

PREFACE

Making and implementing a friendly policy regime and providing various types of incentives by the Government as a facilitator is almost a prerequisite for accelerating technology intensive exports in the knowledge driven economies. In order to evolve appropriate policies and incentives for the exporters of technology, technology intensive products, projects and services, it is necessary to have knowledge about the policies and incentives of other national governments to their exporters, so as to have benchmarking parameters for India.

The Centre for International Trade in Technology (CITT), set up recently at the Indian Institute of Foreign Trade, with the support of Department of Scientific & Industrial Research (DSIR), undertook a short Study covering specific policies and incentives of importing countries for products from India, based on a survey of the knowledge and experiences of select exporters in India. Questionnaires were evolved and sent to about 200 exporting companies in India, out of which 54 replies were received. Also, personal visits were made to about 15 companies in and around Delhi to obtain their views regarding their perceptions of policies and incentives in other countries and in India which may make them more competitive in foreign markets.

The responses have indicated the need for greater financial assistance, fiscal incentives and tax concessions for procurement of imports for export

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production, market promotion, organizing/participating in seminars/conferences, trade fairs and exhibitions, market surveys abroad, etc. There are already several incentives and financial support mechanism available to the exporters from the Government of India and state government. However, the exporters do not seem to be generally fully aware of the support measures already available to them from the Government, although most of these measures do not specifically address the need for promoting technology intensive exports.

Further, an analysis of the responses received from exporters also indicate that they have generally limited and inadequate knowledge and awareness about the policies and requirements of the importing countries and also the policies and incentives available to the exporters in competing countries. There is a need to take detailed surveys about the policy and regulatory requirements of the importing countries and also the policies and incentives available to the exporters in competing countries.

Some of the recommendations emerging from this Report include (i) Support of Indian embassies and high commissions in extending wholehearted support particularly to the small and medium enterprises (SMEs) engaged in export of technology and technology intensive products; (II) Evolving more friendly policies to boost exports of software; (iii) Tapping African markets for promoting our exports of technologies, (iv) Initiating of suitable steps by the

Government of India to tap tremendous export potential of herbal products such as medicines, health foods, cosmetics, etc, (v) Tapping huge export potential of technologies for manufacture of bulk drugs to South East Asia, Middle East and African countries, (vi) Organisation of awareness programmes about the policies and facilities available as well as funding mechanism for technology development to exporters in different parts of the country, and (vii) Need to have greater interactions with R&D institutions; financial and technical assistance for patenting abroad, and technical support & information for competitive export production facilities in India.

The Report has been prepared by Shri G.P. Gandhi, Research Officer in the Institute under the overall guidance of Prof. B. Bhattacharyya, Dean, IIFT and Shri S.P. Agarwal, Head, CITT. Shri Rajeshwar Dayal, Consultant, CITT, helped in finalising the Report. Shri Anil Kanungo, Editor edited the Report and Miss Radha Rawat typed its manuscript. We thank all the responding companies for their cooperation and furnishing valuable information, without which the Report would not have been complete.

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It is hoped that the Report would be useful to all those concerned with technology intensive exports including government departments, export promotion councils, exporters, R&D institutions and consultants. It may help specifically in evolving policy measures and incentives for technology related exports from India.

Inputs and suggestions from all concerned are welcome.

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