India’s Export Performance in the post liberalization period i.e., 1991-2001 has been much better than the pre-reform period. From a level of (—) 1.5% growth rate during 1991-92 the value of exports in dollar terms witnessed a growth rate of 21% in 2000-01. Consequently, India’s share in world exports increased from 0.41% in 1992-93 to 0.67% in 2000-01. In terms of openness of Indian economy, that is trade measured as percentage of value of GDP, the degree of openness, has almost doubled from a level of 13% in 1990-91 to 22% in 2000-01. The highest export growth rate for the decade was achieved in 2000-01 at 21%. Such a commendable performance on the export front could be attributed to the favorable international economic environment, the domestic reforms undertaken during the last few years and the responsiveness of the exporters to the market trends.

A compositional change has been witnessed in the export basket of India with the opening up of the economy. During the last 10 years there has been a significant shift in the composition of the export basket. The share of manufactured goods in total export of India has increased from 76% in 1991-92 to 83% in 2000-2001. Chemicals & related products, Engineering goods, Electronic goods, Gems & jewellery, Marine products and Textiles have witnessed steady export growth, barring some inter year variations, during the period. The growth rates of Agricultural & allied products and Leather & manufactures have lagged behind during the last 10 years. The export growth rates of items within the manufactured goods groups have shown an increasing trend throughout the decade and include items like Gems & Jewellery, Manufactures of Metals, Drugs, Pharmaceuticals & Chemicals and Textiles. Another important sector is
that of Petroleum products export in which the share has risen from a level of 2.58% to 4.10%.

Destination-wise, the share of India’s exports to Asia & Oceania region has improved significantly over the decade from 30% in 1990-91 to 37.48% in 2000-01. Similarly, North America’s share has increased substantially from 16% to 24.73% and Africa’s share has more than doubled from 2.61% to 5.3%. However, the West European region has slipped from its top position as India’s main export destination to the second position with its share falling from 33.64% in 1990-91 to 27.7% in 2000-01. Another important trading partner of India whose share has fallen substantially is that of East European region. India’s exports to this region have declined from a level of 17.87% in 1990-91 to 2.95% at the end of the decade.

In terms of growth performance, high growth rates have been recorded in the case of Asia & Oceania, Africa, America and Latin American Countries (LAC). Low growth rates have been seen in our exports to West Europe and East Europe.

Country-wise, share of Hong Kong in India’s total exports has shown an increase from 3.29% to 5.94% in the decade. The share of India’s exports to China to the total has also increased from 0.10% to 1.87%. Other countries to which India’s exports during the last decade have increased are Bangladesh, Sri Lanka, Indonesia and Malaysia. The countries that have declined in importance in this region are Japan, Australia and Singapore. Among countries other than ESCAP region in Asia & Oceania, the share of India’s exports to UAE has more than doubled. The substantial fall in the share of Western Europe can be attributed to decline in the share of India’s exports to Germany, U.K., Italy, Belgium, Switzerland and Finland. The East European story is largely explained by the fall in the share of India’s exports to CIS countries.

The trends in the merchandise export growth of India when compared to that of world indicates that India’s exports had witnessed positive growth in all the
years when the world exports also registered positive growth during the late nineties; obviously India’s export growth is highly sensitive to world’s trade.

**Global Export Trends**

Among the regions, North America continued to be the major motor of global trade expansion through the 1990s. The strength of US domestic demand pushed the demand for merchandise imports to higher levels. In the aftermath of financial crisis of 1997-98, Asia’s trade and output recovered strongly. The region’s GDP growth matched with global economy as a whole. Asia’s merchandise and commercial services trade exceeded the world average. The high growth rates of exports in these two regions helped India in achieving higher growth rates of exports particularly in the late 1990s because India’s share of exports to America and Asia & Oceania region put together was more than 50% in the year 2000-01. Among the leading traders in Asia, China expanded its merchandise trade at nearly twice the rate of Asia as a group in the 1990s, while Japan’s trade growth lagged behind. India’s exports to China have also been increasing at a faster rate than India’s imports from China during the last few years. Thus, India has also benefited from the expansion of merchandise trade of China in 1990s.

However, the degree of openness of India’s external sector is much below that of China, South Korea, Singapore, Thailand, Indonesia and Malaysia. India’s share in world exports is also low. While India has a share of 0.67% of world exports, many countries in Asia have a share of 1% and above like China (3.9%), Hong Kong (3.2%), Korea (2.7%), Singapore (2.2%), Malaysia (1.5%), Thailand (1.1%) and Indonesia (1.0%). (Table 7.1)

Thus, despite liberalization of the economy and economic reforms which have helped India to reach a higher trajectory of export growth rate, it was not enough to compete with Asian tigers.
The world trade basket shows that groups like Agricultural products and Iron and Steel had witnessed steadily declining shares in the 1990s, while Office & Telephone equipment trade recorded large gains in world trade. Automobile parts and Chemicals also have shown rising shares. Though the electronics goods sector has suffered recently due to slowdown in the world economy and the September 11 events, these are only short term effects and are not likely to affect exports in the medium term. India’s success at Doha can be turned into concrete results in areas like Agriculture exports, Services, Pharmaceuticals, etc by necessary policy changes and removal of market access barriers in our export markets.

Review of Past Export Strategies

In the past, the Ministry of Commerce had formulated several export strategies that identified growth markets and products. The essential assumption behind such strategies is that since resources are limited, concentration on selected products and market segments would provide better return in terms of incremental export expansion compared to the strategy where the limited resources are distributed thinly over a large spectrum of products and markets.

The Extreme Focus Product Strategy was introduced in 1992 with the objective of giving a focused attention to products that have high production capacity in India and potential for export competitiveness. The target for the Focus Products was to induce growth of 30% volume/value in the medium term and stabilise growth in the subsequent period. The success of this strategy has been mixed.

The 15X15 Matrix Strategy was first launched in the year 1995. The objective of this strategy was to identify market diversification and commodity diversification. An examination of the effectiveness of the strategy shows that the share of the total top 15 product groups exported to the top 15 market destinations declined
from 71% in 1996-97 to 66% in 2000-01 in respect of the total export of these 15 product groups for all destinations taken together. There has thus been a market diversification for these product groups. The top three items of India’s exports contained in the Matrix continue to remain the same during 2000 - 01 i.e. Gems and Jewellery, RMG Cotton including accessories and Cotton Yarn, Fabrics and Made Ups. The top three destinations changed from US, UK and Japan to US, Hong Kong and UAE. The ranking of other countries has also changed. These developments need to be factored into the new strategy.

**Focus LAC** was another strategy launched in 1997 with the objective of boosting exports of select items like Textiles including RMG, Engineering goods and Chemical products to Latin American Region. The highest ever growth rate of exports to this region was achieved in the year 2000-01 when the value of exports touched an all time high of US$ 982 million. Although the current volume of trade between LAC and India is still low, there is scope for enhancing two-way trade between India and the LAC region. It is obvious that the overall export strategy must include regional focus wherever potentialities are identified.

The main lesson that we learn from the export strategies of the last decade is that the composition, competitiveness and complexion of world merchandise trade are changing very fast and a dynamic approach with a built in institutional mechanism for constant review is essential for any medium term export strategy in order to achieve a higher share of global exports on a sustainable basis. The focus of the past strategies was on the existing export products of India; what is additionally necessary is to review the import baskets of our current and potential markets and also to examine our export competitiveness, both revealed and real based on our potentialities.

While the overall medium term strategy would have to be necessarily
evolved on the basis of the perspective of a longer time frame, there would also be need for short term response to unforeseen situations like the slowdown in world economy witnessed from the beginning of 2001 and aggravated by the September 11, 2001 event.

In the past, the export strategies had basically concentrated on existing products and existing markets of India’s export sector. What is additionally necessary, and what has been addressed in the present strategy document, is identification of export opportunities after examining the import basket of major importing economies of the world and identifying potential items of exports in which India is competitive vis-à-vis some of the major exporting countries of these products at present. The existing products and markets have also been analysed. Focus markets have further been identified based on different criteria. Another additionality in the current document is that some of the key strategic policy issues that have a bearing on India’s competitive advantage in opportunity areas have been brought in one place so that policy measures that are necessary to enhance the competitive edge of our exporting community gets appropriate focus. Sector-wise strategies have also been examined. The strategy document further fully takes into account the international developments and the complexities arising in the New World Trade Order under the WTO.

7.1 PRODUCT-MARKET OPPORTUNITY IDENTIFICATION

Product Identification To identify potential products for export focus, items with high potential in world demand were analyzed by looking at the import basket of three major markets: EU, Japan, and USA and also India’s export basket to these three countries. These countries constitute a good representative sample of world trade as they account for 53% of the world’s trade. A total of around 220 items at the 4-digit level were identified for special focus. Of this, 47 items were exclusively from the top 100 imports of these major markets, 114 items were exclusively from the top 100 exports of India to these markets and 59 were in both the Top 100 Imports of the major
markets and Top 100 Exports of India to the major markets. In a sense, the first group reflects the items in which we can have a real comparative advantage if our full potentialities are tapped and major macro and sectoral policy initiatives are taken. The second list represents items where our present export volumes are already high and where the present revealed comparative advantages need to be pursued even though the items do not figure in the main import basket of the major trading partners. The third list includes items where our export basket and the import basket of our major trading partners converge but much scope exists to further our comparative advantages.

The potential items identified, using the above given methodology, can be grouped into seven main sectors: Engineering (including instruments and items of repairs), Textiles, Gems & Jewellery, Chemicals & allied, Agriculture and allied (including Marine and Plantations), Leather & Footwear items and other items. However, the three E’s- Electronics, Electrical and Engineering goods figure prominently in the list of the identified items where there is a great potential for India, though at present in many of these items India has only a small market presence.

The products identified also account for a large value of our current exports and the potential for growth in these items is also enormous. There are many potential items in which we have a presence, but potential for growth is very high. There is also potential for exports of the identified items to identified markets other than USA, EU and Japan. Such detailed identification of products at the 4-digit level would help exporters to concentrate on exports of particular items within an overall sector or sub-sector.

**Market Identification**

Twenty five markets have been identified based on different criteria. However, USA, EU and Japan as expected, are the main markets based on most of the criteria.
The focus 25 markets which were identified based on five major criteria include: USA, EU, Japan, Hong Kong, China, Korea Rep., Australia, Canada, Mexico, Switzerland, Brazil, Turkey, Poland, Taipei Chinese, Singapore, Thailand, Russia, Israel, Norway, Argentina, Indonesia, Saudi Arabia, UAE, S. Africa and Greece. For many of the markets of developing countries, region-specific policies on the lines of Focus LAC can be followed while for developed countries, FDI linked exports and special preferential trading arrangements can be examined.

Thus, basically four strategies related to products and markets can be followed (i) Product- Market Penetration strategy for existing products, (ii) Market Diversification strategy for existing products, (iii) Product Diversification strategy for existing markets and (iv) Product market diversification in the case of new products and new markets.

7.2 SECTOR-WISE STRATEGIES

For the identified potential sectors, indicative sector-wise strategies have been given based on the detailed strategy paper prepared by the Export Promotion Councils/Commodity Boards and detailed discussions held with exporters. The main sectors covered are the following: Engineering (including instruments and items of repairs), Textiles, Gems & Jewellery, Chemicals & Allied, Agriculture, and Allied (including Marine and Plantations), Leather & Footwear items and Other items.

These strategies need to be operationalised by Government for achieving the maximum results. Some of the major strategies suggested for the different sectors are as follows:

Engineering/Electronic/Electrical and allied

The strategies for this sector include support for SMEs to modernise, accreditation of testing laboratories in India by overseas agencies, R&D, other measures to effectively counter NTBs in the form of TBT conditions, furthering joint
ventures, brand promotion, support to industry to fight anti-dumping cases, providing warehousing facilities in overseas markets, exploring possibilities of promoting exports of Indian made economy vehicles in developing countries and middle and low income groups in developed countries, promoting export of automobiles with the help of FDI, MRAs with respect to recognition of testing agencies and infrastructural and logistic support for automobiles exports, a three pronged export marketing strategy for automobile component exports (i) export through Original Equipment Manufacturers(OEMs) for their global sourcing requirements, (ii) export to tier 1 manufacturers as a part of their international supply chain and (iii) direct export to after-market, focusing on auto sector in some SEZs and automobile component centres, setting up construction equipment banks and adoption of consortium approach by Indian construction companies to increase project exports, the 3 key mantras to promote electronics hardware, namely (i) hardware-software combination, (ii) integrating local and export production and (iii) massive investments. We need to make all out efforts to develop India as an off-shore production centre for electronic components/equipments required for MNCs through clusterisation, low-duties, and combine all this with an appropriate thrust on service exports.

Textiles sector

The main strategies for this sector include increased investment in key areas, infrastructure development by setting up ‘Apparel Parks’ and Textiles Centres Infrastructure Development Schemes, restructuring EPCs, Brand Promotion and market assistance schemes, restructuring labour laws and smoothening existing schemes.

Gems & jewellery

The main strategies for this sector include forging strategic alliances with producers of roughs and retailers of jewellery and efforts to make India a grading/trading centre for processed diamonds, forward integration into gem stone
jewellery, moving towards exports of jewellery, etc.

**Chemicals and allied sector**

The main strategies for this sector include setting up of Comprehensive Chemicals Estates (CCEs), enhancing awareness of Indian herbal items, focusing on branded generic pharmaceutical products out of patent regime, promoting exports of cement by lowering input costs like import duties, customs examination charges by railways, state levies, freight rates by railways etc.

**Agriculture & allied sector**

The main strategies for this sector include establishing Agri. Export Zones, establishing a supply chain management and export certification programme for basmati rice, setting up a nodal SPS point in the Department of Commerce, cold chain system and innovative packaging for floriculture exports, packhouses/value added centres for mangoes, market oriented approach for tea and shift in focus from bulk tea exports to value-added packaged tea exports, focus on export of value added forms of natural rubber and export of rubber wood, judicious mix of strategy relating to export of Arabica coffee vis-à-vis Robusta depending on market preference, promoting tobacco exports by production of quality tobacco of FCV and Burley types, pursuing with USA for higher TRQ (Tariff Rate Quota) allocations and promoting exports to Japan, China, Russia, Tunisia, Morocco, etc. through bilateral negotiations, construction of drying yards and promoting exports of value added kernels in consumer packs, promoting exports of value added and organic spices and determining minimum residue level for pesticide residues in the case of spices, promoting use of better handling techniques on fishing vessels and adoption of food safety and quality systems in the case of marine exports, utilisation of under-exploited commercially important varieties in the case of capture shrimps and logo schemes for marketing marine products.
Leather and leather manufactures

The strategy for this sector include a re-look at our policy for tanning sector, supporting large and strong exporters and encouraging alliances with overseas exporters in the case of leather garments, bringing the leather complexes under SEZs scheme, encouraging FDI in key sectors like footwear components, tanning and designing, focussing on items in high demand in the case of leather footwear and new items like leather upholstery, modernization in footwear components, etc.

Other items

The main strategies for these items include setting up toy cities and special focus in SEZs for toys, fresh investments in sports goods through green field projects and manufacture of non-traditional sports goods, focus on China for iron ore exports, lowering railway freight costs and port charges for exports of minerals and ores, etc.

7.3 KEY STRATEGIC POLICIES & ISSUES AND SECTOR-WISE STRATEGIES

There are some key strategic policies and issues which will impact India’s ability to effectively adopt the product market strategies in the new world trade order. Fifteen such main policies have been examined for the merchandise sector. In addition, a section has been added about our possible approaches and strategies for services exports.

To achieve overall export competitiveness, the broad economic and trade related issues include tariff issues affecting Indian exports price competitiveness, macro economic issues such as FDI and exchange rate mechanism, procedural issues such as export related tax rebates, transaction costs and also infrastructure issues such as export infrastructure, marketing support etc. All these play their part in affecting the overall competitiveness of India’s exports in the international arena. The key issues are
discussed below:

**Policy for price competitiveness**: A strategic tariff policy for each industry is required, which focuses on

- Maintaining the Real Effective Exchange rate of the Rupee at a level appropriate for ensuring price competitiveness of exports.
- Tariff policy which achieves lower average import tariffs benefiting exports through cheaper cost of inputs by shifting to a 8-digit nomenclature for tariffs.
- Balancing of overall lower tariffs by protecting sensitive items which are likely to be affected due to removal of QRs.

**Trade – Defense Mechanism**: While an across-the-board lower tariff regime is beneficial to country’s competitiveness, there must be in place an effective and fast-responsive trade defense mechanism to provide protection to domestic industry, as and when it faces unfair trade practices. Besides shifting to 8-digit nomenclature, the anti-dumping and safeguard duty mechanism would have to continue to be effective and further strengthening of these mechanisms should be done when necessary. It has been found that to defend a case abroad, the concerned Indian firms do not always have the ability and resources to marshal a large volume of data for presentation before the concerned Government authorities. While the sensitive sectors are protected by many countries by non-tariff measures, there is the need to examine the imposition of genuine non-tariff measures like quality certification, labeling for genetically modified food including animal genes in food in a WTO compatible way. This strategy if used with care, will not only safeguard India’s sensitive sectors but also promote exports.

**WTO compatible policies**: In aligning with WTO agreements, India needs to constantly examine as to whether the subsidies are actionable or not. The ASCM does provide for Non- Actionable Subsidies to be provided for exports. Most of
the developed countries are giving these subsidies. The main subsidies under this category are the non-specific subsidies based on objective criteria. There is also scope for supporting the agricultural sector in many ways.

**Foreign Direct Investment:** FDI policy frame and procedural packages will have to be, as it is done now, continually evaluated in the context of the impact of FDI on promotion of exports. This is critical especially for manufactured hi-tech products from India. India’s FDI policy needs to balance export-oriented industries and those seeking to operate in the domestic market.

**Tax Rebate:** Export schemes need to be devised in such a manner that help the exporters to get back the taxes borne by them efficiently and quickly. Schemes of reimbursement need to be transparent and comprehensive to work effectively. Such a system is possible if a comprehensive VAT system is introduced at every level. Lower customs and excise duties for major inputs needed for exports can minimise the need for duty drawback.

**Transaction Costs:** Source and quantum of transaction costs by head needs to be classified. While automation and systemic simplification can help reduce transaction costs in the short term, the long-term solution lies in modifying the indirect tax structure, which is the biggest contributor of transactions costs. There is need for procedural simplifications like enforcing LUT facilities instead of bank guarantees, etc. In addition, EDI enables enhanced connectivity for exporters by processing documents electronically and through digital signatures that reduce processing time and thus transaction costs. Finally, increasing accountability of export processing personnel will enhance reduction of transaction costs.

**Export Infrastructure:** Up-gradation of overall domestic infrastructure is a gradual process on account of resource scarcity as well as the minimum project implementation time requirements. A pragmatic solution lies in identifying and
prioritizing specific infrastructure projects within SEZs crucial for export enhancement. Also, export infrastructure should be included as part of the EXIM policy as it leads to enhancement of exports.

**Trade Agreements**: Based on different criteria, there is scope for Agreements with GCC countries, ASEAN and East European countries for Agricultural exports, with USA and Canada for Marine products, with CIS countries, Russia and Latin American countries for Wool & Woolen products and FTA’s with LAC, Africa, CIS and SE Asia based on regional importance and complementarities with India. Given the importance of Free Trade Area of America’s (FTAA’s), and other RTAs, there is also the need for a close understanding with US, EU and other major players in the RTAs to safeguard against any adverse effect due to our competitors who are members of these FTAs. It is also important for future growth. Trade Agreements with Japan may be essential to counterbalance the Chinese effect and trade agreement with China may be needed to tap the high potential for exports to China. Careful well-thought out FTAs and PTAs are needed.

**Flexibility in Labour Policy**: Labour market rigidity is perceived as a major operating constraint by some foreign direct investors and if exports need to be given a boost through foreign investment infusion, labour policies will have to be made more flexible. India needs to identify sectors where export production dominates, which are in need of more flexible labour policies. The key element of such a flexible policy is to re-examine the role of the Government in the labour markets. It should no longer be required to ratify any labour force reduction. Instead, the Government should focus on ensuring that fair legislation is applied uniformly and that workers who need to look for jobs are given adequate support.

**Export Credit**: The following steps are needed to enhance current export credit:

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- Treatment of term loans to EOUs as part of export credit.
- Inclusion of Export credit as part of priority sector lending.
- Inclusion of EXIM bank among eligible institutions for export refinance facility.
- Ensuring that domestic and foreign currency credit reflect movements in market interest rates and LIBOR respectively.
- Providing Incentives for improving working capital management through favorable interest rates.
- Using a part of RBI’s reserves invested overseas for export financing.

**State export participation:** Involvement of States in all trade negotiations along with the Centre is of paramount importance. States that house focus export industries should be involved actively in all discussions/ negotiations and trade agreement formulations regarding these products. Export performance should also be included as one of the criteria for devolution of funds to States. A new scheme has been put in place by Department of Commerce for greater assistance to States. This scheme can be widened and deepened.

**Developing SSI export industry:** A well-formulated package offering support to SSIs is essential to build on their intrinsic strengths in the dereserved future and help the internationalization process of the SSI sector. There is a need to identify those product categories currently having strong SSI presence and perceived to record high demand growth in global markets. The second stage will be to implement the specific components of the policy package for strengthening and upgrading the production potential and export-orientation of these SSI sectors. The policy package that has been prepared for strengthening the SSI sector need to be pursued for consolidating the role of SSI sector in exports.

**Special Economic Zones:** Many countries, which in general follow a restrictive trade policy, have felt the need for setting up export processing
zones/export-oriented units/special economic zones and similar variants. The recent policy by India in this regard is the introduction of SEZs by converting existing EPZs to SEZs and also allowing SEZs in the private sector. There is a need for continuation of this policy and adding new features in order to make the package as attractive as possible.

**Market Development Programs and Dissemination of Information:**

All Market Assistance programs need to be combined under a single Market Development Program. The program should focus on:

- Loan guarantees and export credit insurance in difficult markets and medium/long term projects
- Enhanced funding for existing export promotion activities like trade fairs, trade missions, reverse trade missions, buyer-seller meets, catalogue shows etc.
- Technical assistance for bids and attaining international quality standards and certification, etc.
- Concessional funding for technology absorption and market development

A beginning has already been made in this regard.

Dissemination of information is an integral part of strategic planning for exports. This would include detailed communication regarding specific initiatives under various Preferential Trading Agreements signed with strategic markets or product specific arrangements. Communication mechanisms such as Industry Newsletters and Internet based information dissemination would help improve active participation by the exporting community in achieving India’s export goals. The Indian Missions abroad and EPCs/CBs need to be further activated.

The adoption of the different macro strategies along with sector-wise strategies outlined in the earlier pages can help in concretising the product-market strategies outlined earlier and help in doubling India’s exports in the medium term.
Regional Focus

Regional focus was first initiated by Department of Commerce in 1997 for the Latin America region. This regional focus has already paid dividends as an evaluation of the programme reveals that share of Indian export to LAC have gone up from 1.43 per cent in 1996-97 to 2.21 per cent in 2000-01. The decade’s growth rate of our exports during 1990-2000 shows that the growth rate of Africa has been one of the highest. As the region-specific focus has already paid dividends, we should actively consider such focused programmes for regions like Africa and for any other region depending upon the developments.

Service exports: There is a need for a radical strategy to promote services exports in which

India has a competitive advantage. India needs to promote exports of not only services but also exports of goods needing these services. Promotion of both software and hardware has to be done simultaneously. A medium term strategy for services sector will be prepared by the Department of Commerce and the work has already been initiated.

7.4 MEDIUM TERM EXPORT THRUST

Export projections have been made which show that India needs a 11.9% Compound Annual Growth Rate (CAGR) for exports for the next five years i.e, 2002-2007 to reach 1% of world exports of 80.48 billion US dollars. This is a near doubling of exports in the medium term.

7.5 INSTITUTIONAL MECHANISM FOR FOLLOW-UP

Taking stock of the developments in the recent past and considering the current global economic environment, a stable policy environment laced with innovative measures has been suggested in the Medium Term Export Strategy for 2002-2007. This would facilitate a more favorable trading environment to enable our
exporting community to achieve higher growth rates in the global trade which is becoming increasingly competitive. The strategies that have been advocated for the next 5 years are in a sense a paradigm shift from the earlier approaches. In contrast to the earlier approach of focussing on existing products and existing markets of India’s export sector, the new approach outlines an opportunity assessment after examining the import basket of major importing economies of the world and identifying potential items of exports in which India is competitive along with further opportunities in the items currently exported by India. Additionally, some of the key strategic policy issues that have a bearing on India’s competitive advantage in opportunity areas have been brought in one place in a focused manner so that policy measures are taken to enhance the competitive edge of our exporting community. Sector-wise strategies have also been examined for consideration. This strategy fully takes into account the international developments and the complexities arising in the new world trade order under the WTO. It is necessary to set up an institutional mechanism to constantly monitor the progress of the achievement of various objectives broadly indicated in the Medium Term Export Strategy. As the strategy document has to be adopted as a road map for the medium term by those concerned in the Government, it is essential for them to get the action plan prepared in a time bound manner to achieve the goals set out for the medium term in consultation with the concerned Export Promotion Councils, Commodity Boards, Commercial Attaches in Indian Embassies and other export promotion bodies. In this process, an effective implementation model has to be evolved with in-built components to provide for a constant review dictated by the strategic opportunities and challenges of the dynamic global trading environment of particular importance would be a focus on the on-going WTO negotiations and how best the strategies of export sector could rise up to the challenges of the New World Trade Order. Where necessary, strategies outlined in this document may have to be
reformulated even during mid-course if such changes would ensure better results for the Indian economy in general and for the export sector in particular.

To ensure that an institutional mechanism is in place, the Economic Division in the Department of Commerce will be designated as the nodal division and the Economic Adviser along with a core group of senior officers within the Department and representatives of major export promotion bodies as also some experts in the academia shall ensure that resources are committed to achieve goals, and provide the dynamic track against which progress can be measured. This core group will be headed by the Commerce Secretary and shall meet at least once in six month or more frequently wherever necessary.

If the strategy outlined in this document is implemented, India can not only achieve 1% share in world exports but also surpass it. A continuous monitoring of the implementation of the strategies along with active participation by the exporters, Government and export related bodies is essential for the success of the strategies outlined in this document.