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Government of India
Ministry of Commerce & Industry
Department of Commerce
E&MDA Division

Minutes of the Meeting of the Empowered Committee of the Market Access Initiative (MAI) Scheme, held at 11.00 AM on 4th May, 2023

A meeting of the Empowered Committee of the Market Access Initiative (MAI) Scheme was held at 11.00 AM on 4th May, 2023 under the Chairmanship of the Commerce Secretary. The list of participants is placed at **Annexure-I**.

2. After welcoming the participants, the Joint Secretary (E&MDA), Department of Commerce made a presentation on the MAI Scheme, briefly highlighting the broad contours of the Scheme, progress of the Scheme over the years, achievements under the Scheme in terms of activities organised and participation of Indian exporters in these activities, and allocation and utilisation of funds under the Scheme over the years. He apprised the Committee that the Scheme was launched in FY 2002-03 with a meagre budget of ₹14 crore, which rose to ₹325.00 crore in 2019-20. However, due to disruptions caused by the COVID pandemic, there was reduced allocation since 2020-21. He further informed the Committee that the Scheme supports wide arrays of export promotion activities and that considering the demands of the industry it is proposed to expand the scope of some of the provisions of the Scheme so as to give further impetus to the promotional activities undertaken by the EPCs and Trade Bodies. He sought approval of the Committee to the revisions in the operational guidelines, formulated on the basis of stakeholder consultations. He also apprised the Committee about the process followed by the Sub-Committee in recommending the proposals for consideration of the EC.

3.1.1. After the presentation, the items on the agenda of the meeting were taken up for discussion of the Committee. The decisions taken by the Empowered Committee on the agenda items are as under:

3.1.2. : EC noted the information placed before it.

4. Agenda Item No.1: Proposal for revision of the Operational Guidelines of the Market Access Initiative (MAI) Scheme.

4.1. Proposal for upward revision in the funding norms:

4.1.1. Proposal for consideration of the EC: A broad 20% increase was proposed in funding for WANA, West Europe, USA, CIS, NEA, ASEAN, LAC and Oceania. Accordingly, approval of EC is solicited to the following region-wise funding norm for the events abroad to be supported under the MAI Scheme during FY 2023-24:

Sl. No.	Region	Assistance per participant (in ₹ lakh)	
		Existing	Proposed
(i)	WANA	1.00 (for Dubai: 1.75)	1.20 (2.10 for Dubai)
(ii)	Europe	2.25	2.75 for West Europe 2.25 for East Europe
(iii)	NAFTA	2.10	2.50 for USA 2.10 for Canada and Mexico
(iv)	CIS	1.90 for Russia/ 1.75 for other countries	2.25 (for Russia)/ 2.00 for other countries
(v)	NEA	1.50	1.80
(vi)	ASEAN	1.35	1.60
(vii)	Africa	1.40	1.40
(viii)	South Asia	1.10	1.10
(ix)	LAC	1.90	2.20
(x)	Oceania	1.80	2.00

4.1.2. EC decision: EC approved the proposal, subject to the modification that the funding for all regions be increased by 20% as under:

Sl. No.	Region	Assistance per participant (in ₹ lakh)	
		Existing	Revised
(i)	WANA	1.00 (for Dubai: 1.75)	1.20 (2.10 for Dubai)
(ii)	Europe	2.25	2.75
(iii)	NAFTA	2.10	2.50
(iv)	CIS	1.90 for Russia/ 1.75 for other countries	2.25 (for Russia)/ 2.10 for other countries
(v)	NEA	1.50	1.80
(vi)	ASEAN	1.35	1.60

(vii)	Africa	1.40	1.65
(viii)	South Asia	1.10	1.30
(ix)	LAC	1.90	2.25
(x)	Oceania	1.80	2.10

4.2. Proposal for revision in the provisions related to airfare reimbursement: enhanced rates of airfare and revision in the norms

4.2.1. Proposal for consideration of EC: Sl. No.6 (ii) and 7 below para 7.3 of the MAI Operational Guidelines may be revised as under:

- i. The ceiling of airfare reimbursement to Indian exporters for participation in events abroad and also for hosting foreign buyers in RBSMs in India may be enhanced by 20%, as indicated below, with effect from FY 2023-24:

- a. ₹1,50,000/- for Africa and American continents; and
- b. ₹90,000/- for other markets.

(Note: The fares proposed are maximum limit for economy class.)

- ii. Reimbursement of airfare to the companies having nil exports/ start-ups/ new exporters may be allowed up to 10% of the total number of participants, subject to the following conditions:
 - a. The amount of airfare reimbursable will be 50% of the economy fare, subject to market-wise ceilings prescribed in the Scheme guidelines,
 - b. The exporter has been active in the domestic market and has at least annual turnover of **₹10.00 lakh** in the preceding financial year.

(Note: For other exporters also, it will be necessary to have minimum annual export turnover of ₹10 lakh in the preceding financial year to avail reimbursement of airfare.)

- iii. The number of foreign buyers per company may be enhanced to 5 for the electrical sector (limited to government and public sector power utilities only).

4.2.2. EC Decision: EC approved the proposal contained in para 4.2.1 above with the modification that the minimum turnover prescribed at sub para (ii) of the said para be raised to **₹50.00 lakh**.

4.3. Support for Government led delegations comprising exporters, business, media persons, eminent personalities, resourceful persons and other stakeholders:

4.3.1. Proposal for consideration of the EC: Approval of the EC was sought for making an enabling provision below Sl. No.6 (i) in the Table below para 7.3 of the MAI Operational Guidelines for providing assistance for mounting delegations comprising of exporters, business, media persons, eminent personalities, resourceful persons and other stakeholders with high-level Government delegations, on 100% basis, with the following stipulations:

- a. The size and composition of the delegation would be finalised by the Territorial Division concerned in DoC. The Division would obtain necessary administrative approval in this regard.
- b. In order to minimize cost on such delegation, the details, including plans related to travel and stay, may be finalised, as far as possible, much in advance, and while doing so, measures may be taken to ensure economy in utilisation.

4.3.2. EC Decision: EC approved the proposal limiting the delegation to trade experts only.

4.4. Revision in the provisions related to reimbursement of expenses incurred on statutory compliances abroad

4.4.1 Proposal for consideration of EC: The provision related to support for statutory compliances abroad at Sl. No.8 in the Table at para 7.3 of the MAI Operational Guidelines may be revised, **with prospective effect**, as under:

(i) In the list of admissible items, related to support for statutory compliances abroad, presently available to pharma, **chemicals**, engineering, agri, services etc sectors may be expanded by inclusion of the following items:

- a. Patents for engineering products;
- b. Testing and certification of telecom equipment and electronic equipment/components;
- c. Testing and certification charges for electronics and computer hardware/software;
- d. Testing of toys;

- e. Accreditation charges of sports goods;
- f. Testing requirements pertaining to the textiles sector;
- g. Cost of document endorsement/ verification by foreign missions in India, in respect of tender documents related to project exports.
- h. Inclusion of any new component with the approval of CS.

(ii) The timeline for submission of claims by exporters to EPCs may be revised from '45 days from date of receipt of certificate' to '90 days from date of issuance of certificate', as proposed by EP (Pharma) Division; and

(iii) Reimbursements under the above provision of the MAI Operational Guidelines may be limited to the exporters having f.o.b. value of exports of or less than ₹200.00 crore during the preceding financial year.

4.4.2. EC Decision: EC approved the above proposal with the modification that the reimbursement under the Scheme will be limited to the exporters having f.o.b. value of exports up to ₹100 crore during the preceding financial year. Further, while examining the claims for reimbursement, EPCs may ensure that such claims are essentially linked to market access issues.

4.5. Inclusion of provision related to setting up of warehouses, etc abroad

4.5.1. Proposal for consideration of EC: An enabling provision may be made under Sl. No.2 (Marketing, Branding, Publicity Campaign and Cataloguing) in the Table below para 7.3 of the MAI Operational Guidelines for 'support for opening of showrooms, warehouses and display in international departmental stores." The support would be for lease/ rental charges of property/ cost of setting up of showrooms/ warehouses/ and rental charges of display space at international Departmental Stores or local distribution networks, subject to a ceiling of ₹5.00 crore per project per annum for a maximum of five years, in the following manner, and thereafter the project will run on self-financing basis:

First year:	90%: 10%
Second year:	80%: 20%
Third year:	70%: 30%
Fourth year:	60%: 40%
Fifth year:	50%: 50%

The EC may enhance or curtail the level of assistance as also the period of assistance, on a case to case basis.

4.5.2. EC Decision: EC approved the proposal contained in para 4.5.1 above.

4.6. Support for subscription of Data Base (especially useful for Start-ups, etc.) to connect with the foreign buyer

4.6.1. Proposal for consideration of EC: A provision may be made under Sl. No.4 of para 7.3 of the MAI Operational Guidelines for support for subscription of database, including those related to project intelligence and tender information. For operationalising this provision, proposals will be obtained from the EPCs. On receipt of the proposals, the Divisions concerned will obtain views of the Indian Missions abroad about the availability and authenticity of such database, the terms and conditions of subscription (such as whether it can be copied, circulated, its validity, etc.). Thereafter, the Sub-Committee and the Empowered Committee may consider each proposal on its merits.

4.6.2. EC Decision: EC approved the proposal contained in para 4.6.1 above.

4.7. Support for Fashion Shows

4.7.1. Proposal for consideration of EC: It is proposed to include 'Assistance for fashion shows during fairs/ exhibitions/ BSMs/ RBSMs' at Sl. No.6 and 7 of para 7.3 of the Operational Guidelines of MAI Scheme, as an eligible component for the sectors like G&J, apparels, handicrafts, leather, etc.

4.7.2. EC Decision: EC approved the proposal contained in para 4.7.1 above.

4.8. Support for e-commerce

4.8.1. Proposal for consideration of EC: It is proposed to include support to Indian exporters for listing of their products on the e-commerce sites in the MAI guidelines and for this purpose, incorporating it as an eligible item of expenditure under Sl. No.2 of para 7.3 of the MAI Operational Guidelines. The threshold level of companies for availing such benefits and the quantum of assistance will be worked out in consultation with the Divisions.

4.8.2. EC Decision: EC approved the proposal contained in para 4.8.1 above.

4.9. Support for participation in international conference

4.9.1. Proposal for consideration of EC: 'Participation/ hosting of international conference' may be incorporated as an eligible component under Sl. No.6 and 7 of para 7.3 of the Operational Guidelines of MAI Scheme. This provision will be specific to the Project EPC and support will be towards venue and organising cost/ participation fee, publicity cost, cost for translation and interpretation, cost of catalogues and airfare for eligible Indian exporters and foreign buyers, as applicable for events abroad and RBSMs in India.

4.9.2. EC Decision: EC approved the proposal contained in para 4.9.1 above.

4.10. Assistance for reverse visits of prominent foreign buyers, regulators, trade journalists, etc:

4.10.1. Proposal for consideration of EC: A provision may be made in the Scheme to provide financial assistance towards expenditure on hosting prominent foreign buyers, regulators, trade journalists, etc under Sl. No.7 of para 7.3. of the Operational Guidelines. Such visits will be considered on the same pattern and subject to same ceilings as is being done presently for foreign buyers in a RBSM and will be coordinated by the Division concerned.

4.10.2. EC Decision: EC approved the proposal contained in para 4.10.1 above.

4.11. Enhanced support for publicity

4.11.1. Proposal for consideration of EC: EPCs will be encouraged to use digital/ social/ print media during events (fairs/ exhibitions/ BSMs) for branding of Indian products in international markets and for this purpose may be given enhanced support,

within the ceilings prescribed under the Scheme and subject to the sharing norms. For availing the enhanced support:

- (i) The EPCs may provide the precise details while submitting their proposals.
- (ii) They may indicate clear roadmap and strategy.
- (iii) The ephemeral nature/ time span of the social media advertisement may be considered a determining factor in deciding the cost/assistance for such publicity/advertisement items.
- (iv) Such publicity may be more linked to the specific events such as buyer seller meet, RBSM/RBSM specials, etc.

4.11.2. EC Decision: The proposal lacked clarity and was hence dropped.

4.12. Reimbursement of freight charges

4.12.1. Proposal for consideration of EC: Support may be provided for shipment of exhibits on 50% funding basis to Micro and Small Enterprises, as defined in the MSME Act, with an upper ceiling of ₹50,000/- per exporter per event. This proposal does not require any revision in the guidelines.

4.12.2. EC Decision: EC approved the proposal with the modification that such support for freight charges will be available to only such exporters who are eligible for airfare reimbursement under the Scheme, i.e. the exporters having f.o.b. value of exports of less than ₹50 crore in the preceding financial year.

4.13. Display of products at International Airports, etc

4.13.1. Proposal for consideration of EC: It is proposed to raise the ceiling from existing ₹1.00 crore to ₹5.00 crore. Further, the support would be for lease rentals, construction/ decoration, publicity, etc. for a maximum period of 5 years on the following pattern and thereafter the project will run on self-financing basis:

First year:	90%: 10%
Second year:	80%: 20%
Third year:	70%: 30%
Fourth year:	60%: 40%
Fifth year:	50%: 50%

Necessary changes in this regard may be made at Sl. No.3 of para 7.3 of the MAI Operational Guidelines.

4.13.2. EC Decision: EC approved the proposal contained in para 4.13.1 above.

4.14. Proposals from Indian Missions

4.14.1. Proposals for consideration of EC: It is proposed to support activities undertaken by Indian Missions, as examined/ recommended by the Divisions, on 100% funding basis, as these are being done by the Government itself.

4.14.2. EC Decision: EC approved the above proposal.

4.15. Outcome monitoring

4.15.1. Proposal for consideration of EC: It may be made incumbent upon the grantee organisations for regular follow up with the Indian exporters post completion of export promotion events and to submit to Department of Commerce, on the MAI Portal, details of outcome of such follow-up as also the details of export trend pertaining to the particular market after six months and again after a year of completion of the event.

4.15.2. EC Decision: EC approved the proposal contained in para 4.15.1 above.

5. Agenda Item No. II : Proposals received from the EPCs and Trade Bodies seeking assistance for undertaking export promotion activities during FY 2023-24

5.1. Proposals for consideration of EC:

- i. Approval of the EC was solicited for MAI assistance of **₹324.34 crore for 434 proposals** and **for ₹1.32 crore** for 15 capacity building programmes for FY 2023-24, recommended by the Sub-Committee of MAI, as indicated below (details at **Annexure-II**):

A. Commodity-wise proposals recommended by the Sub-Committee

S. No.	Commodity	No. of events	Sub Committee Recommendation (₹ in lakhs)
1	Agri & Allied / Agri-Food & Agri-Tech	26	2575.2
2	Books & Publications	4	142.65
3	Building Materials / Construction	8	469.05
4	Ceramic & Glass	2	76.56
5	Chemicals / Cosmetics / Beauty	18	860.08
6	Electronic & Software	12	878.05
7	Engineering	100	6896.75
8	Gems & Jewellery	17	1352.00
9	IT, Telecom	6	414.5
10	Leather	20	1579.2
11	Logistics & Professional services	2	300.00
12	Multi	16	939.85
13	Pharma & Pharma Allied	11	1139.77
14	Plastic, Printing & Packaging	18	1247.5
15	Project Export	2	192.00
16	Services	19	2275.85
17	Sports Goods	9	698.00
18	Textiles	144	10397.42
	Grand Total	434	32434.43

B. Region-wise proposals recommended by the Sub-Committee

S. No.	Region	No. of events	Sub Committee Recommendation (₹ in lakhs)
1	Africa	26	1426.93
2	ASEAN	27	1061.93
3	CIS	17	978.18
4	EUROPE	106	7959.11
5	India	51	8969.64
6	LAC	28	1437.67
7	NAFTA	48	3236.90
8	NEA	37	2200.82
9	OCEANIA	16	935.95
10	SOUTH ASIA	24	1104.00
11	WANA	54	3123.30
	Grand Total	434	32434.43

- ii. Reimbursement of airfare will be made to the eligible exporters participating in the events abroad, as per admissibility provided in the MAI Scheme guidelines, in consultation with the Finance Division.

5.2. EC Decision: EC approved the proposals contained in para 5.1 above.

6. Agenda Item No. III : Proposals for Ex-post-facto approval

6.1. Proposals for consideration of EC: Ex-post-facto approval of the EC was solicited in respect of 84 export promotion activities involving MAI assistance of ₹55.00 crore to the EPCs and Trade Bodies, as per **Annexure III**.

6.2. EC Decision: EC approved the proposal contained in para 6.1 above, on ex-post-facto basis.

7. Concluding the meeting, the Commerce Secretary stressed the need to have an outcome oriented approach. He desired that the activities under the Scheme should focus not only on the traditional markets, but also on the markets having trade potential. He also directed to work out the budgetary requirement for the Scheme afresh and move a suitable proposal for enhancing the allocation for the Scheme.

8. The meeting ended with vote of thanks to the Chair.
