

New Foreign Trade Policy on the anvil

Focus on trade facilitation, markets, product expansion & simple procedures



Pravir Kumar, Director General of Foreign Trade, Department of Commerce, Government of India (centre).

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The new Foreign Trade Policy (FTP) that is on the anvil will unveil trade facilitation measures, simplify procedures, reduce the interface between bureaucrats and industry for ease of doing business and make the system transparent. It would encourage exploration of new markets and product diversification for export. The Indian government recognizes the importance of

trade for growth of economy and the new FTP would be dovetailed with the long term vision of the government, according to Pravir Kumar, Director General of Foreign Trade, Department of Commerce, Government of India.

Kumar was speaking at a round table held in New Delhi on November 29, 2014 on 'India's Foreign Trade Policy', organised by FICCI, CUTS International and IPE Global Ltd. with the objective of providing essential recommendations to DGFT Kumar for considering their inclusion in the new FTP.

The underlying philosophy of India's FTP is to provide an effective and transparent framework that gives impetus to export and import, said Kumar. He also assured trade and industry that the new FTP was being formulated only after extensive stakeholder consultations and to the extent possible the draft policy would include

recommendations of the industry.

On export of taxes with a product, Kumar said that the policy is looking at compensating exporters and creating a level playing field so that they do not have to bear the extra burden of taxes.

He urged industry to focus on 'how' instead of 'what' and 'why' when it came to increasing trade in the country. He said that the targets are well-known, now it was time to create an effective way forward.

Sunil Mitra, Director-KPP, DFID-IPE Global, said that the new FTP should be better integrated and the new developmental dimensions should be taken into account. As a cross sector 'Powerhouse of Ideas', IPE brings together cutting edge knowledge and management to enable policy reforms for a more inclusive, equitable and sustainable world.

Towards this end, high quality analysis and research was carried out by IPE to assist in formulation of a progressive FTP, he said and added that to make the new FTP effective and enhance the scope of meeting priorities India seeks to achieve, IPE has recommended few steps.

In his theme presentation, Bipul Chatterjee, Deputy Executive Director, CUTS International, said that for trade policy to be an effective institution there must be convergence between trade policy objectives and broader economic welfare objectives. FTP should mainstream trade into national development for large scale job creation, promote two-way trade and investment. The need is to develop an inclusive trade policy for better economic governance. ■