicable to service sector units also
- ***One type of incentive can be availed from one policy only
- **Substantial Expansion:** ‘Substantial expansion’ means increase by not less than 25% in the value of fixed capital investment in Plant & Machinery of an industrial unit for the purpose of expansion of capacity / modernization and diversification