

# The Foreign Trade Policy (FTP) passed on March 31, 2023.

**Aims to boost India's exports to USD 2 trillion by 2030.**

**Focuses on emerging areas of export, such as high-tech manufacturing, pharmaceuticals, and e-commerce.**

**Measures to promote exports of these products**

- 1. Setting up of special economic zones (SEZs)**
- 2. Provision of subsidies for research and development (R&D).**

## Highlights

- **Incentive to Remission:** The policy provides for a number of incentives to exporters, including duty drawback, export promotion capital goods (EPCG) scheme, advance authorization scheme, and free trade agreements (FTAs). These incentives can help exporters to reduce their costs and improve their competitiveness.
- **Export Promotion through Collaboration:** The policy emphasizes collaboration between exporters, states, districts, and Indian missions abroad to promote exports. This collaboration can help to **identify and address the challenges** faced by exporters and to develop strategies to boost exports.
- **Ease of Doing Business:** The policy aims to simplify and streamline the export process by **reducing paperwork and documentation** requirements. This can help to reduce the time and cost of exporting, and make it easier for exporters to do business.
- **Emerging Areas:** The policy focuses on emerging areas of export, such as **high-tech manufacturing, pharmaceuticals, and e-commerce**. These are sectors with high growth potential, and the policy can help to position India as a leader in these areas.

## For Exporters

- **Duty Drawback:** Exporters can claim a refund of the import duties paid on inputs used in the production of exported goods. This can help to reduce the cost of production and improve the competitiveness of Indian exports.
- **EPCG Scheme:** Exporters can import capital goods without paying import duties, provided that the goods are used for export production. This can help to reduce the cost of investment and improve the productivity of Indian exporters.
- **Advance Authorization Scheme:** Exporters can import inputs without paying import duties, provided that they export the finished goods within a specified time period. This can help to improve the cash flow of exporters and reduce their working capital requirements.
- **FTAs:** FTAs reduce or eliminate tariffs and other trade barriers between two or more countries. This can help to boost exports by making it cheaper for Indian exporters to sell their goods in other countries.
- **Towns of Export Excellence Scheme:** This scheme will provide financial and technical assistance to smaller towns to develop their export potential. This can help to create jobs and boost economic growth in these areas.
- **E-Single Window:** This online platform will provide a single point of contact for exporters to file all the required documents for exporting goods. This can help to reduce the time and cost of exporting.
- **Special Economic Zones (SEZs):** SEZs are designated areas with special tax and regulatory benefits. These benefits can help to attract foreign investment and boost exports.