

District Export Action Plan for District of Thiruvarur, Tamil Nadu

Introduction

Tamil Nadu is one of the prime industrial states in India. It almost accounts for more than 11 per cent of the total exports of the country. On a closer look at the district profile of Tamil Nadu, a very diverse picture with a scope for huge untapped potential can be seen. In the efforts to realize the Hon'ble Prime Minister's vision of converting each district into an Export Hub, a detailed action plan is outlined for the district of Thiruvarur, to harness and enhance the existing export potential in the district and to facilitate in a concerted manner, the promotion & growth of exports from the district.



District Profile

The district of Thiruvarur was carved out as a separate district by detaching Valangaiman Taluk from Thanjavur District and Nannilam, Kudavasal, Needamangalam, Mannargudi, Thirutturaiipoondi Taluks from Nagappatinam District on 01.01.1997. The district has a total area of 2,377 sq.km.

Administrative Profile

There are 2 revenue divisions, 7 taluks, 10 community development blocks, 3 municipalities, 7 town panchayats and 573 villages in Thiruvarur district.

Demographic profile

Population			Literacy Rate		
Persons	Male	Female	Persons	Male	Female
1264277	626693	637584	946471	503085	443386
100%	49.59%	50.01%	100%	53.15%	46.85%

Districts as Export Hubs – Vision, Goal, Policy framework

The Hon'ble Prime Minister in his Independence Day Speech on 15th August, 2019 had inter alia, observed that each of our districts has a diverse identity and potential for targeting a global markets and there is a need for converting each district into potential export hubs. Department of Commerce through Directorate General of Foreign Trade and the State government is taking various measures to implement the vision of Hon'ble Prime Minister to promote exports and to convert each District into a hub for exports.

Goal

The goal of the programme is to double the export from the district within the next five years. The District Export Action Plan will include providing the support required by the local industry in boosting their manufacturing and exports with an impetus on supporting the industry from production to exporting stage.

Policy framework

The framework of the 'Districts as Export Hub' policy is based on the Ministry of Commerce and Industry, Government of India's D.O. No.01/36/218/01/AM-18/TC/Part-I/01 dated 13-11-2019, which had mandated the Regional Authorities of the Directorate General of Foreign Trade (DGFT) to work with the State Governments and District level officers to prepare and implement a District Export Action Plan specific to each district in every State and Union Territory and implement in through an institutional structure at the district level for fulfilling the goals set out for each district in this regard.

Accordingly, DGFT through its Office Memorandum dated 26/12/2020 had notified the action items along with timelines for developing Districts as Export Hubs. Apart from the action items, the composition of District Export Promotion Committee (DEPC) and the terms of reference for plan of action for developing districts as export hubs were suggested. The District Export Promotion Committee (DEPC) will act as a one point facilitator for export promotion at District level along with State Level Export Promotion Committee (SLEPC).

Action Plan for Thiruvarur

This **District Export Action Plan** (DEAP)enlists the plan of action and strategies for converting the district of into a district with export potential and as a hub of export for the identified core products. The Aim is to achieve this through the DEPC, as a facilitating body for the purpose and by undertaking constructive district specific initiatives, implementing export oriented schemes & customizing export enhancing programs for the district. **The ultimate goal is to convert district into an Export Hub and double the exports (baseline year being: 2018-19) from the district within the next five years.**

To make the District Export Action Plan relevant, and to achieve its goal of Doubling the exports within the next five years, there needs for a proper understanding of district's strengths, opportunities and export related challenges

Analysis of the Existing Industrial scenario in Thiruvarur District:

To make the District Export Plan successful and to achieve its goal of doubling the exports within the next five years, there needs to be a proper understanding of the district's strengths, opportunities and export related Challenges. The following strength and challenges have been identified in the district:

Strengths and Opportunities:

1) Agriculture and horticulture

Thiruvarur lies in the Cauvery River basin and the main occupation of the inhabitants of the town and surrounding regions is agriculture. More than 70% of the workforce are involved in agriculture; 14% being cultivators and the rest are agricultural labourers. Paddy is cultivated in three seasons namely Kuruvai (June – August) Samba (August – January) and Thaladi (January – March). Other cereal crops of the district are cumbu, ragi, maize, korra and varagu. The pulses grown in the district are red gram green gram and black gram.

Other food crops are condiments and species, sugarcane, fruits and vegetables. Among non-food crops, cotton/fibre, edible oil crops (groundnut, gingelly and coconuts) non-edible oil crops (castor though in very small area) are the important ones. Cereals, pulses and oil seeds are the three important crops produced in the district. Fruits and vegetables are cultivated in the district with proper nurseries and vegetable farms.

2) Forest Resources

The forests in the Thanjavur Forest Division which comprise Thiruvarur can be divided into three regions from the topography and flora point of view. They are the alluvial regions or riverine land areas on the banks of rivers and canals in the form of narrow strips. Teak plantations mostly cover these areas and wherever the soil is unsuitable for *Camellia sinensis*, *Dalbergia sisso*, *Terminalia arjuna* and Eucalyptus have been planted.

The lateritic region: This region contains mostly thorny scrub jungles, tropical thorn forests and tropical dry evergreen forests. The coastal regions: This zone contains casuarina plantations, mangrove scrub, mangrove forest and southern thorn scrub jungle. The entire stretch of coastal mangroves with lagoons and back waters lying along the coast fall in this category.

4) Fisheries production

This district has a coast line of 47.2km. The district has good fishing potential in view of its rich coastal area. The coastal fish production is more than inland fish production and the production has increased steadily in the coastal area but it has fluctuations in the inland area. Further, Thiruvarur district have 31400 ha of Brackish water area, in which 6300 ha Potential area readily available for Aquaculture (as per www.fisheries.tn.gov.in).

- No. of coastal blocks - 1
- No. of coastal centres - 14
- Marine fish production (tonne) - 12,360
- Inland fish production (tonne) - 9,730
- No. of fisherman engaged (Marine/Inland) - 5,750 / 7,042

5) Tourism

Udayamarthandapuram Bird Sanctuary is the lagoon and bird sanctuary. The two tourist spots are visited from August to March. Tourists from India and foreign countries have been steadily increasing. These two tourist spots are also included in the tourist circuits identified by the Tourism Department.

Muthupet Mangrove forest is located at the Southern end of the Cauvery delta, covering an area of approximately 13,500 ha of which only 4% is occupied by well-grown mangroves. The rivers Paminiyar, Koraiyar, Kilaithankiyar, Marakkakoraiyar and other tributaries of the river Cauvery flows through Muthupet and adjacent villages. At the tail end, they form a lagoon before meeting the sea.

5) Potential Products :

The State Government has notified Coir Industries, Agriculture Products and Marine Products as the main products with export potential for the DEPC to patronize and promote as a part of the “Districts as Export Hubs” Program.

The data from GST-R1 for the year 2018-2019 shows that the district had a combined export turnover to the value of Rs. 12.34 crs.

Challenges and Bottlenecks

Even though the district of Thiruvarur has a vibrant rural and coastal economy, it is not able to increasingly cater to the global market and taste. The district needs to harness its assets and turn its entrepreneurs into global players. Some of the challenges for exports found in the district are:

1) Sea Port infrastructure and connectivity: The nearest port facility for Thiruvarur District is the Karaikal Port, which is part of the UT of Pondicherry. This port started operations in 2009 and has handled cargo such as coal, pet coke, raw sugar, fertilizer, cement, and project cargo and construction materials. However, the Port needs to improve its capacity and infrastructure in order to accommodate the agro and marine processed products for exports. The proposed NH67 Road is still not fully laid for many years and the work progress is not suitable for export promotion.

2) Cold Storage: For Agro and Marine value addition to takes place, cold storage is important to increase the shelf life of the agro and Marine products, especially which it is to be exported. There is lack of cold storage facilities for agro products in the district of Thiruvarur resulting in minimal holding capacity. And due to lack of cold storage facilities, marine products from Thiruvarur districts are mostly transported through the Cochin port in Kerala.

3) Lack of exposure and export promotion: Thiruvarur has many exportable products and resources. But the products lack international exposure and marketing. The marine fish from the

region will have international demand, but it is untapped and export promotion and exposure of the product is required. Similarly for coir and coir products, there is a potential demand in the international market which is still untapped by the farmers.

4) Technology: Though Thiruvarur has export potential agro products, there is no sufficient value addition, with very minimal attention given to branding, packaging, standardization, etc. For value addition of agro products there is a need for more dissemination of technical know-how from research centers to field. Indian Institute of Food Processing Technology, Thanjavur has state-of-the-art technologies in the field of value addition, standardization, etc. There is need to transfer these technologies from the labs to farmers and agro producers.

5) Skill Deficiency: There is huge need to cultivate and enhance the international entrepreneurial skill among the businessmen and the farmers in the district, apart from helping them explore international markets. In addition, in order to sustain in the agro products exports, exporters needs to be well informed about Sanitary and phyto sanitary (SPS) measures of various countries and the Codex Alimentarius international food standards, guidelines and codes of practices, etc which are essential for them to be efficient international players. Thiruvarur have potential of coir processing. But there is lack of skill development in this potential sector.

6) Ancillary Infrastructure: The district has very minimal ancillary infrastructure for exports like testing facilities, certification labs, etc., that are essential in establishing the superior quality of the marine and agro products produced in this district and are mandatory requirements for exports. Thiruvarur have considerable Oil seeds cultivation. However there is no oil extraction and processing facility available.

7) Hazard Profile of Tiruvarur District: Heavy rains during the months of October, November and December inundates low-lying areas, Coastal areas and the areas nearby major irrigation sources. Cyclones are also part of the North East monsoon. Due to floods, sudden outbreak of several water borne diseases was also experienced in the past.

Tiruvarur District consist of eight taluks ie., Tiuvarur, Nannilam, Kodavasal, Valangaiman, Needamangalam, Mannargudi, Koothanallur and Thiruthuraipoondi. Among these, Thiruthuraipoondi is the only coastal taluk that has been protected by the Lagoon and Mangrove forest from heavy wind, Cyclone and Tsunami. However, most of the rivers flowing through this taluk drain in the lagoon. Since the gradient is not high, instead of draining, water spreads across the land masses inundating most of the places. Along with this, most of the surplus as well as runoff water from Pudukottai, Thanjavur and Thiruchirapalli flows into Tiruvarur district, making the situation difficult during incandescent rains.

8) Ease of doing business: At the district level, ease of doing business has to be ensured, especially for the Marine food processing sector, Salt industries and the agro industry, where compliances are required. This is costly in terms of time and money and the district needs a system, where ease of doing business is ensured for ensuring faster approvals & certifications.

The other challenges for growth of exports in the district can be summarized as follows:

- Hurdles in the availability of raw materials for coir products after Gaja Cyclonic impact
- Poor infrastructure to attract tourists to the existing tourist centres/wildlife sanctuaries
- Non-Access to affordable trade finance /credit

District Export Action Plan for Thiruvarur:

The aim of the **District Export Promotion Program and its Action Plan** is to maximize export of the identified products from the district and to ensure that the bench mark set for exports is achieved within the time period set for the purpose. The action plan would also work on minimizing and mitigating the challenges enlisted above, in achieving their desired export potential and turnover. The objectives of this District Export Promotion Policy and Action Plan are:

To provide an improved framework of support for the development of exports for the identified sector products, to provide increased and accessible trade support services, to improve public and private dialogue for favoring the development of a district export culture, to thwart the threats posed to the exports from the district. The long-term objective of this District Export Promotion policy is to develop Thiruvarur District into becoming an export hub. To this extent, the DEPC, the central, the state governments and the exporting community, at large have to actively participate in the program and work on a mission mode, so that targets are achieved and the district of Thiruvarur is turned into a hub for exports in the next 5 years.

As the first step in converting Thiruvarur into an Export Hub, the District Export Promotion Committee (DEPC) has been formed and notified by the Government of Tamilnadu for the district.

Notification of DEPC for Thiruvarur:

The Government of Tamil Nadu (GoTN) through its G.O No 16 dated 23-01-2020 and G.O (Ms) 29 dt 16-3-2020 of the Micro, Small and Medium Enterprises Department, has notified the District Export Promotion Committees in 37 districts in the state, along with its potential products for exports. The G.O have also bestowed the power on the Chairpersons of the DEPCs to invite any other department representative or outside expert as a special invitee for the meetings of the DEPC and also to amend the list of potential products for export promotion. Members of DEPC for Thiruvarur district notified vide GO (Ms) no 16 dt 23-01-2020 has the following composition:

1. The District Collector, Thiruvarur - Chairperson
2. The Office of Zonal Additional DGFT, Chennai - Co-Chairman
3. General Manager, District Industries Centre, Thiruvarur - Convener
4. Lead Bank Manager, Indian Overseas Bank, Thiruvarur – Member

5. Representative, Coir Board, Government of India – Member
6. Representative, MSME, Chennai – Member
7. Representative, Department of Fisheries, Government of Tamil Nadu - Member
8. Representative, Department of Agriculture, Government of Tamil Nadu - Member
9. Representative, NABARD - Member

The Gov of TN identified and notified the following products as having potential for export in the district:

1. Coir Industries
2. Agriculture Products
3. Marine Products

1) Functioning of the DEPC: The DEPC constituted for steering the district towards becoming an Export hub, **will meet once every six months. The Convener's office will be the secretariat of the DEPC** and records and files on the program will be maintained there as per laid down rules and procedures. The DEPC will formulate, co-ordinate and facilitate the implementation of various programs and projects of the District Export Hub Program. The DEPC will monitor projects, and develop systems for exporter facilitation within the district and act as a co-ordination authority with the various state and central Govt agencies and departments. The Committee, with the assistance from the sub-groups, will perform the role of resolution, escalation and monitoring of issues concerning exports from the district. DEPC will act as **one-point facilitator** for export promotion at the district and report to State Export Promotion Committee (SEPC).

DEPC will review the export performance of the district once in six months during its sitting and take necessary action to ensure that the desired export performance from the district is achieved and take remedial measures so that exports from the district is accelerated.

2) Creation of subgroups : As a part of implementation of the District Export Action Plan, subgroups/sub-committees of each identified potential export product or for specific projects, will be created by the DEPC. The Subgroups will be tasked for working comprehensively on a project or a product. The sub-groups will comprise of Industry heads, implementing departmental officials, artisans and will mostly be chaired by the District collector or his representative. The Sub-groups have to not only frame proposals (*vis-à-vis*) the product or project assigned to them, but would also follow-up and monitor the implementation of the approved proposals. The various sub-groups proposed for the district are: sub-group on agro products, sub-group on coir product, subgroup on marine, Sub-group on infrastructure, Sub-group on grievance redressal, sub-group on training, etc. **The sub-groups will meet frequently (at least once every two months) directly or over video –conferencing and work on their agenda.** The sub-groups will be the main drivers of the DEPC's agenda & action plan and will be implementing the tasks assigned to it.

A suggestive composition of the sub-groups can be as follows:

Sub-group on Agriculture Products

- The District Collector- Chairperson /DC’s Representative
- O/o Zonal Additional DGFT, Chennai
- District Industries Centre, Thiruvarur
- Representative from Department of Agriculture, Gov. of Tamil Nadu
- Representative, APEDA, Gov. of India
- Representative, Department of Agriculture, Gov. of Tamil Nadu
- Director, Indian Institute of Food Processing Technology, Thanjavur

Sub-group on Marine Products

- The District Collector- Chairperson / DC’s representative
- O/o Zonal Additional DGFT, Chennai
- District Industries Centre, Thiruvarur
- Representative from MSME, Government of India, Chennai
- Representative from MPEDA, Government of India, Chennai

3) The detailed District **Export Action Plan** proposed for converting the district into a hub for exports, after taking into consideration the needs, challenges identified above is given table below:

Sl. No	Challenges Addressed	Implementing agency /department	Action Plan	Timeline
1.	Identification of base line exports	DIC along with DGFT, MSME	<u>Data analytics</u> - The base line export for the district is the exports of the year 2018-19 originating from the district and the target is to double the same within the next five years. The DEPC of the district will clearly identify and quantify the base-line benchmark for each identified product/ sector and set timelines for achieving the desired export performance over a period of 5 years. Data obtained from the GST, District Industries Centre, Thiruvarur, MSME, Govt of India, Chennai, APEDA, Govt of India, Coir Board, Govt of India, MPEDA, Govt of India can be analyzed to understand the export trends in the district and undertaking targeted approach to resolve issues and increase export competitiveness.	6 months

2.	Comprehensive database on exporters from the district	DIC Thiruvarur	<u>Comprehensive database on exporters from the district-</u> There is a need to create a database of exporters from the district. As a part of the District Export Action Plan, the General Manager of DIC, along with the officials of the APEDA, Coir board, MPEDA will cull out comprehensive data base of exporters for publication and administrative use. The DIC will be the Custodian of this data base. It will be electronically maintained and will be dynamic, with constant updating of new IECs. The Exporter data can also be a public document and if the DEPC desires, can be published in various portals for more visibility for the exporters and their products.	6 months to 12 months
3.	Single window system at the district level	District administration & DIC Thiruvarur	<u>Single window system at the district level-</u> In order to address the numerous approvals and licenses required for manufacturing or setting up an export business, a Single Window System at the District Industries Centre needs to set up for any export related approvals or clearances at the district level. The Action Plan envisages setting-up of such a system for the ease of doing export business in the district and plan to operationalize it in two years. The district administration will work and operationalize the proposal under the leadership of the Chairperson of the DEPC.	1 year
4.	Creation of an online on-stop portal	NIC, Thiruvarur	<u>Creation of an online portal:</u> In this digital era, creation of digital facilitation is essential. The action plan envisages that the DEPC will create an online portal, which will be a give a one stop access to all the links for all the digital requirements and compliances for any exporter. The Portal can also develop over the time to monitor the district's DEPC projects and disseminate exporter data. NIC of the district can be tasked with this project to be implemented in a year and report to the DEPC.	1 year
5	Training on Value addition, For Agro Food Products	IIFPT	<u>Transfer of Technologies</u> -The Action Plan envisages taking necessary steps to transfer these technologies from labs to the field by utilizing the existing skill development initiatives of Government in coordination with IIFPT, Thanjavur. A sub-group will study and evolve a program	Within two years

6.	Skill enhancement on coir production	Coir Board and MSME Chennai	<u>Training on Coir Production</u> - The action plan proposes to impart training on coir production and value addition in coordination with Coir Board, Government of India and MSME, Chennai	Once every year
7.	Training on SPS, Codex Alimentarius standards	APEDA and IIFPT, Thanjavur	<u>Training about SPS, Codex Alimentarius and other Trade Regulations</u> - APEDA can impart training to Farmers and Agro Exporters regarding Sanitary and phyto-sanitary (SPS) measures, The Codex Alimentarius international food standards, guidelines and codes of practices, and other regulations to boost exports from Thiruvavur.	Once every year
8.	Port infrastructure – for agro products	sub-group for the purpose	<u>Improve capacity of the port</u> - Port needs to improve its capacity to accommodate the agricultural products for export purposes. Through this Plan, the aim is to start an assessment to find out the bottlenecks for agro products in port infrastructure and to evolve a strategy to address the identified bottlenecks. A subgroup/sub-committee will be tasked with this project.	3 years
9.	Road Connectivity	Sub-group	<u>Improve capacity of the Road</u> – The existing Road connectivity are not sufficient for seamless movement of goods. Through this Plan, Widening the roads to Karaikal Port from two separated parts of the districts. A sub-group will be constituted to study and steer the road infrastructure initiatives.	5 years
11	Cold Storage Facilities	Sub-group	<u>Establishing Cold Storage Facilities</u> – The existing cold storage facilities are not enough for the development of Agro value addition. The DEAP will work on establishing and Increasing the Cold storage capacity in the district. The Sub-group , with all stakeholders can be formed and tasked with studying and implementing it in the district	3 years
13	GI Products	District Administration and DGFT	<u>Identification of products for GI Tag</u> – The District of Thiruvavur have village Ammaiappan famed for Silks. Through this action plan, DEPC will work to identify potential products along with Ammaiappan silks for getting GI Tag and promotion of their exports.	2 years
14	Identifying new products for exports	District Administration and DGFT	<u>Identification of new products for exports</u> – Thiruvavur District having new products such as Drumstick and Banana and Terracotta works in some	1 year

			pockets. . Through this action plan, DEPC will work to identify new potential products for value addition and exports in coordination with District Administration.	
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The above District Export Action Plan for the district of Thiruvarur is not conclusive and is tentative. The Challenges posed by the COVID-19 crisis have to be overcome and the District Export Promotion Committee has to adopt and finalize the plan after consultation with all stakeholders. The DEPC has the rights and powers to amend the District Export Action Plan according to the needs of the times and the prevailing contexts during the next 5 years. But the main focus will be to **double the exports from the district** and to facilitate the growth of the identified sectors in the in such a way that the district of **Thiruvarur** moves towards **SELF-RELIANCE** and transforms itself into a **HUB FOR EXPORTS** from India.