

Research
Paper

Export competitiveness of fresh fruits and vegetables under cost compliance

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ABSTRACT

The present study examined the export competitiveness under cost compliance of selected horticultural commodities. The Nominal Protection Co-efficient (NPC), Effective Protection Co-efficient (EPC), Domestic Resource Cost (DRC) and Effective Subsidy Co-efficient (ESC) were computed under cost compliance as well as without cost compliance. Except for grapes, NPC, ESC and DRCs were less than unity for various fresh and processed fruits and vegetables, implying that the Indian horticultural sector has a comparative advantage in selected fruits and vegetables. The EPC continued to be more than unity for various fresh and processed fruits and vegetables. This was so because the relation between domestic and international input and output prices did not remain uniform. In such situations the country needs to identify enterprises with high export advantage and high degree of competitiveness and then pursue policies for maintaining the continuity. In order to improve the comparative advantage, it is necessary to reduce the cost of production, improve productivity, perform efficient post-harvest management and processing functions, provide infrastructural facilities and to give policy support.

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Key words : Cost compliance, Export competitiveness, Export advantage

INTRODUCTION

It has often been stated that India has the innoent strength to emerge as a global food bowl to cater to the requirements of the advanced country with variety of Indian food products. Exports place a significant role in promoting economic development specially developing country like India. The production and export of horticulture products have in the recent years evoked keen interest of the policy makers and agriculture planners in India. A result of this is the contribution of traditional and non-traditional horticultural exports as well as employments in horticulture sector which is likely to be high and significant. Unfortunately, the share of India in world horticultural products exports is less than 0.3% which is for less an compared to the production. It lags behind many countries both in value of exports as well as in quantity. In order to the successful of horticultural products exporters, a country must produce fruits and vegetables products that are both sought and acceptable to consumers in other countries and also comply with the statutory requirement of importing

countries. In view of increasing demand for horticultural commodities in world market, India has the opportunity to need the supply as it has comparative advantage in production of some horticultural commodities and products. In order to achieve these we need to constantly assess our export competitiveness and also search potential export markets.

Keeping in this mind, the present study on horticulture commodities export from India has been taken of with the objective to analyse the export competitiveness of horticultural commodities under cost compliance scenario.

MATERIALS AND METHODS

The data base:

The data on various aspects of the selected horticultural commodities and products were collected from different sources like various issues of FAO Trade Year Book, U.N. International Trade Statistics Year Book, Export Statistics for Agro-food Products (APEDA publication), Horticultural Database (NHB publication) and