

Government approves continuation of the National Export Insurance Account (NEIA) scheme and infusion of Rs. 1,650 crore Grant-in-Aid over 5 years

Capital infusion in NEIA Trust will help tap the huge potential of project exports in focus market

NEIA will be able to support project exports worth up to 33,000 Crore

Help create 2.6 lakh new jobs, including around 12,000 in formal sector

This decision is part of a series export related schemes and initiatives taken by the Government over the last few years

Extension of Foreign Trade Policy (2015-20) up to 31 March 2022

Release of Rs 56,027 crore in September 2021 to liquidate all pending arrears

Roll out of Remission of Duties and Taxes and Exported Products (RoDTEP) with a sanctioned

amount of Rs. 12,454 crore in FY 2021-22

## Common Digital Platform for Certificate of Origin launched to facilitate trade and increase FTA utilization by exporters

### Promoting Districts as Export Hubs

## Active role of Indian missions abroad towards promoting India's trade, tourism, technology and investment goals has been enhanced

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Government under the leadership of Hon'ble Prime Minister Shri Narendra Modi has undertaken a series of measures to provide a boost to the exports sector. In line with this, the Government has today approved capital infusion of has approved contribution of Grant-in-aid (Corpus) of ₹1,650 Crore to National Export Insurance Account (NEIA) over a period of five years, i.e. from FY 2021-2022 to FY 2025-2026.

NEIA Trust was established in 2006 to promote project exports from India that are of strategic and national importance. The NEIA Trust promotes Medium and Long Term (MLT) /project exports by extending (partial/full) support to covers issued by ECGC (ECGC Ltd, formerly known as Export Credit Guarantee Corporation of India Ltd.) to MLT/project export and to Exim Bank for Buyer's Credit (BC-NEIA) tied to project exports from India.

The capital infusion in NEIA Trust will help the Indian Project Exporters (IPE) to tap the huge potential of project exports in focus market. Support to project exports with Indian content sourced from across the country will enhance the manufacturing in India. Corpus contribution of 1,650 Crore will enhance the underwriting capacity of the Trust and will enable NEIA to support project exports worth 33,000 Crore at full capacity utilization that in turn will translate into an estimated output of domestically manufactured goods to the tune of 25,000 Crore approximately.

In addition, assuming an average 75% Indian content in the projects, in terms of the report 'Export to Jobs' by World Bank and International Labour Organisation, it is estimated that around 12000 workers will move into formal sector. Further, the total workers (number of both formal and informal) will increase by 2.6 lakh in the relevant sectors as per estimates based on the report.

#### **NEIA- Performance highlights**

1. The NEIA Trust was set up in 2006 to promote Medium and Long-Term (MLT)/ project exports by enabling credit and political insurance

2. NEIA supports projects which are commercially viable and are strategically important
3. The corpus commitment of GOI is Rs.4000 crore and Maximum Liability Permissible is 20 times of the actual corpus
4. The contribution received from the Government of India over the years, as of March 31,2021 was Rs.3,091 crore
5. Since inception, NEIA has extended 213 covers, with a consolidated project value of Rs. 53,000 crores, to 52 countries as of 31st August 2021
6. Its impact in enabling project exports has been most significant in Africa and South Asia.

### **Various Export Related Schemes and Initiatives taken by Govt. in last few years**

1. Foreign Trade Policy (2015-20) extended upto 30-09-2021 due to the COVID-19 pandemic situation
2. Rs 56,027 crore released in September 2021 to liquidate all pending arrears under all script base Schemes to provide liquidity in the COVID-19 times
3. Roll out of a new Scheme - Remission of Duties and Taxes and Exported Products (RoDTEP). Rs 12,454 crore sanctioned for the Scheme in the FY 2021-22. It is a WTO compatible mechanism for reimbursement of taxes/ duties/ levies, which are currently not being refunded under any other mechanism, at the central, state and local level
4. Support to textiles sector was increased by the remission of Central/ State taxes through the ROSCTL scheme, which has now been extended till March 2024
5. Common Digital Platform for Certificate of Origin has been launched to facilitate trade and increase FTA utilization by exporters
6. A comprehensive “Agriculture Export Policy” to provide an impetus to agricultural exports related to agriculture, horticulture, animal husbandry, fisheries and food processing sectors, is under implementation
7. Promoting and diversifying services exports by pursuing specific action plans for the 12 Champion Services Sectors
8. Promoting districts as export hubs by identifying products with export potential in each district, addressing bottlenecks for exporting these products and supporting local exporters/manufacturers to generate employment in the district
9. Active role of Indian missions abroad towards promoting India’s trade, tourism, technology and investment goals has been enhanced
- 10. Package announced in light of the covid pandemic to support domestic industry through various banking and financial sector relief measures, especially for MSMEs, which constitute a major share in exports
- 11. Trade Infrastructure for Export Scheme (TIES), Market Access Initiatives (MAI) Scheme and Transport and Marketing Assistance (TMA) schemes to promote trade infrastructure and marketing.

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