

Agri- Policy Developments During January- March 2013

Sl. No.	Product	Date/ Month	Policy Instrument	Details
1	Packaged Food Products	June 2012(effective January 1, 2013)	Government Notification making GM on packaged food mandatory.	With effect from January 1, 2013, it has become mandatory to indicate on the principal display panel of all food packages containing genetically-modified (GM) ingredients by stating GM. Producers would also have to disclose the ingredient(s), if any.
Remarks: Consumers benefitted from information. As Bt Cotton production is under a moratorium, no GM food is presently produced in the country.				
2	Export of processed and/or value-added agricultural products	January 2013	The Cabinet Committee on Economic Affairs (CCEA) approved the proposal of the Department of Commerce	Government to allow the export of processed and/or value-added agricultural products even in the event of the restriction or ban on export of basic farm produce.
Remarks: The exports of processed and/or value-added products constitute a very small proportion of the overall exports and do not affect the availability in the domestic market. The open policy of this sector is expected to help reduce wastage of perishable products and also encourage value addition.				
3	Removal of cap on branded edible oil exports	January 2013	CCEA decision.	The quantitative ceiling of 20,000 tonnes on export of branded edible oil in consumer packs of up to five kg removed. However, a minimum export price (MEP) of \$1,500 per tonne fixed.
Remarks: Aiming to encourage the shipments of value-added processed products from agri-crops balanced with a check on exports as the country imports 50 per cent of its vegetable oil requirement.				
4	Restructuring of Import Duty on crude edible Oil	January 2013	CCEA decision	Import duty on crude edible oils increased from 0 to 2.5 per cent, while retaining import duty of 7.5 per cent on all refined edible oils and defreezing tariff value on vegetable oil imports to reflect international prices.
Remarks: Balancing objectives of protecting domestic oilseed production, refining industry and meeting consumer demand by lower cost imports.				
5	Sugar	January 28	CCEA	Extending sale period for market

Sl. No.	Product	Date/ Month	Policy Instrument	Details
		2013; April 2013	decisions	quota from one month to six months announced in January 2013 and then abolishing levy system on sugar production and the 'Regulated Release Mechanism' of sugar imposed on the mills. States to source sugar from open market for supplying to PDS and centre to reimburse subsidy to states.
Remarks: These are significant reforms in the sugar sector leading to greater financial sustainability for the industry while moving away from cross subsidies to direct subsidies.				
6	Ban on export of pulses	March 2013	CCEA decision.	The ban on export of pulses extended by one more year, but outbound shipments of Kabuli Chana, organic pulses and lentils allowed with a ceiling of 10,000 metric tonnes per annum and subject to certain conditions.
7	Pulses	March 2013	Central Board of Excise and Customs	Extending zero duty to pulse imports until March 31, 2014.
Remarks: Both the measures above aim to support pulses production by permitting specific types of pulses while also meeting domestic demand for pulses.				

Source: Press releases of Press Information Bureau.

Note: This table is included in the Quarterly Agricultural Outlook Report, January-March 2013 (page 29).