[GS-3] - Agri 9:39.

3. As there is growing demand in Europe, India must give fillip to value added agricultural exports. comment

Indian exports on key agri commodities jumped 16%. in 1st half of 2022-23. Agriculture export strategy in India is commodity exports

need for shift in strategy

'commodity exports' $\xrightarrow{+}$ product exports

To achieve this, evaluation of consumer needs & leveraging value addition technologies is needs

eg: Instead of bulk exports of rice to Europe, Rice flour which is in high demand in europe can be targeted and exported.

why there is need to shift?

Internationally constantly growing demand for value added products. Especially post covid - customers demands on healthy nutritious foods increased. Also productivity of producers to meet the demand must be increased. 350-400mn strong middle class indians - high demand due to time constraints for food, urbanisation, affordability etc.

How value addition?

1. Innovation
- → leverage existing process, product etc.
- → New technology for specialised value added products.
- →
- → traditional crops → non-food goods
  Eg: Biodiesel

2. cooperation → between producers and marketers of agri product. Must involve in horizontal integration eg: contract farming, produce sharing aggrements

3. Agri export policy must strike balance between Export bans ~~and~~ minimum export price and free trade agreement.

Significance of value addition

Helps to absorb shocks globally & domestic, by preventing problems of stocking, shelflife, food waste & losses etc,

value addition has the potential to address the growing demand and increases Ease of doing business and give fillip to agri export