

Market Access Initiative (MAI) Scheme

Market Access Initiative (MAI) Scheme is an Export Promotion Scheme envisaged to act as a catalyst to promote India's exports on a sustained basis, during the 10th five year Plan. The scheme is formulated on focus product- focus country approach to evolve specific strategy for specific market and specific product through market studies/survey. Assistance would be provide to Export Promotion Organizations/ Trade Promotion Organizations / Exporters etc. for enhancement of export through accessing new markets or through increasing the share in the existing markets. Under the Scheme the level of assistance for each eligible activity has been fixed.

2. Scope

The following activities will be eligible for financial assistance under the Scheme:

- ❖ To identify the priorities of research relevant to the Department of Commerce and to sponsor research studies consistent with the priorities;
- ❖ WTO Studies for evolving WTO compatible strategy;
- ❖ **To support EPCs/Trade Promotion Organisations in undertaking market studies/survey for evolving proper strategies.**
- ❖ **To support marketing projects abroad based on focus product - focus country approach. Under marketing projects, the following activities will be funded:**
 - (a) Opening of Showrooms
 - (b) Opening of Warehouses
 - (c) Display in international departmental stores
 - (d) Publicity Campaign and Brand Promotion
 - (e) Participation in Trade Fairs, etc., abroad
 - (f) Research and Product Development
 - (g) Reverse visits of the prominent buyers etc. from the project focus countries
- ❖ **Export Potential Survey of the States;**
- ❖ **To support Recognized associations in industrial clusters for marketing abroad**

3. Eligible Agencies

Under the Scheme, financial assistance may be given to:

- Departments of Central Government and organization of Central / State Governments
- Export Promotion Councils
- Registered Trade Promotion Organizations
- Commodity Boards
- Apex Trade Bodies recognized under EXIM-Policy of Government of India

- Recognized Industrial clusters
- Individual exporters (only for testing charges of engineering products abroad and registration charges of pharmaceuticals, bio-technology and agro-chemicals)

4. Criteria for Sanction

Market Access Initiative (MAI) Scheme is based on Focus country-product approach and the eligible agencies should formulate a comprehensive project for market access on the basis of Focus-Country and Focus - Product approach. The project should be for a particular product for a particular market for the period of 2-3 years so as to get the maximum result.

§ The proposal should not duplicate the efforts of any existing activity or organization in the same field

§ The assistance under the Scheme for activities under the project will not be provided for which assistance under MDA has already been sanctioned.

§ The funding for the project will be on cost-sharing basis. However, the Empowered Committee may consider for enhancement or curtailment of the level of assistance on the merit of the project.

5. Scrutiny and Sanctions

There shall be an Empowered Committee (E.C.), which will consider and approve the proposals. The E.C. will also monitor the implementation of the sanctioned proposals. MAI scheme is intended to provide financial assistance for medium term export promotion efforts with sharp focus on a country / product, and is administered by DoC.

The representative of the Eligible Agencies proposing/sponsoring the proposals may be invited to the meeting of the Empowered Committee, if required. E&MDA Division, Deptt. of Commerce, will co-ordinate the work related to the Scheme and liaise with Eligible Agencies for release and utilisation of the sanctioned funds.

Payment made under the Scheme will be subject to audit by the Comptroller and Auditor General of India as also by other means as deemed fit by the Government of India. Government of India will cause physical verification and other such enquiry as deemed fit, of the projects sanctioned under the Scheme.

Details of approved purposes for the scheme and level of assistance

Market Study

Assistance would be provided for undertaking a market study of a particular market(s) for a particular product to have in depth analysis and to evolve a proper marketing strategy for greater market access as per the needs of that particular market.

Professional consultants will be employed to undertake marketing studies and Indian Diplomatic Missions in the target countries would be associated with such studies. Such studies could be approved as a first step of a marketing project and the findings/recommendations would be the basis for further activities to be taken for greater market access. The Eligible Agencies will ensure the involvement of consultant appointed for surveys/studies during the execution of the project also for smooth implementation.

Level of assistance: For market studies grant assistance of 75% of the total cost would be provided under the Scheme and the rest i.e. 25% would be borne by the Eligible Agencies. However, for studies assigned by the D/Commerce for the cause of export promotion, 100% assistance would be provided. The assistance for studies would be subject to a ceiling of Rs.75.00 lakh/each study.

Opening of Showrooms and Warehouses

Showrooms / Warehouses would be setup in leased or rental accommodation for identified products at identified centers identified on the basis of marketing studies/ surveys.

Level of assistance: Under the Scheme 75%, 50% and 25% of leasing / rental charges in the first, second and the third year, respectively, would be provided as assistance. A ceiling of Rs.50.00 lakh would be for each market/ product per annum.

Display in International Departmental Stores

Tie up with local distributors and major stores shall be used as a tool for promoting particular product (s). International Departmental Store chains would be identified on the basis of marketing studies/surveys.

Level of assistance: Under the Scheme, 50% of rental charges of display space would be provided as assistance, subject to a ceiling of Rs.50.00 lakh per annum/each product.

Publicity Campaign:

Intensive publicity campaigns for identified product/products in the identified market through various means would help in creating a brand identity for Indian products in international markets.

Level of assistance: 50% assistance would be provided for two years in a particular market subject to a ceiling of Rs.50.00 lakh per annum/ per market. The assistance can be considered for the third year after a review of the result of the project in the first two years.

Participation in Trade Fairs, BSMs etc. abroad: Under the Scheme, assistance would be provided for

Participation in trade fairs / exhibitions at identified potential places abroad on Focus Country-Product basis. Participation in such fairs/exhibitions will normally be part of a comprehensive strategy. To maximize the benefits such efforts should be linked with effective publicity campaign, seminars, buyer-seller meets etc. These activities will be coordinated by the Eligible Agencies.

Level of Assistance: 2/3rd of the actual expenditure. The expenditure on TA/DA would be met by each participant. The assistance would be subject to a ceiling of Rs.50.00 lakh for each fair. The following sub-components would be covered:

- Venue Cost
- Publicity cost for the event
- Cost of the catalogues and other material
- Translation and Interpreters' charges
- Any other component approved by the

Assistance to reverse visits of the prominent foreign buyers, foreign Trade Journalists:

Under the Scheme, assistance to reverse visits of the prominent buyers, journalists/ editors of trade journals and representatives of leading buying houses from the project focus countries for visiting important trade fairs/exhibitions/ BSMS/ Seminars and to visits important units in India would be provided to the Eligible Agencies.

Level of assistance: 2/3rd of the total approved expenditure. The following sub-components would be covered:

- Venue Cost
- Publicity cost for the event
- Cost of the catalogues and other material
- Translation and Interpreters' charges
- Any other component approved by the

Empowered Committee

100% of the air travel cost of the foreign visitors in the economy/ excursion class only would be financed. The foreign visitors would be meeting their own boarding/lodging expenses. The EC would decide a fixed allocation for the activities each year.

Research and Product Development.

Selected exporters/ Export Promotion Councils (EPCs)/ Trade Promotion Organizations would be assisted in modernizing and upgrading the identified products as per the needs of the specific markets. This may be considered as a separate proposal or as a component of the approved project under the scheme for the assistance. The EPCs concerned etc. would act as coordinator.

Level of Assistance: 25% of the total approved cost subject to a ceiling of Rs. 50.00 lakh for each product would be borne by the Scheme and the balance 75% by the concerned EPCs / Exporters / TPOs.

Assistance to Cottage and handicrafts units

For providing assistance to the cottage and handicrafts units, the funds shall be earmarked on annual basis for the eligible activities under the Scheme. In addition to other eligible activities, the assistance would also be provided for developing website for virtual exhibition @ 75% of the total approved cost. Preferences shall be given to the small and medium entrepreneur in allocation of funds.

Level of Assistance:

The level of assistance to Cottage and handicrafts units for eligible activities under the Scheme would be as under:

Where level of assistance for eligible activities, under the Scheme, in normal course is:	The level of assistance for eligible activities in case of cottage and Handicrafts units would be:	Remarks
75% and 2/3rd	90%	The assistance would be subject to the maximum ceiling prescribed in normal course.
50%	75%	-do-
25%	50%	-do-

Assistance to Industrial Clusters

The funds shall be provided through EPC concerned on the prescribed scale for the activities such as Market study, participation in trade fairs etc. abroad, opening of warehouse & showroom, display in international store and publicity.

Extract - 7.3 Statutory Compliances

Charges/expenses for fulfilling statutory requirements in the buyer country including Registration charges for product registration abroad for select priority product groups:

Under the Scheme, assistance will be provided on reimbursement basis to individual exporters for charges/fees paid by an Indian exporter for fulfilling the statutory requirements in the buyer country e.g. registration charges paid in case of pharmaceuticals, bio-technology and agrochemical products. For getting assistance an exporter is required to send the request through concerned EPC along with a certificate from the said EPC and the Indian Mission concerned certifying the amount paid towards such charges. Expenses made for carrying out clinical trials; data validation etc. for pharmaceutical products, equipments, medical consumables/disposables etc. shall also be covered for assistance. Preference shall be given to the small and medium entrepreneurs.

Empowered Committee may decide other product groups, nature of compliance eligible for assistance under this provision.

Level of Assistance: For statutory charges/expenses on statutory compliances of the products allowed by the Empowered Committee, assistance under the Scheme would be 50% of the charges/expenses and the total ceiling for each exporter shall be Rs.50 lakhs per annum.