

COMMERCE AND FINANCE MINISTRIES DIFFER OVER THE CONTINENT'S INCLUSION

Focus on African market

Press Trust of India

NEW DELHI, May 21 After special economic zone area specification, commerce and finance ministries have locked horns again over inclusion of Africa under the focus market scheme.

The differences are so sharp that commerce and industry minister, Mr Kamal Nath, has written a letter to Prime Minister, Dr Manmohan Singh, seeking his intervention.

The finance ministry is unwilling to include Africa under the scheme which was announced with much fanfare in the Foreign Trade Policy a month ago, pointing at the additional revenue outgo of Rs 500 crore.

The Foreign Trade Policy was cleared by the Prime Minister himself before it was unveiled.

The commerce ministry had unveiled two new schemes Focus Products and Focus Markets to promote exports of select products and in select regions, replacing the controversial "Target Plus" scheme.

At that time Focus Markets only covered Latin America but the commerce ministry felt countries in Africa should also be covered in the scheme as China was emerging as a big competitor in the region which had not been really explored by Indian exporters, official sources said.

The commerce min-



Commerce Minister Kamal Nath (left) and Finance Minister Manmohan Singh (right) are seen here during a press conference in New Delhi on May 21, 2006.

other scheme of focus products has also not been notified as both the schemes were clubbed together.

However, now with issues regarding focus market schemes far from being resolved, the commerce ministry has initiated steps for the notification of Focus Product Schemes.

Focus Products covers exports of value added fish, leather products, stationery items, fireworks, sports goods, handloom and handicraft items.

The scheme provides for duty credit facility at 2.5 per cent of the freight on board value of exports on 50 per cent of the export turnover of notified products.

focus initiatives for Latin America, Africa and CIS. With differences far from being resolved, the

istry's view is that Indian exports needed that little extra push to increase their market share in the continent. Infact, under the market promotion initiatives run by the ministry itself, there are special

India, Ethiopia revive trade panel

Statesman News Service

NEW DELHI, June 5: India and Ethiopia have revived the Joint Trade Committee between the two countries following a meeting here after a gap of four years. The committee decided upon a slew of major initiatives for the next year, minister of state for commerce, Mr Jairam Ramesh, today said.

"Ethiopia is important to India not just from commercial angle but because of its strategic position," Mr Ramesh said. The second most populous country in the African continent after Nigeria, the country is situated in the Horn of Africa, pointing to its importance in the region.

Among the seven major

initiatives is one on leather. Ethiopia is a major exporter of raw hides and skins and the delegation from the Council of Leather Exporters would visit the country next month to ensure more supply for India's tannery and leather industry.

Secondly, Indian companies are participating in road construction operations in Ethiopia, which has received \$1 billion aid from African Development Bank and World Bank for this purpose.

India is also negotiating to increase its procurement of pulses from Ethiopia. Indian Pulses and Oilseeds Traders Association would see how much additional pulses could be procured from the state, Mr Ramesh said.

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