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Analysing developments impacting business

DGFT INVITES SUGGESTIONS FROM THE INDUSTRY TO FORMULATE THE FORTHCOMING FOREIGN TRADE POLICY

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The Foreign Trade Policy (FTP) is traditionally laid out for a period of five years. The current FTP of 2015-2020 was extended till September 2021 on account of Covid-19 pandemic.

Now, the Directorate General of Foreign Trade (DGFT) **vide** its Notice dated 18 July 2021 has invited suggestions from the industry to calibrate and decide upon the FTP for the period between 2021 to 2026.

The suggestions are invited on the following broad themes:

- (a) Developing export capability;
- (b) Ensuring balance of payments stability; and
- (c) Enhancing export performance and encouraging foreign trade;

The suggestions are to be uploaded on the DGFT website as per the link provided in the Notice dated 18 July 2021. The Link would remain active till 31 July 2021.

Comments

As the economy continues to reel from the effects of the ongoing pandemic, a consultative approach assumes paramount importance, to develop various contours of the economy at large.

It is important to see the industry's as well as the government's approach towards export related incentives, with remission of duties and taxes on export products being the only visible benefit. The target should be aimed at providing benefits that are WTO compliant as well as catering to digitisation and e-commerce.

The forthcoming FTP should also focus on identifying target areas for export promotion and reduction in import reliance for raw materials as well as finished goods alike. Identifying potential export hubs at district levels remains part of the government's agenda to improve indigenous production.

The export promotion councils and other trade associations/bodies can view this as an opportunity to put forward solid ideas for putting together a comprehensive FTP for the coming years.

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