

Central Sector
Market Access Initiative Scheme 2021

Scheme Guidelines

Department of Commerce
Ministry of Commerce & Industry
Government of India

No.11020/9/2021- E&MDA
Government of India
Ministry of Commerce & Industry
Department of Commerce
E&MDA Section

New Delhi, the 19th July, 2021

Market Access Initiative (MAI) Scheme 2021

1. Background

In accordance with the core functions of the Department of Commerce to facilitate creation of an enabling environment and infrastructure for accelerated growth of exports and trade, the Market Access Initiative Scheme is in operation since the year 2003. The role of exports in creating jobs and growth has been acknowledged in various fora including the Economic Survey. Export promotion of Micro, Small and Medium Enterprises (MSMEs) has also been emphasized in the Union Budget 2020-21. There is a need to support initiatives towards developing and promoting Indian exports to assist the growth of Indian economy while aiming to earn foreign exchange. Accordingly, it is proposed to continue with the existing Central Sector Market Access Initiative Scheme (MAI) beyond March, 2021 for a period of five years i.e. upto 31st March, 2026. The Scheme will be reviewed for changes, if any, required in promotion of exports in post-COVID 19 situation.

2. Objective

The MAI Scheme 2021 will play a catalytic role to promote exports of Indian goods and services by providing financial support to eligible agencies to undertake necessary initiatives and projects. Such initiatives will include support to micro, small and medium enterprises to enter export market; nurturing innovation; developing trade and market intelligence; building appropriate skill set; addressing the interventions required towards exploring new markets abroad.

3. Scope and Coverage

Assistance under the Scheme will be provided to the eligible agencies registered within the country to undertake initiatives and activities aimed at developing and strengthening export market for Indian goods and services. It will include all those activities that will provide impetus to meet the objective of the Scheme and ensure strong growth in Indian exports such as any direct/indirect activities for exploration of new markets as well as consolidating the existing market, development of export-oriented entrepreneurship, training in exports, market research, capacity building, branding, meeting statutory regulations in importing markets.

4. Main Focus of the Scheme

The Scheme modifies the erstwhile Market Access Initiative Scheme, 2018. The Scheme would provide assistance to eligible agencies for activities and initiatives for promotion of Indian exports, focusing on the development and promotion of exports from the MSME sector; development of districts as export hub for the identified products and services; promotion of exports of the traditional products and services like AYUSH, Yoga, Geographical Indications products and tribal products; development and promotion of exports from North Eastern Region (NER), Jammu & Kashmir, Ladakh and hill regions; and empowerment and promotion of export activities of people belonging to the Scheduled Caste/Scheduled Tribe, women exporters, startups and export oriented entrepreneurs, self-employed and youth.

5. Eligible Agencies

5.1. Unless otherwise defined under a specific provision, the Scheme is open to the following Organizations/ Agencies:

- Departments of Central Government, Organizations of Central/ State Governments and Indian Missions abroad;
- Export Promotion Councils recognized by Department of Commerce,
- Commodity Boards under the Department of Commerce and other Departments/ Ministries of Central Government;
- Apex Trade Bodies recognized under the Foreign Trade Policy;
- Industrial & Artisan Clusters recognized by the State/ Central Government;
- Institutions of National Importance (INIs) such as Indian Institutes of Technologies (IITs), Indian Institutes of Management (IIMs), National, National Institute of Designs (NIDs), National Institute of Fashion Technology (NIFT), Indian Institute of Foreign Trade etc.;
- Research Institutions/Universities/Recognized laboratories, etc., recognized by the Departments/ Ministries of Central Government.

5.2. The project proposals would be submitted to Department of Commerce by the eligible agencies as per the procedure notified from time to time. Such comprehensive project proposals should be based on the scientific analysis towards developing and sustaining Indian export market.

6. Components of the Scheme

6.1. The financial assistance under the Scheme would be given to develop new markets, to promote new products and new exporters as well as to consolidate the existing Indian exports markets. For this purpose, an indicative list of activities to be supported under the Scheme is given below:

- i. Capacity building of exporters on Standards and Regulations, Export Packaging, Export-oriented Skill Development, Training;
- ii. Marketing, Branding, Publicity Campaign and Cataloguing;
- iii. Promotion of traditional Indian products and services like AYUSH, Yoga, GI products, crafts and artisanal products including toys, tribal products, etc.;

- iv. Promotion of e-Business Tools, Communication Technology and Development of Web Portals for trade facilitation and to meet standards;
- v. Export Market Research, Product Development;
- vi. Organizing, Participating in Fairs, Exhibitions and Buyer Seller Meets Abroad (Physical/Virtual/Hybrid);
- vii. Organizing Reverse Buyer Seller Meets - RBSM [Made in India Shows] - (Physical/Virtual/Hybrid)
- viii. RBSM Specials and Shopping Festivals, Visit to Centres of production/excellence;
- ix. Display of artisanal, GI and other traditional Indian products at International Departmental Stores/ shopping areas, International Airports, etc;
- x. Reimbursement of expenditure incurred by exporters on statutory compliances;
- xi. Capacity building, training and all incidental matters related to development of districts as export hubs;
- xii. Any other components as appropriate, within the contours of the Scheme, to be decided by the Empowered Committee.

6.2. The operational guidelines of the Scheme are at **Appendix**.

7. Sanctioning of Projects

7.1. There shall be an Empowered Committee (E.C.) for sanctioning and monitoring of the projects submitted by the Eligible Agencies. The composition of the Empowered Committee shall be as under:

Sl. No.	Designation	Position
1.	Commerce Secretary	Chairperson
2.	Director General, Directorate General of Foreign Trade	Member
3.	Additional/Joint Secretary & Financial Advisor, Department of Commerce (DoC)	Member
4.	Representative of NITI Aayog	Member
5.	Economic Adviser, DoC	Member
6.	Representative of Ministry of MSME	Member
7.	Representative of Ministry of External Affairs	Member
8.	Joint Secretaries of Commodity/Territorial Divisions/States Cell in DoC/ Ministry of Textiles	Special Invitees
9.	Joint Secretary, Administrative Division of the MAI Scheme	Member- Convener

7.2. The Empowered Committee may consider the funding for each of the eligible components, in accordance with the requirement of such components and the sharing pattern in the Operational Guidelines. The Empowered Committee would meet as and when required. To ensure ease of business, the Committee may delegate its powers to any Subordinate Committee to be created for this purpose with appropriate delegated powers.

7.3. The quantum of assistance shall be as notified from time to time in the operational guidelines of the Scheme. The Empowered Committee may consider enhancement or curtailment of the sharing pattern, on a case to case basis, and to address focus areas, announced by the Government from time to time such as Budget Announcement, Foreign Trade Policy, etc. The project proposals approved by the EC shall be individually processed for financial sanction, in accordance with approval for sanction of funds as per laid down procedure in the Government of India.

7.4. E&MDA Division, i.e., the Division in charge of the Scheme in the Department of Commerce, will co-ordinate the work related to the Scheme and liaise with eligible agencies for release and utilization of the sanctioned funds

8. Changes in Operational Guidelines

Changes, if any, in the operational guidelines within the scope of the Scheme, would be with the prior approval of the Empowered Committee. Such changes may include modifications in individual exporter-wise cap and overall ceiling keeping in view the inflationary trend and budget ceilings for MAI Scheme and to meet Budget Announcement, Foreign Trade Policy, and other important announcements of the Government from time to time.

9. Review, Physical Verification of Projects and Monitoring & Evaluation

9.1 The Empowered Committee (E.C.) will also monitor the implementation of the sanctioned projects. To guide the Department/Implementing agencies for optimal utilization of available resources, monitoring and evaluation (M&E) of sanctioned projects would be undertaken. The EC shall, from time to time, issue instructions/guidelines for administration and monitoring of the Scheme. The M&E would be designed and implemented in collaboration with reputed institutions, such as IIFT, NCAER, ICRIER, IIMS, IITs, etc.

9.2. To ensure timely achievement of the objectives of the Scheme, the Empowered Committee shall periodically review the implementation under the scheme; and may lay down guidelines for administering the Scheme from time to time. The Committee may authorize an outside agency to undertake physical verification of projects as may be decided on annual basis, to ensure that the principles of canons of financial discipline are maintained.

9.3. The eligible agencies shall submit such reports and information as prescribed from time to time.

9.4. Budget for Monitoring & Evaluation

The Empowered Committee would assign necessary resources, not exceeding 2% of the annual Budget, to ensure regular Monitoring and Evaluation of the projects.

10. Scheme Validity

The Market Access Initiative Scheme 2021 is valid from 01.04.2021 to 31.03.2026.

**Appendix to the MAI Scheme 2021
(Refer Para 6.2 of the Scheme Guidelines)**

**No.11020/9/2021- E&MDA
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**Operational Guidelines
for the
Market Access Initiative Scheme 2021 (MAI 2021)**

Part-I: General Principles

1.1. Introduction

The Department of Commerce has been implementing the Central Sector Market Access Initiative Scheme, 2018. The Scheme has now been revised effective from 1st April, 2021 to 31st March, 2026. The Operational Guidelines of the Scheme, unless revised, amended or superseded by the authority competent to do so under the Scheme, shall be as under:-

1.2 Implementing Agencies

The eligible agencies seeking financial assistance under the Scheme would be the implementing agencies. Depending upon the requirements peculiar to the components, the implementing agencies may associate any organization or institutions, by following due transparent process, to implement the components/work as approved by the Empowered Committee.

1.3 Implementation of the Scheme Components & Pattern of Assistance

The implementation of various components of the MAI Scheme 2021 would be in accordance with the Scheme Guidelines and the operational procedures as prescribed in the Operational Guidelines as well as the directions given by the Empowered Committee.

1.4. Applicability of the General Financial Rules, 2017

The assistance under the Scheme is subject to the General Financial Rules, 2017, including any amendments or revisions made thereto by the Government and the instructions issued by the Ministry of Finance and the Department of Commerce

from time-to-time. All implementing agencies have to abide by such rules and instructions.

Part-II: General Guidelines for Submission of Proposals

2.1 Submission of proposals:

The eligible agency, desirous of getting assistance under the Scheme, may move proposals (as per prescribed formats), complete in all respect, to the E&MDA Division through the Commodity/Territorial Division/ Line Ministries concerned. This will apply to all proposals including those for Market & Research Studies. The Online forms for submission of project proposals are at **Annexures-I to V.**

2.2. Examination of proposals

2.2.1. The proposals shall be examined first by the Commodity/Territorial Divisions concerned. Proposals related to Services Sector shall be routed through the Services Export Division. Wherever felt necessary, the Territorial Division concerned may consult the Indian Missions abroad. Such proposals will be recommended by the Divisions/Line Departments as per proforma in **Annexure-VI.**

2.2.2. The Sub-Committee(s) headed by Joint Secretary, E&MDA, will consider the proposals recommended by the Divisions and shall in turn make recommendations to the Empowered Committee [EC]. The Composition of the Sub-Committee is at **Annexure-VII.** The Sub-Committee (SC) and the Empowered Committee (EC) can also take up any proposal suo moto.

2.2.3. As far as possible the Territorial Divisions should ensure convergence of all proposals of a Territory in coordination with the Commodity Divisions. The SC shall ensure convergence, territory-wise, at its level based on interactions held in the SC meetings.

2.4. Consultation with Indian Missions abroad

The Indian Missions abroad concerned should be involved in this exercise from the beginning itself so that the activities can be carried out in a meaningful manner under the India brand. The Territorial Division concerned in Department of Commerce will ensure this and agencies concerned shall liaise with officers concerned in the Territorial Division.

2.5. Product specialization

For undertaking activities under the Scheme, the Trade Bodies/Organizations, other than EPCs, would also be expected to develop their core competence on such verticals by developing expertise within the organization. Organisation-wise commodity/ services verticals decided is at **Annexure-VIII.**

2.6. Commodity matrix

Keeping in view the evolving trends, proposals could also be submitted covering commodities and related services jointly, if necessary, by synergizing the efforts of various EPCs/ trade bodies/organizations.

2.7. Assistance for State-specific events

State specific events would be discouraged, excepting those specified in the Scheme Guidelines to attain the objective of developing districts as export hub. Based on the justification given by the EPC/ Trade Body, the Empowered Committee may consider such proposals, on a case-to-case basis.

2.8. Long-Term and Short-Term Plans

Based on their long term and short-term export promotion strategies, the Commodity Divisions and the Territorial Divisions will prepare Annual Action Plans for the Commodity and Territory concerned and accordingly encourage the EPCs/ Trade Bodies to submit proposals for financial assistance under the Scheme. Apart from exploring new and emerging markets, such plans should also focus on capacity building, product development, standards and regulatory requirements, etc., for different markets. Further, the Territorial Divisions, in consultation with Commodity Divisions, will prepare a calendar for three to five years for participation in the events in the region. There would be a concerted effort to identify new markets with a sectoral approach.

2.9. Branding

Branding of Indian goods and services plays an important role in capturing and developing markets abroad. The quality of products and services as well as the display materials should be such that it leaves an impression in the minds of the users, visitors to the exhibition pavilion etc. The Indian goods and services should be seen as an ambassador of Indian quality and fineness. Keeping this in mind, all the eligible agencies participating under the Scheme should ensure standards of quality not only in the display but also in the actual products and services. While claiming reimbursement of expenditure for various events/activities and activities the eligible agencies should certify about the standards of quality which would be duly verified by the Territorial or Commodity Divisions in consultation with stakeholders such as Indian Mission abroad, etc., wherever required. The recommendation from the Territorial or Commodity Divisions in Department of Commerce/other Departments and Ministries would be in a prescribed proforma, as mentioned at para 2.2.1 above.

2.10 Conflict of interest

EPCs/ Trade Bodies shall maintain complete transparency and follow due procedure in awarding contracts to agencies hired for execution of any work related to the activity funded under the Scheme. For any contract awarded by the management, to avoid any controversy and have transparency in awarding contracts to agencies hired for any activity funded by the Government, at the time of submission of accounts to the Department, the EPC/Trade Body would give a certificate to the Department indicating disclosure of interest in awarding such contracts.

2.11 Promotion of start-ups

In view of the national focus on promoting Start Ups, separate area may be earmarked for "Start-up" participants as far as possible.

2.12. Promotion of exporters belonging to MSMEs/Start-ups/ North East Region, J&K, Ladakh and other hill areas and exporters belonging to SC/ ST/ Women/Youth.

It shall be the endeavour of the EPCs and Trade Bodies to promote exporters belonging to MSME, Start-ups, North East Region, J&K, Ladakh & other hill areas and the exporters belonging to SC/ ST/ Women and Youth. They may be given preference in the activities undertaken with the MAI assistance.

Part-III: Component Specific Guidelines

Activities Abroad

3.1. Minimum participants

It should be the endeavour of the agencies/organizations to ensure that the benefits of the Scheme reach a larger number of exporters especially those who are comparatively newer to export market and enhance their capabilities. For participation in activities abroad, minimum 50 exhibitors/ exporters are stipulated for considering a proposal, except in the case of some smaller sectors. For new markets and new products/ services as also for niche sectors, proposals with less than 50 participants can also be considered, if justification for that market/ commodities/ services is provided. Reason for seeking lesser participation should be indicated in the application itself.

3.2. Number of participations allowed in an event/ in a year:

3.2.1. In order to ensure that the benefits of the Scheme reach a larger number of exporters, a maximum of three participations in a particular trade fair/exhibition would only be eligible for MAI assistance, i.e., members who have availed assistance three times (including past cases) for a particular fair/exhibition, thereafter have to participate in that fair on their own. In the case of exporters belonging to SC/ ST/ Women and the exporters having f.o.b. value of exports of or less than Rs.50 crore in a year, 5 participations in a particular event is allowed.

3.2.2. EPCs/Trade Bodies must ensure that the MAI funding support is only provided to a member/participant company for a maximum of three MAI events in a year. In the case of exporters belonging to SC/ ST/ Women and the exporters having f.o.b. value of exports of or less than Rs.50 crore in the preceding year, 5 participations in a year is allowed, provided each one of these is in different market (e.g. Africa, LAC, WANA, ASEAN, etc).

3.3 Joint Events:

3.3.1. Efforts should be made to maximize participation by clubbing different agencies participating in one event/activity to make it more effective in terms of its outcome. Detailed guidelines for such joint participation are at **Annexure-IX**.

3.3.2 The participating agencies would ensure that the hiring of space and the India branding is common for the event/activity and also that separate pavilions are not created unless the participation is in the pavilions relating to the specific verticals. Wherever two agencies are jointly funded, the agency mobilising the larger participation would be the lead agency for the event/ activity, *solely for the purpose of booking of space*.

3.4. **Trade Delegations**

For markets where significant events are not identified or not found suited for participation in significant numbers, the EPCs shall ensure proposing Trade delegations to such markets for Buyer-Seller interaction. Such Trade delegations shall be ensured by the Commodity Division to markets where regulatory restrictions are prevalent (so that exporters can interact / understand such regulatory requirements of the market). Such lists shall be drawn up in advance every year and shared with E&MDA Division.

3.5. The proposals shall clearly indicate the details of participants who are participating with own funds and those participating with Government funding. In established events, where Indian companies are known to participate on their own, efforts should be made to position such participants under or nearby the 'India pavilion' in order to elevate the presence and exhibiting strategy of Indian exporters.

3.6. **Funding for established events:**

EPCs / Trade Bodies, etc., would make efforts to organize the established events (for which Government assistance have been provided over a period in the past) with lesser Government funding. Over a period, such events can be held on a larger scale by allowing more contribution from exhibitors and cut down expenditure on items such as support for visitors/buyers. (i.e., the presentation of the event should attract visitors on its own without need for funding from Government).

4. **Reverse Buyer Seller Meets (RBSMs) including RBSM Specials, Shopping Festivals and other such activities organised in India**

4.1. The proposals should ensure coverage of all the relevant verticals or covering all the relevant products of the value chain of the sector, so that a mega event of the sector is organised and branded as India centric event. The funding to each of the sector specific agencies can be made separately whereas the lead agency would be the one which brings the maximum number of foreign buyers. The Commodity Divisions(s) would coordinate with EPCs/Trade Bodies, etc., concerned for such RBSMs before recommending the proposals to Sub-Committee. For creating brand value, International Acclaimed Brands can be affiliated. And, as far as possible, not more than two events should be conceived for each of the major sectors such as Textiles, Leather, Health and Pharma, etc. A fixed date and place would add to its attractiveness and memory. The RBSM participating buyers can be taken to centres of excellence for which a guided tour can be arranged. This can also be dovetailed with medical tourism, yoga, etc., while focusing on the specific sector/product for which the RBSM is held. The remotely located entrepreneurs and exporters, especially in MSME sector (who are unable to spend resources to reach RBSM location) can assemble and interact with the foreign buyers

4.2. **Funding for hosting foreign buyers**

In RBSMs, not more than two buyers from a single company would be allowed for reimbursement of airfare and hotel expenses. Ideally the host would support one buyer per company / organization. Overseas buyers should not be related to Indian exporters registered with the EPC/Trade Body. (The proposals from RBSM

shall distinctly indicate buyers funded with Government support and those participating on their own). Funding for hosting foreign buyers will be on lump sum basis, subject to ceiling prescribed per buyer and actual expenditure on hosting them, whichever is less.

4.3 **Selection of Buyers**

EPCs/ Trade Bodies should undertake due diligence regarding credentials of the buyers, prepare a list of potential buyers, share it with Indian Embassies/High Commissions and interact with counterparts of business organisations abroad, so that both Buyers and Sellers can get prior information about potential clients.

4.4. **Digital platform for B2B meetings**

A platform should be developed for B2B meetings. Entire data-base of Buyers and Exhibitors of an RBSM should be kept alive for at least a year after completion of the event. EPCs/ Trade Bodies should also maintain database of foreign buyers and ensure that one buyer is not repeatedly supported for more than 3 occasions.

4.5. **Best/Innovative Practices**

Each EPC/ TPB should highlight the best/ innovative practices followed by them, which can be adopted by other EPCs/ TPBs.

4.6. **Optimal Participation**

All EPCs/ TPBs should ensure that foreign buyers spend sufficient time in RBSMs. Refundable deposits may be introduced to ensure presence of buyers.

5. **Market & Research Studies**

5.1. Normally, only such subjects/issues, on which no study has been done in the last three years, be considered for fresh study unless there are compelling circumstances. Proposals for updating of existing Studies can also be considered. *[Division concerned to refer to the consolidated database on studies for this purpose]*

5.2 Proposal for fresh study should contain information regarding terms of reference, timeline for achieving targets, methodology, sample size (*if any survey is involved*), financials, etc.

5.3. Any proposal for studies initiated by any trade body related to Services Sector would need to be vetted/recommended by the EP (Services) division of the Department, to ensure that the study meets the mandate/ priority sectors/ activities of the Department.

5.4. An indicative list of organizations for carrying out studies is at **Annexure-X**.

Services

6.1. To have a concerted plan for the Services sector for funding events/ activities under MAI, funding proposals concerning the following verticals of the services sector would be given priority:

i. Information Technology and Information Technology enabled Services (IT& ITeS)	vii. Legal Services
ii. Tourism and Hospitality Services	viii. Communication Services,
iii. Medical Value Travel (Healthcare) Services	ix. Construction and related Engineering Services,
iv. Transport and Logistics Services	x. Environmental Services
v. Accounting and Finance Services	xi. Financial Services
vi. Audio visual services	xii. Education Services
	xiii. Any other services identified by the Services Division of the Department of Commerce

Part-IV: Funding and Level of Assistance

7.1. Sharing pattern:

Assistance under the Scheme to EPCs and Trade Bodies will be on cost sharing basis. Unless indicated otherwise in this Part of the Guidelines, Government funding under the Scheme will be a maximum of 65% of the actual cost. However, the priority sectors will be eligible for enhanced assistance of 90% of the actual cost under the Scheme.

7.2. Priority Sectors:

The EPCs primarily dealing with the agricultural including food items, handicrafts, handlooms, GI Products, carpets, leather, sports goods & toys, silk, wool, jute and minor forest produce will be eligible for priority sector funding. Further, participation of exporters from NER, J&K, Ladakh and hill areas and the exporters belonging to SC/ ST and women exporters would also be eligible for priority sector funding. The Empowered Committee will have the powers to include or exclude any of the products/ services from the priority sector funding.

7.3. Eligible components and items of expenditure:

Unless the Competent Authority decides otherwise, the eligible components and items of expenditure and the level of assistance for the activities approved under the Scheme will be as under:

Sl. No.	Components	Items of Expenditure	Ceiling/ Sharing Pattern/ special conditions
(1)	(2)	(3)	(4)
1.	Capacity building of exporters on Standards and Regulations, Export Packaging, Export-oriented Skill Development, Training;	i. Setting up/ upgradation of Quality Certification Labs, Common Facility Centres, Design Centres,	Ceiling: Rs.1 crore; additional amount, not more than Rs.10 lakh for subsequent 3 years, on case to case basis.

		<p>sanitary and phyto-sanitary (SPS) compliance measures including testing facilities, in existing or upcoming hubs of Commodity/ Services sectors;</p> <p>ii. Developing appropriate training materials and modules (including cost effective online module) on a range of export related topics;</p> <p>iii. Organising training programmes for the trainers and exporters, seminars/, workshops, etc. for upgrading necessary skill in export market, including training on use of information and communication technologies. The eligible components are as under:</p> <p>a. Venue Cost, b. Faculty Charges, and c. Organising Expenses.</p> <p>iv. Hiring consultants/ designers/</p>	<p>Sharing pattern: As per para 7.1 and 7.2 of the Operational Guidelines; 100%, if initiated by the Department of Commerce</p>
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