



## **Ministry of Commerce and Industry**

### **New Foreign Trade Policy (2021-26) from April 1, 2021**

**January 13, 2021**

Relevant to all M&M IO

#### **Background**

- For the formulation of the new Foreign Trade Policy, meetings have been held with stakeholders. In December 2020, a Board of Trade meeting was held where State Governments and other stakeholders' inputs were received, it said.
- Further meetings were held with the Chambers of Commerce, Industry Associations, and Export Promotion Councils to provide their inputs, the ministry said.
- A Trade Notice, inviting suggestions from various stakeholders was issued and more than 2000 suggestions have been received. All the suggestions will be examined while formulating the new FTP

#### **What was the previous Foreign Trade Policy?**

- The previous foreign trade policy was implemented between 2015 and 2020. This policy aimed to boost "Make in India" initiative.
- The policy merged five different schemes under "Merchandise Export from India Scheme" (MEIS).
- The five different schemes were Market Linked Focus Product Scheme, Focus Product Scheme, Focus Market scheme, VKGUY and Infrastructure Incentive Scrip. Also, the Served from India scheme was replaced with Service Exports from India Scheme.

#### **What are the key highlights?**

- The District Export hubs are to play a major role in the new Foreign Trade Policy.
- The policy will aim to boost exports.
- It will enhance ease of doing business.

- It will bring improvements in the operations of domestic manufacturing and services sector through infrastructure support.
- The policy will bring changes to regulatory and operational framework and lower transactional costs.

### For Further Reading

1. <https://www.dgft.gov.in/CP/?opt=ft-policy>
2. [https://www.business-standard.com/article/economy-policy/new-foreign-trade-policy-2021-2026-to-be-rolled-out-from-april-says-govt-121011300117\\_1.html#:~:text=Union%20Ministry%20of%20Commerce%20and,a%20leader%20in%20international%20trade](https://www.business-standard.com/article/economy-policy/new-foreign-trade-policy-2021-2026-to-be-rolled-out-from-april-says-govt-121011300117_1.html#:~:text=Union%20Ministry%20of%20Commerce%20and,a%20leader%20in%20international%20trade)