

**Press Information Bureau  
Government of India  
Ministry of Commerce & Industry**

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**Promoting more balanced India-China Trade**

India's exports to China have grown after several years. India is poised to achieve its highest ever exports to China this fiscal. Between April-December 2018, exports were USD 12.7 billion which is closer to last year's exports of USD 13.33 billion.

The Department of Commerce took the initiative to identify and share with Indian exporters and other stakeholders, specific lines where US would lose competitiveness in China and where India had an export potential and encouraged the exporters to seize this opportunity. Several B2B meetings with Chinese buyers were facilitated through the Indian embassy in Beijing. Chinese grape buyers were invited to visit Indian grape farms and related units under Agricultural & Processed Food Products Export Development Authority (APEDA).

The growth in India's exports to China has been driven by marine products, organic chemicals, plastics, petroleum products, grapes and rice.

Recognizing the regulatory environment in China, which remains a challenge for the Indian exporters, the Department of Commerce signed three protocols in the last financial year:

- In June 2018, protocol on export of Indian rice to China (to include non-basmati rice) was signed in the presence of the leaders of the two countries at Qingdao, paving way for export of Indian rice to China, which commenced in small quantities subsequently, and now needs a major ramp up by the businesses on either side.
- On 28<sup>th</sup> November 2018, the protocol for export of Indian fishmeal/fishoil to China was signed during the visit of the Chinese Vice Minister to India.
- On 21<sup>st</sup> and 22<sup>nd</sup> January 2019, the protocol on export of Indian tobacco to China was renewed and signed paving way for exports of Indian tobacco to China.

While some of India's concerns have been addressed, more efforts are required for greater market penetration in China. India is hopeful of soon signing protocols for export of Indian soybean meals, cakes and pomegranates to China in the near future, as these are in advanced stages of discussion. Discussions are on with the Chinese side for early announcement of Chinese import quotas for sugar and rice for 2019 so that Indian exporters are able to plan their exports well in time.

While the protocols have been signed for several items, the actual exports need to be ramped up substantially. Indian exporters are being encouraged to seize this opportunity and take advantage of the recent developments.

In light of US duties on Chinese products, similar steps have been taken with regard to Indian exports to the US also.

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