

No.11/33/2015-E&MDA
Ministry of Commerce & Industry
Department of Commerce
(E&MDA) Division

Udyog Bhawan, New Delhi
Dated the 22nd January, 2016

To

The DG/SG/ED/Secretary of Export Promotion Councils/ FIEO/ ITPO/Trade Bodies

Sub: Streamlining the releases under MAI – guidelines for submitting proposals and settling accounts under MAI.

Madam/Sir,

I am directed to say that in order to further streamline the releases under the Market Access Initiative (MAI) Scheme, it has been decided to issue the following guidelines:

- (i) After circulation of the minutes of the EC by E&MDA Division, details of events to be participated with MAI support must be exhibited on the website of the concerned EPC/TB within 10 days of the receipt of the minutes. Criteria for selection of participants along with important dates must be clearly indicated therein. Based on such advertisement, applications may be invited. Selection of participants should be done in a transparent manner, on pre-decided objective criteria.
- (ii) In order to ensure that the benefits of the Scheme reach a larger number of exporters, a maximum of three participations in a particular trade fair/exhibition would only be eligible for MAI assistance, i.e. members who have availed assistance three times (*including past cases*) for a particular fair/exhibition, thereafter have to participate in that fair on their own. EPCs/TB must ensure that the MAI funding support is only provided to a member for a maximum of two MAI events in a year.
- (iii) The EPCs/TBs should submit video clippings of the events, including stalls and its surroundings and ensure documentation of complete utilization of the Govt. grants. The EPCs can use webcam to record and submit the clippings electronically.
- (iv) For any contract awarded by the management, to avoid any controversy and have transparency in awarding contracts to agencies hired for any event funded by Govt, before the release of funds to any such agency, the TB would give a certificate to the Department indicating disclosure of interest in awarding such contracts.

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- (v) If UC is not received within the stipulated period, no further funds would be released to the agency concerned for the next set of proposals. Recurring defaults in submission of UCs will make the concerned EPC/TB ineligible/debarred for MAI assistance.
- (vi) Impact of MAI support to India's exports is not being captured in the outcome reports. EPCs/TBs need to provide 6-digit HS Codes in respect of the products being promoted / marketed by exhibitors in a MAI event, at least 15 days before the commencement of the event, in accordance with the online system being developed through NCTI.
- (vii) A system of pro-rata cuts, taking into account the participation assured and accepted by the Empowered Committee (EC) and actual participation, is in vogue. These instructions would continue to be enforced.
- (viii) In addition to the IEC Number of the participants, DIN Number of the Company Director should be provided for record (*in accordance with the NCTI system being introduced*).
- (ix) Branding for facia etc. of participants is being designed by IBEF as part of the DoC initiative and it shall be mandatory for all participants/organisations in govt. funded events to brand India according to templates specified by IBEF. EPCs / TBs need to gear up to such branding and try to ensure that this is replicated for all other events of national importance.
- (x) The Embassies concerned should be involved in this exercise from the beginning itself so that the event can be made successful under the India brand. The concerned Territorial Division in DoC would be given the mandate for this.

2. Certain decisions had been taken in the EC meetings held for events of 2016-17 which were indicated in the minutes issued on **12.1.2016**. These are recapitulated **at Annexure**.

3. All the Export Promotion Councils/Trade Bodies, availing MAI grant, are requested to strictly comply with the above guidelines.

Yours faithfully,



(Rajeev Kumar)

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Copy to:

- (i) All Joint Secretaries, Department of Commerce
- (ii) JS (Exports), Ministry of Textiles

Decisions taken in the EC Meetings held on 20.11.2015, 02.12.2015 and 07.12.2015
(Reiterated)

- (i) From 2016-17 onwards, each proposal should indicate value of exports to the market(s) targeted, trend in exports (*for at least two years*) and strategic interest of India etc.
- (ii) Department of Commerce is developing a software system for monitoring the MAI / MDA funding and a process of online monitoring is being put in place in the beginning of 2016 itself. This online system is proposed to be introduced for fund releases for the proposals approved for 2016-17. All agencies would be required to comply with system being developed. For proposals of 2017-18 onwards online application format is also proposed to be introduced through NCTI.
- (iii) Normally, EPCs/TBs, having been supported for repeated shows at one event/place for 3 years, would not be further funded by the Govt. and TBs would be expected to participate in such events independently, i.e. once the event is curated by repeated participation, proposal from any agency for this purpose/event would be disallowed/discouraged.
- (iv) For all major flagship events in the country, EPCs/Commodity Divisions are expected to draw up a firm calendar as per international practice and develop the branding of that event in such a way as to make it a universally acknowledged event, [*i.e. organized at a fixed timeframe annually*]. Indicative calendar for 5 years needs to be drawn up in advance.
- (v) EPCs / TBs, while seeking funds for established events, may tend to seek less of Govt. funding and over a period of time make the scale of the show bigger and bigger, by taking more contribution from exhibitors. Such established event participation should aspire to cut down on support for visitors. (*i.e. the representation of the event should attract visitors on its own without having a need to subsidise their visits*).
- (vi) For all events, due diligence has to be carried out by the organisations on the nature of quality of the participants, and this would also need be certified by the organisations concerned while submitting the proposal. Similarly, the first report (*output report*) submitted after the event should indicate the participants companies' credentials and steps taken by the EPC / TB to verify the credentials. The EPCs and TBs need to develop mechanism for indicating clear outcome of the events along with the response / feedback / impact in a market. [*the outcome reports could flow from the post-event timeframe (say 6 months or so)*].
- (vii) In events for IT and other services sector, in view of the national focus on promoting Start Ups, one area may be earmarked for "Start-up" participants.
- (viii) Since RBSM's are intended to promote developing and under-developed markets, organizations concerned need to ensure that buyers from developed markets are not covered for Government of India funding element.
- (ix) State specific events would be discouraged, unless the content justifies participation from national level importance.
