

Trade Promotion Council of India
New Delhi

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**General Overview - Second Edition of INDUSFOOD held at
India Expo Mart, Greater Noida on 14-15 January 2019**

Preparations in TPCI for the second edition of INDUSFOOD started soon after the event was approved by the Empowered Committee of Market Access Initiative (MAI) of the Department of Commerce (DoC) in early 2018.

2. Following the success of the first edition of INDUSFOOD, the primary objective of INDUSFOOD-II was to give a platform to Indian exporters to promote India's exports in the food and beverages sector. Among other things, a letter was issued by the Commerce Secretary to the Foreign Secretary requesting him to enlist support of Indian Missions with a view to give wide publicity to INDUSFOOD, besides providing the visa assistance to the participants.

3. Indian Missions/Posts abroad were specifically asked to disseminate information about the 'Hosted Buyers Programme', which provided for the reimbursement of airfare, free hospitality for 3-nights, free transfers from airport were envisaged. In order to attract serious buyers, Registration Fee of US \$250 was prescribed, which was waived for government officials, Chambers, Associations and some other categories. In order to attract reputed buyers, a number of TPCI teams visited various countries including Canada, Egypt, Germany, Iran, Iraq, Malaysia, Mexico, Netherlands, Oman, Poland, Saudi Arabia, Singapore, Spain, UK, USA etc.

4. Invitations for INDUSFOOD-II were also issued by TPCI and Department of Commerce to senior officials of the FSSAI, Export Inspection Council, APEDA, MPEDA and export promotion agencies and Commercial Counsellors of the foreign Missions in New Delhi.

5. As a result of persistent efforts, majority of Indian Missions responded positively. Consequently, more than 700 foreign participants mainly importers from 80 countries, including some of the largest global retail chains such as Lotte Plaza from US, Nesto from UAE, LuLu from UAE & Qatar, Carrefour from Saudi Arabia, Jumbo from Netherlands, Mustafa from Singapore, Grupo from Mexico, County, Kologne and Choppies from Kenya, REWE from Germany, OK Chain Store from Iran, Shwapno from Bangladesh, Jagannath and Ton from Russia attended the second edition of INDUSFOOD. It is reported that business orders worth over US one billion were placed on the spot and if we include those in the pipeline the total business generated would be to the tune of US \$1.5 billion. During the joint press briefing TPCI, along with DoC, informed that:

- Agri-exports policy has been announced by the Government of India;
- Reduced wastage by pre-harvest and post-harvest intervention to increase exports through value addition;
- Agricultural exports to increase from US \$33 bn in 2018 to US \$60 bn in 2020

6. To promote INDUSFOOD domestically TPCI made strenuous efforts to encourage stakeholders in States, TPCI teams visited various States and met State officials and agencies. As a result about 400 exhibitors displayed their products and services at the booths during INDUSFOOD. Four States including Haryana, J &K, Uttarakhand and Odisha opened their own pavilions to display products from their respective State. As a partner State of INDUSFOOD, Odisha invited foreign investors to invest in Odisha. A 'Foreign Investors Meet' was organized during INDUSFOOD.

7. Second edition of INDUSFOOD was inaugurated on the morning of 14th January, 2019 by the Hon'ble Minister of Food Processing Industry Smt. Harsimrat Kaur Badal, who addressed the gathering, underscored that the country has undertaken a number of reforms to ensure the growth & expansion of the food processing industry, in a bid to improve the economic condition of farmers. Hon'ble Minister also took a round of the exhibition, visited various booths and had interaction with Indian exhibitors. Hon'ble Minister subsequently addressed the Press for more than 20 minutes.

8. In a recorded message that was played during the inauguration of INDUSFOOD, Hon'ble Commerce & Industry Minister underscored the need to develop infrastructure for agri exports for which the clusters have already been identified for particular products. He added that "we are actually promoting F&B industry in a big way and that is also going to help the farmers. Ultimately, what they produce is used to make other products. So, INDUSFOOD is a very major event".

9. Speaking on this occasion, Chairman, Organizing Committee and JS, EP (Agri), DoC, Shri Santosh K. Sarangi said that one of the major features of the Agri-Expo Policy is to double the agricultural export and position India as a major agri exporter in the world.

10. Chairman TPCI, Shri Mohit Singla gave a vote of thanks to the Hon'ble MoFPI, JS (EP-Agri) and others.

11. Besides Hon'ble MoFPI, Shri Manoj K. Bharti, Additional Secretary (ED & States), MEA, Shri L.N. Gupta, Additional Chief Secretary of the Government of Odisha, Chairman, Organizing Committee and JS, EP (Agri), DoC, Shri Santosh K. Sarangi and Chairman TPCI, Shri Mohit Singla were present on the dais for inaugural ceremony.

12. Other activities on the first day of the event included following official Roundtable Dialogues:

- India-Vietnam G2G Roundtable;
- India-UAE G2G Roundtable;
- India-Iraq G2G Roundtable;
- India-Bangladesh Agro-Processors' Association (BAPA);
- Foreign Investors' Meet with Government of the State of Odisha
- Panel Discussion - Hospitality Purchase Managers Forum

13. The other highlights of the first day were the signing of **Ten** MoUs with Chambers & other Associations (List of Chambers/Associations at **Annexure-I**) and felicitation ceremony honouring prominent Buyers from different countries for their contribution in promoting Indian products. One of the high points was the launching of FRESH magazine covering the entire event.

14. On the second day of the event, 14 B2B Roundtables with African Countries, Canada, CIS countries, Egypt, European Union, Iraq, Israel, Latin American countries & Mexico, Oceania SAARC Countries, Saudi Arabia, US, and Vietnam were organized. These attracted a large number of global buyers and Indian exhibitors to discuss various issues related to expansion of trade between the two countries frankly. Some buyers raised issues of quality of Indian products and the regulatory mechanism, packaging etc., which prevents them from buying from India. Indian side responded positively and assured buyers to look into these issues for positive outcome. Likewise, the interaction during G2Gs and G2B dialogues was very positive. A report on Roundtable Dialogues is being prepared by TPCI compiling all issues raised various stakeholders, which will for sent to all concerned for information and record.

15. A gala net-working dinner was also organized on the eve of 14th January 2019.

Assessment

16. We feel that the huge demand by the foreign buyers at INDUSFOOD in food & beverages sector and India's surplus potential to meet this demand requires policy intervention in economic diplomacy by both DoC and MEA. In other words, the surplus produce of Indian farmers and processed food could get access to the foreign markets by addressing the bottlenecks. The large number of foreign credible participants and foreign big ticket buyers at the second edition of INDUSFOOD shows that the event was a grand success. If the feedback from the Indian exhibitors and the foreign buyers is anything to go by, it is clear that the event was a platform that created a win-win situation for both sides, as well as establish a clear path for India to be able to host a global food trade platform.

17. On the spot orders by the foreign buyers to the tune of US \$ one billion, is a clear indication that the criteria and other parameters for selection of buyers worked well. TPCI worked in tandem with DoC and MEA, including Indian Missions abroad, and other government agencies to achieve the success. Moving forward, TPCI aims to develop INDUSFOOD at par with ANUGA, SIAL and GULF FOOD.

Future Roadmap

- (i) In order to fulfil Hon'ble Prime Minister's vision of doubling up farmers income by 2022 and also to create jobs in F&B sector, the INDUSFOOD could perhaps be given a higher priority of national importance by both DoC and MEA including Indian Missions abroad.
- (ii) Indian Missions abroad to promote INDUSFOOD and publicise INDUSFOOD activities on their website on the Commerce page under 'Upcoming Events in India'.
- (iii) In order to get maximum leverage, all food related events including food processing could perhaps be merged and co-located along with INDUSFOOD.
- (iv) With a view to bring INDUSFOOD to the level of global standards set by ANUGA, SIAL and GULF GOOD, more focussed attention of DoC, MEA and other government agencies would be necessary to guide TPCI to achieve the objective.

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**Synopsis of activities undertaken during the
second edition of INDUSFOOD**

Key Achievements

- US\$ 1 billion worth of on-spot business negotiation;
- Over 700 global Buyers from 80 countries participated;
- About 400 Indian exhibitors displayed their products and interacted one-to-one with global buyers;
- 3 G2G Roundtable Dialogues with Vietnam, Iraq and UAE, 1 G2B with Bangladesh, 14 B2B Roundtable Dialogues and one multilateral dialogue on Indian Tea were organized;
- Ten MoUs were signed; and
- Approximately 22,200 business meetings were conducted.

Categorization of Importers & Exporters

Region-wise Participation of global Buyers

• Middle East	:	33%
• Asia	:	18%
• North America	:	12%
• CIS	:	10%
• Europe	:	09%
• SAARC	:	07%
• Africa	:	05%
• Oceania	:	03%
• South America	:	03%

Profile-wise breakdown of Buyers

▪ Importers	:	36 %
▪ Traders and Distributors	:	30%
▪ Supermarket Chains	:	15%
▪ Wholesale Groups	:	08 %
▪ Hotel Chains	:	04 %
▪ Other Categories	:	07%

Product-wise participation of Indian Exhibitors

• Spices	:	15 %
• Pulses, Grain & Sugar	:	11%
• Consumer Foods	:	11 %
• Sweets & Confectionary	:	09%
• Organic & Health Food	:	09%
• Indian Ethnic Food & Snacks	:	09%
• Tea & Coffee	:	09%
• Fruits & Vegetables	:	0.7%
• Commodity Trader	:	04%
• Beverages	:	04%
• Dry Fruits	:	04%
• Ingredients/Fragrances/Flavours	:	04%
• Dairy	:	02%
• Others	:	03%

The above information will help us in focussing and pursuing specific region and important product profiles rigorously to mobilize global buyers as well as Indian exporters to participate in the third edition of INDUSFOOD tentatively scheduled for 8-9 January 2020. The encouraging sign is that facilities and available opportunities to enhance F&B trade discussed during meetings impressed over 90% of importers who showed their keenness to attend future editions of INDUSFOOD.

Post INDUSFOOD we have been receiving positive feedback from buyers and importers alike appreciating the event. These have been uploaded on our website www.indusfood.co.in.

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During second edition of INDUSFOOD, **Three G2Gs, One G2B** and **Fourteen B2Bs** Roundtable Dialogues were held on 14-15 January 2019. On scrutiny the following are the challenges for future trade between Indian exporters and global buyers:

Vietnam: New meat processing plants in India are facing difficulties in getting approvals from Vietnamese authorities for meat export to Vietnam.

Bangladesh: Bangladesh is looking at India to help food processing sector in Bangladesh by investing and collaborating with Bangladeshi companies. Lack of clarity is causing disruption in movement of trucks on border resulting in damage to perishable food items.

South Africa: The visiting delegation from South Africa suggested FTA negotiations with them for easy access.

Some South African delegates were not happy with Indian exporters demanding **50% Advance Payments** from buyers.

NAFED in association with MEA has launched a **portal** for the benefit of businessmen from India and Africa.

UAE: Contract farming, buy back arrangements, tying up with farmers, value addition & processing of agro-products were some suggestions given to the visiting government delegation from **Food Security Centre, UAE.**

Iraq: Iraqi delegates expressed concern about high prices quoted by Indian companies. Invitation to Minister level delegation from Iraq to visit India and discuss this issue to iron out such matters.

Colombia: Lack of SPS/TBT agreement prohibits export of 50 spices products in bay leaves or seeds from India to Colombia.

Saudi Arab: In the absence of proper packaging, there is a large scale rejection of India F&B consignments by SFDA. There is need for maintenance of packaging standards by printing in Arabic including the ingredients and the name of the manufacturers.

Australia: Rigid food labelling laws of Australia is the biggest impediment to entering the Australian market. Indian companies should refrain from undercutting for short term profit to make a lasting impact on the grocery retail industry.

UK: Delegates from UK suggested that promotion of F&B and Tourism should go hand-in-hand to promote Indian ethnic and indigenous food products.

USA: To deal with the pesticide problem and higher MRL, the exporters should register themselves with the Insecticide Board of India. Indian exporters should follow US norms on labelling and quality of F&B products.

Russia: Fruits & Vegetables from India are overpriced. Moderation of price is required to strengthen future trade relations.

Canada: Demand for oily snacks is on decline, and demand for roasted/Baked chips & 'Makhana' are increasing in Canada.

To attain significant Canadian market share Indian exporters need to focus on perennial strategies for branding and promotion to make F&B products familiar for Canadian consumers.

Egypt: Egypt is developing rapidly and hence the demand for products is growing. Warehousing facilities at Suez Canal should be utilized by Indian exporters for supplies to European market.
