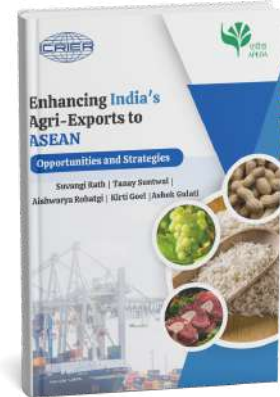




STRATEGIES TO BOOST INDIA'S AGRI EXPORTS

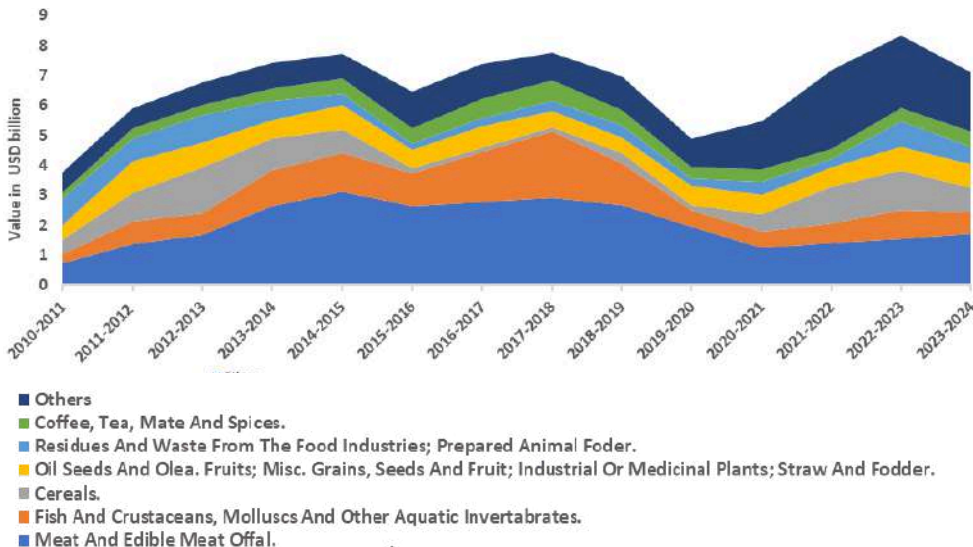
# ASEAN

The Association of Southeast Asian Nations (ASEAN) has a combined GDP of USD 3.86 trillion and a population of 676 million (2023) and is globally influential trade bloc. Agriculture contributes nearly 10% to its GDP and employs over 27% of its workforce. While ASEAN is a net exporter of agri-commodities, demand for specific imports such as cereals, meat, and food preparations continues to rise. India's agri-exports to ASEAN reached USD 7.53 billion in TE23-24 (AAGR of 4.6%), dominated by meat and marine products. However, imports were USD 12.16 billion, mainly dominated by palm oil and thus widening India's trade deficit. Strategic action is needed to reverse this trend and realize the untapped export potential.



**Enhancing India's Agri-Exports to ASEAN: Opportunities and Strategies**

Major Agri-commodities exported from India to ASEAN



### Targeted Market Focus

Six ASEAN countries namely Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Vietnam were prioritized based on population size, GDP (PPP), urbanization, import demand, and aligned with APEDA's interests. These nations represent ASEAN's economic core and hold high demand for processed foods, meat, pulses, and niche commodities like grapes and garlic.

### Geographical & Logistics Advantage

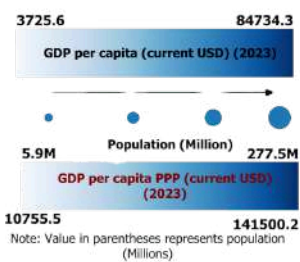
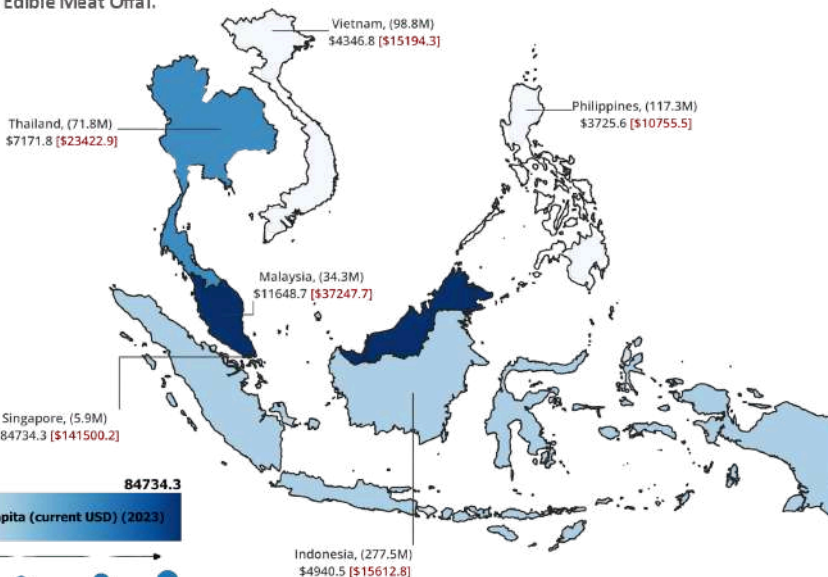
India benefits from geographical proximity and strong multimodal trade connectivity to ASEAN via:

- India-Myanmar-Thailand Trilateral Highway
- Kaladan Multi-Modal Transit Project
- Eastern maritime ports (e.g., Chennai, Visakhapatnam), though underutilized

Major ASEAN ports like Singapore, Klang (Malaysia), and Tanjung Priok (Indonesia) are global trade hubs. India's exports mostly flow from western ports (JNPT, Mundra); improving cold chain infrastructure in eastern ports is crucial for time-sensitive agri-exports.

### Trade Performance & Potential

- ASEAN's agri-imports: USD 138.2 billion (TE23); India's share is roughly 5.4%
- India's key agri-exports: Bovine meat, marine products, spices, and oilseeds
- Imports: Dominated by palm oil (USD 9.47 billion)
- ASEAN's top importers: Vietnam, Indonesia, Malaysia, Philippines
- India's share is low in high-value, fast-growing product segments



## Commodity Opportunities by Country

Country	Commodities
Indonesia	Bovine meat, garlic, grapes, food preparations, groundnut, ghee, rice
Malaysia	Food preparations, rice, grapes, bovine meat, bakery products
Philippines	Poultry offal, French fries, sauces, rice, ghee, bakery items
Vietnam	Bovine meat, food prep, biscuits, grapes, cashew, ghee
Thailand	Groundnuts, sweet biscuits, bakery goods, grapes, jackfruit, rice
Singapore	Processed foods, eggs, whiskies, sauces, mangoes, grapes, bakery goods

### KEY CHALLENGES

**High Non-Tariff Barriers & SPS Compliance:** Indian agri-exports face stringent sanitary, phytosanitary, and regulatory standards in ASEAN, especially for poultry, bovine meat, and food preparations, leading to high compliance costs and frequent market access delays. Avian influenza and FMD outbreaks, lack of disease-free zones, and complex certification protocols reduce export competitiveness.

**Product-Quality and Market Mismatch:** Indian poultry, garlic, and food preparations often fail to meet ASEAN's quality, packaging, and labelling standards, while domestic supply constraints and high internal logistics costs further limit export potential. Mismatch in product attributes (e.g., egg size, garlic quality), and absence of incentives or single-window clearances hinder market entry.

**Trade Deficit & Competitive Pressure:** India's agri-trade deficit with ASEAN is widening due to limited market access, strong competition from China and Brazil, and rerouting of goods via ASEAN (rules of origin loopholes). ASEAN's bloc negotiation power and India's solo approach reduce reciprocal concessions and market penetration.

**Regulatory & Infrastructure Bottlenecks:** Non-automatic licensing, quota systems, and delayed trade negotiations, coupled with slow infrastructure projects (like the trilateral highway), impede seamless trade flows and increase business costs. Inadequate port infrastructure, especially in eastern India add to the challenges.

### STRATEGIC RECOMMENDATIONS

#### Policy & Trade Diplomacy

Fast-track AIFTA review and negotiate PTAs for key commodities (garlic, grapes, ghee), address quota and permit delays (e.g., for Indian bovine meat to Indonesia) and align Indian agri-exports with ASEAN SPS standards.

#### Close Quality Gaps in Meat & Poultry Exports

Fast-track FMD-free and avian influenza-free certifications; create disease-free clusters for bovine meat and eggs. Prioritize Indonesia and Singapore through diplomatic quota negotiations and targeted branding (OIE, halal, non-GMO, local language labelling). Establish a single-window poultry export system and national standards to streamline compliance and boost sector resilience.

#### Align Food Preparations & Garlic with ASEAN Preferences

Identify and adapt to ASEAN taste and ingredient standards; prioritize instant and processed foods with local language labelling. Upgrade garlic varieties and production clusters to meet ASEAN quality norms and compete with China.

#### Expand Value-Added Groundnut & Grape Exports

Promote processed groundnut products and healthy snacking through influencer campaigns and retail partnerships. Leverage PTAs/FTAs for fresh grapes. Organise fairs and promotional events, partner with wellness influencers to promote value added products like beverages, organic grapes, and jams and jellies etc.

#### Raise Standards for Processed Foods & Alcoholic Beverages

Invest in branded, compliant processing plants for bakery, biscuits, sauces, and whiskies; focus on local community and diaspora. Highlight health benefits and natural ingredients in biscuits and ghee; use health professionals and influencers for trust-building.

#### Infrastructure Investment & Private Sector Engagement

Upgrade eastern ports with cold chains and handling facilities and encourage public-private partnerships in logistics and packaging. Also, involve exporters in policy feedback loops along with facilitating B2B platforms and trade fairs with ASEAN buyers.