

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

RAJYA SABHA
UNSTARRED QUESTION NO. 200
ANSWERED ON 21/07/2023

POTENTIAL IN AGARWOOD SECTOR

200. SHRI BIPLAB KUMAR DEB:

Will the Minister of COMMERCE & INDUSTRY be pleased to state:

- (a) whether the Ministry is aware of immense potential for development of agarwood sector in various States of the country;
- (b) if so, the details of the agarwood trade, including its exports, during last three years, year-wise and State-wise;
- (c) whether the Ministry will establish an Agarwood Board of India for optimizing India's potential to be a global leader in agarwood trade; and
- (d) if so, the details thereof and if not, the reasons therefor?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SMT. ANUPRIYA PATEL)

(a) to (d) Details of the agarwood trade, including its exports, during last three years, year-wise and State-wise is as follows:-

Financial Year	Export/Import	Quantity(TON)	Value (US MILL. \$)
2020-21	EXPORT	53.98	2.00
	IMPORT	82.29	0.54
2021-22	EXPORT	90.49	2.90
	IMPORT	76.56	0.60
2022-23	EXPORT	126.29	3.98
	IMPORT	166.14	1.14

State	2020-21		2021-22		2022-23	
	Quantity (TON)	Value (USD Million)	Quantity (TON)	Value (USD Million)	Quantity (TON)	Value (USD Million)
GOA					0.025	0.001
KARNATAKA	1.464	0.020				
KERALA			0.319	0.000		
MAHARASHTRA	2.888	0.065	3.874	0.107	4.257	0.103
MEGHALAYA	42.327	1.622	82.799	2.781	93.003	3.843
TAMIL NADU	0.078	0.001				
UNSPECIFIED			3.000	0.001		
UTTAR PRADESH	0.200	0.023				
UTTARAKHAND	0.325	0.001	0.500	0.008	29.000	0.035
WEST BENGAL	6.700	0.267				
Grand Total	53.982	2.001	90.492	2.897	126.285	3.981

[Data Source:- DGCIS, Figures for 2022-23 are provisional and subject to change]

The Department of Commerce, Ministry of Commerce & Industry has considered the matter concerning setting up of an Agarwood Board and is of the view that setting up of an Agarwood Board of India may not be justified at this stage and rather, measures are required to be taken for undertaking R&D for the Agar Sector and its value chain with an objective of increasing the production, development and export of Agarwood and its value-added products. Further, the mandate of export promotion of Agarwood (including chips & dust) (HS Code: 12119080) has been assigned to Shellac & Forest Products Export promotion Council (SHEFEXIL EPC). The EPCs are exporter's body that facilitates the exporting community and undertake various export promotional measures for promotion of export of their products. As may be seen from the Export Data specified; the export of Agarwood has been showing an increasing trend over the years. At present, the import of both Agarwood and Agar oil is restricted. The exports of Agarwood and Agar Oil are also restricted and quotas have been put in place, and prerequisites for export licence have been prescribed vide DGFT Notification No. 45/2015-20 dated 29th November, 2021.

It is also mentioned that Agarwood (*Aquilaria malaccenses*) is included in Appendix II of CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora). The inclusion has been done to promote scientific efforts for increasing production and productivity and improving the quality of Agarwood.
