



COVID-19

Challenges, Opportunity & Threat for Indian Handicraft Exports

Submitted by:



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CHAPTER I

BACKGROUND

1.1 NEED ASSESSMENT

The Covid-19 pandemic is taking a hard toll on the global economy and India is no exception to this. Handicraft industry, the largest second largest employer in the country after agriculture, which is largely informal, is severely affected witnessed by cancellations of existing export orders wherein around 30% of orders of labour-intensive sectors have got cancelled., default payments and lowering down the future business prospects in near future due to cancellation of few promising trade fairs including the 49th edition of IHGF – Delhi Fair Spring-2020 hampering the exports from major craft clusters like Moradabad, Saharanpur, Jodhpur, Jaipur, Agra, Narsapur, Firozabad, North-eastern region. Cancellation of key trade fairs in the US, Hong Kong and Jaipur has impacted the jewelry business.

A lockdown in India's major export destinations such as China and Europe is also impacting India's handicraft export earnings. India's exports contracted 1.5% to \$292.9 billion in the 11 months to February 2020. The decline is likely to be much sharper going ahead. The country's labour-intensive export sectors such as leather, textiles, gems and jewelry, carpets and handicrafts have borne the brunt of the Covid-19 pandemic. About ₹7,600 crore of leather export orders have been cancelled, ₹2,000 crore carpet orders are stuck and handicraft sector losses are seen at ₹8,000 crore.



India will be the 10th most impacted economy due to supply chain disruptions in China, with agriculture, handicrafts, textiles and apparel at the forefront of the disruption.

Looking for trade opportunities beyond traditional markets of the USA and EU for Indian handicraft exports post COVID does make business sense due to the fact that while on one hand COVID crises seem to have brought forward obvious challenges for Indian exporters due to issues in these export markets, on the other hand appreciating the fact that the COVID crises have hit global markets, many of which have been competing suppliers for India in prime importing countries for Indian handicrafts, this current crises also seem to open newer prospects for Indian handicraft exports.

COVID crises in India's major export destinations such as China, USA and Europe has impacted India's handicraft export earnings. This entails the need for an immediate hunting and trade diversion towards newer destinations with relatively lesser COVID impact.

Assuming the fact that China being the epicenter of the COVID-19 crises; would bring a psychological shift in global procurement priorities from China to alternate sources.

COVID-19: EXPECTED ADVANTAGE FOR INDIAN HANDICRAFTS

As a result of the global COVID crises, it is witnessed that the western economies are badly battered while countries like India, Indonesia, etc. are not so battered. Emotional and Economic backlash against China is expected. Already, countries and companies are working on strategy to pivot away from China as part of their supply chains. Japan Govt has announced packages for it's companies bringing back manufacturing home.

Consumer behavioral shift post COVID	Impact on Indian handicraft exports
For individuals, health and safety will become a priority area of consumer spending	Handicraft products like khadi mask, organic clothing, cotton textile wears etc. would gain edge
The ticket size of spending will drop for a while. People will spend on cheaper goods than on expensive goods, or delay spending for a while	Gift items and other high priced handicraft products would face a setback.
Extreme acceleration in digital economy	EPCH members needs to be promoted to have their own websites and look for rigorous E-commerce marketing. Councils needs to plan virtual trade fair
People will be less loyal towards brands as other aspects will take over. People will switch brands faster due to various other concerns like safety, etc.	Shift in brand loyalty would mean opportunity for MSMEs against bigger brands. Except for the fact that price competitiveness and design innovation will be most important focus. It's time for survival of the fittest.

Businesses need to keep this in mind and work accordingly. As a result of this, there is an expected shift in consumer behavior post COVID which might impact the purchasing behavior towards handicrafts. Indian businesses therefore need to try to become the contract manufacturer of the world, just like China is. India needs to make use of this opportunity smartly.

COVID impact is quite visible in shift of consumer preference

Opportunity For India

Global buyers of textiles, homeware, lifestyle goods, ceramic tiles looking for Indian products

Replacement buying enquiries from US, EU

THE CONSTRAINTS

Leather footwear cos dependent on Chinese components

Supply chain disruptions to hit India

Global buyers are turning to India to source ceramics, homeware, fashion and lifestyle goods, textiles and furniture from the country as China grapples with the deadly coronavirus outbreak.

Cevisama 2020 ceramics fair in Spain, some 55 Indian companies have drummed up greater interest from buyers owing to muted competition from China.

Clients in the US and the EU have also set their sights on India for labour-intensive products such as garments. Indian exporters have received enquiries above Rs. 10 crore from the EU and US.

1.2 SCOPE OF THE STUDY

Post COVID scenario demands an initiative to diversify our export markets to new emerging markets of Africa, Latin America, Oceania and CIS countries and offset the inherent disadvantage for our exporters in traditional handicraft markets through appropriate policy instruments. However, towards this identification of export opportunity expected to be going in favour of India in light of fall in Chinese competition, should not be taken for granted in light of the presence of other global competitors apart from China, competing in common markets for Indian handicrafts.

This indicates the fact that fall of China may not extend equal opportunity for India in all the handicraft products. At the same time, opportunity may not arise for India in all the export markets. As witnessed in the preliminary analysis below while India seem to have an immediate advantage against China in leather, ceramic and footwear sector as compared to glassware from Firozabad cluster and Saharanpur woodenware. However, despite the fall of Chinese dominance in these handicraft products, a stiff competition is seen coming from smaller economies including Vietnam, Turkey, South East Asia and some Asian economies including Korea.



HANDICRAFTS				
SECTORS	CHINA	INDIA	OTHER GLOBAL COMPETITORS APART FROM CHINA	CHINA IMPACT
Leather articles (42)	35.7	3	Italy (12.5%), Vietnam(3.8%)	IMMEDIATE ADVANTAGE
Ceramic (69)	38.3	2.6	Italy (9.7%), Japan(3%), Turkey (1.8%)	
Leather footwear (64)	32.3	2.3	Viet(11.5%), Indonesia(3.5%), Italy (8.5%)	
Glassware (70)	21.8	1.2	Poland(3%), Japan(4.2%),Korea (2.3%), Malaysia (1.6%)	MODERATE ADVANTAGE
Wood (44)	10.1	0.9	Canada(9.7%), USA (6.7%), Vietnam(2.1%)	MODERATE ADVANTAGE
Antiques (97)	0.7	0.4	USA (44%), UK(21.9%),HongKong(4.7%)	NO ADVANTAGE
Gems & Jewellery (71)	3.1	6.2	Hongkong (10.5%), UAE(7.3%)	

Considering the fact that these economies haven't been hit as hard as other countries, the opportunities emerging out of Chinese absence may equally be reaped by these countries. Hence it highlights the following fact

EVALUATING THE CHINA FACTOR



1.3 SPECIFIC OBJECTIVES FOR ASSESSMENT STUDIES

The objectives of the study will be to assess the opportunity for Indian handicrafts exports in the post COVID scenario considering the shift in consumer preference, shift in global procurement priority against China, trade diversification necessity for India in light of traditional handicraft export markets being COVID hit taking opportunities of regional trade opportunities and newer trade agreements. Considering all these expected trade scenarios, the research study focuses on following specific objectives:

- Assisting entrepreneurs, exporters, artisans, manufacturers to enter newer markets in post COVID era while analyzing the target country opportunity
- Analyzing trade opportunities arising for Indian handicrafts: tariff line wise analysis
- Analyzing global competition apart from China
- Analyzing possibilities of trade agreement to be signed by India to facilitate the emerging trade opportunity

The project would cover trade regulations and barriers between the two countries, distribution channels, pricing strategy, exploring the market for further enhancing the trade and marketing the Indian products at international platform.

1.4 RESEARCH QUESTIONS

Can we sustain our market in traditional export destinations even post Covid?

Does Indian handicraft gets benefitted due to anti China sentiments globally?

Do we have any other global competitors apart from China across different handicrafts?

Do we get equal opportunity across all export markets?

Do we get equal opportunity across all handicraft sectors/products?

Are we compliant enough to cater to stricter norms post covid?

Are we price competitive?

Will our trade agreements be of some help at this juncture?

Are we catering to post covid consumer behavioral changes?

1.5 RESEARCH METHODOLOGY

Can we sustain our market in traditional export destinations even post Covid?

Does Indian handicraft gets benefitted due to fall of China?

Do we have any other global competitors apart from China across different handicrafts?

Why?: Covid-19 pandemic is taking a hard toll on the global economy where world demand across all products are shrunk including handicrafts. Hence on one hand when it is expected that handicraft exports would decline; it is equally contemplated that shift in sourcing of global buyers from China towards India may pull India's exports. Hence this sustainability analysis of India's export share in traditional export destination product wise needs to be explored to strengthen focused policy initiatives.

How? :

a. Compile prime exporters for each of 167 HS codes of exports interest to EPCH to estimate China's share versus India's share versus other global competitors.

Inference: 167 HS codes would be divided into three categories:

- i. *Immediate advantage: HS codes where share of India is at par with that of China and higher than other global competitors; fall of China will give immediate opportunity to Indian handicraft exporters*
- ii. *Moderate advantage: Where this gap is higher between India and China*
- iii. *No advantage: Where global players have much better share than India, fall of China would not bring any advantage to India*

b. Compile the data on exports from India and world imports for last 10 years from 2009-2019; based on which forecast the data for 2025

Inference: This step would crosscheck that if Indian Government does not make any policy change, whether Indian exports be in sync with the trends in world import demand by 2025: product wise analysis

Do we get equal opportunity across all handicraft products?

Why?: One of the many impacts of Covid 19 is the shift in consumer behaviour due to declining income levels and limited usage of handicraft as a product due to limited movement. However, this shift in consumer demands is assumed to vary across different categories: lifestyle, home textiles, fashion, furniture to home decor

How? :

Calculate Revealed comparative advantage for India and China for past 5 years during 2015-2019 and compare the trends.

Inference: For products at 6 digit HS codes in each of the above listed categories where Indian RCA is found to be better in absolute terms as well as witnessing rising trends; it is assumed that Indian exporters will gain further boost due to fall in China.

The formula for the RCA index is:

$$\text{Revealed Comparative Advantage}_{cg} = \frac{\left(\frac{X_{cg}}{X_c} \right)}{\left(\frac{X_{wg}}{X_w} \right)}$$

where

X_{cg} = exports of good g by country c
 X_c = total exports of country c
 X_{wg} = world exports of good g
 X_w = total world exports

- The RCA index is defined as the ratio of two shares. The numerator is the share of a country's total exports of the commodity of interest in its total exports. The denominator is share of world exports of the same commodity in total world exports.
- Range of values: Takes a value between 0 and $+\infty$.
- A country is said to have a revealed comparative advantage if the value exceeds unity.

Do we get equal opportunity across all export markets?

Why?: Impact of covid has been found different across countries. While developed countries which were traditional destinations for Indian handicrafts have been found to be much more impacted as against emerging markets of ASEAN and Africa. Within LAC, Brazil has been hit harder than Venezuela. Hence the opportunity analysis is must to design a suitable policy focus for post covid scenario.

How? :

Calculate Trade Intensity Index between importing country and India versus China for past 5 years during 2015-2019 and compare the trends.

Inference: For products at 6 digit HS codes in each of the above listed categories where Indian TII is found to be better in absolute terms as well as witnessing rising trends; it is assumed that Indian exporters will gain further boost due to fall in China in that export market.

Trade Intensity Index

$$\frac{\sum_{sd} X_{sd} / \sum_{sw} X_{sw}}{\sum_{wd} X_{wd} / \sum_{wy} X_{wy}}$$

Where

- s is the set of countries in the source,
- d is the destination,
- w and y represent the countries in the world, and
- X is the bilateral flow of total exports.
- In words, the numerator is the export share of the source region to the destination, the denominator is export share of the world to the destination.

Are we price competitive?

Will our trade agreements be of some help at this juncture?

Why?: In look out of right export market for Indian handicraft products post covid, it is assumed that fall of China would only be instrumental for rise in Indian exports; provided Indian products are found price competitive wherein logistics and trade agreements would play a major role. Hence in light of the fact when India is the process of signing many new trade agreements, it is important to address the negotiating focus of EPCH and DC (handicrafts) for better market access for handicraft exports into FTA markets.

How?:

- Check for import duty product wise market wise (India versus competitors)
- Check for the existence of trade agreements (India versus competitor)
- Check for WTO- MFN duty versus FTA/GSP duty across 167 HS codes across all select export markets
- Estimate co-relation between the FTA duty and India's export growth in identified market
- Analyse trade patterns and Regional Orientation index pre and post trade agreement

Inference: For products at 6 digit HS codes in each of the above listed categories where ROI seems to have improved post versus pre trade agreement, The FTA has been successful in boosting Indian handicraft exports else the existing trade agreements have not been of much advantage to India. The reason for the latter could also be attributed to the difference between MFN and FTA rate if this being low, the trade advantage is expected to be lower.

The formula for the regional orientation index is:

$$\text{Regional Orientation}_{cgr} = \frac{\left(\frac{X_{cgr}}{X_{cr}} \right)}{\left(\frac{X_{cg-r}}{X_{c-r}} \right)}$$

where

X_{cgr} = exports of good g by country c to region r

X_{cr} = total exports of country c to region r

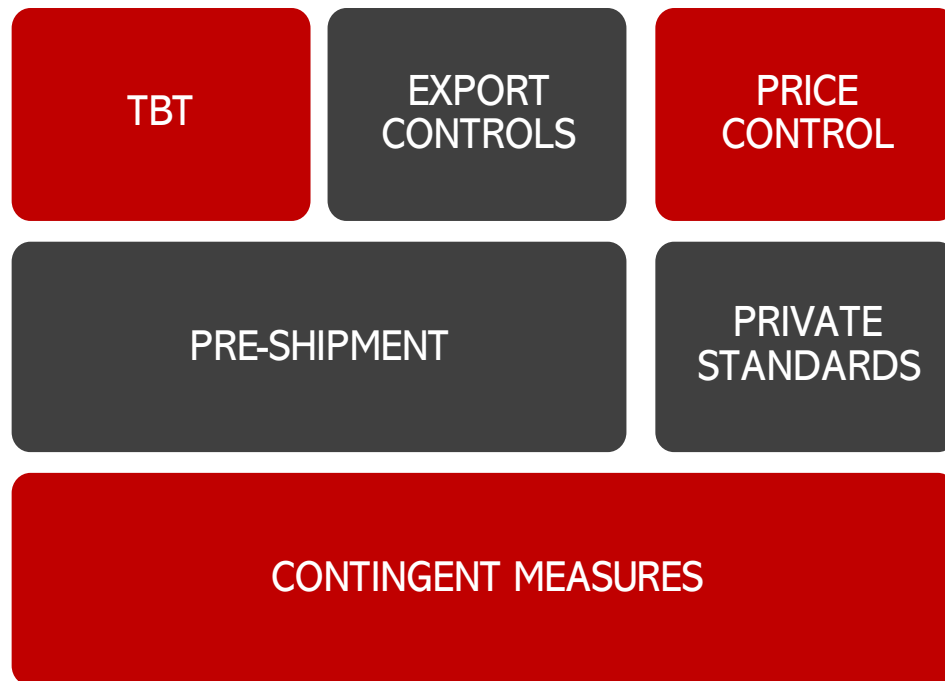
X_{cg-r} = exports of good g by country c to countries outside region

X_{c-r} = total exports of good g to countries outside region r

The regional orientation index tells us whether a country's exports of a product are more oriented toward a particular region than to other destinations. If the index has a value greater than 1, this implies that the country has a regional bias in exports of the product.



Are we compliant enough to cater to stricter norms of the importing countries; post covid?



Apart from tariffs on goods, non -tariff measures are known as regulatory barriers that impose additional import requirements that result in longer shipping times, extra financial burdens, and other bureaucratic obstacles that hamper the ability of goods to pass through customs and be competitive in the import market.

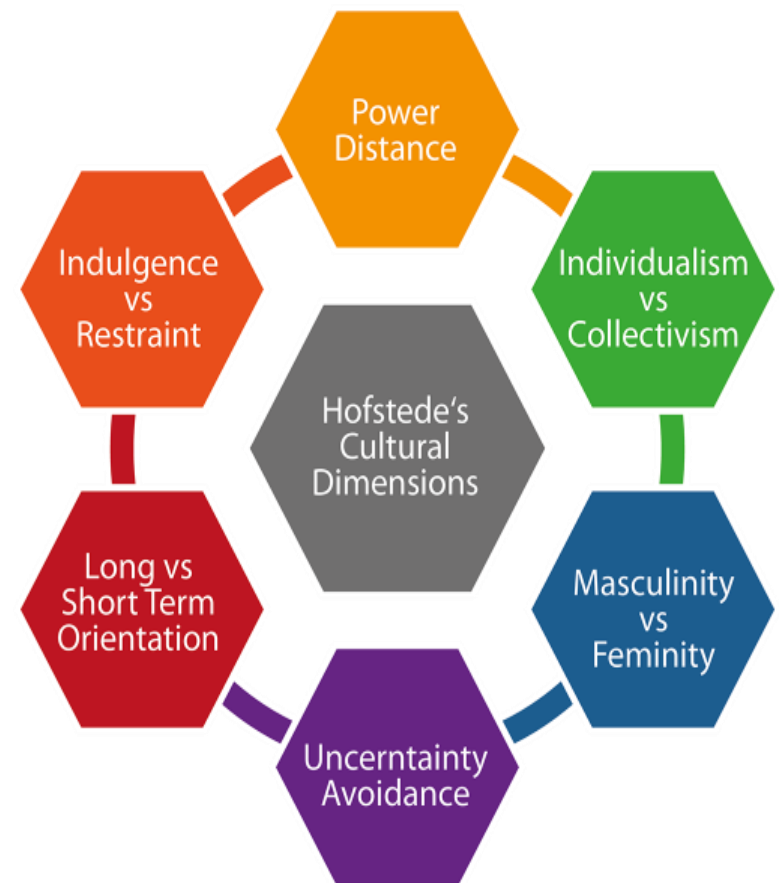
NTMs database developed by the UN Conference on Trade and Development (UNCTAD) Trade Analysis Information System (TRAINS) database have been used to compile non -tariff barriers for handicraft imports across various importing destinations .

Considering handicraft sector, NTMs have been classified into six categories: technical barriers to trade (TBT), pre-shipment inspection, contingent trade protective measures, quantity control measures, price control measures, export-related, and lastly a category for private standards expected to emerge post covid.

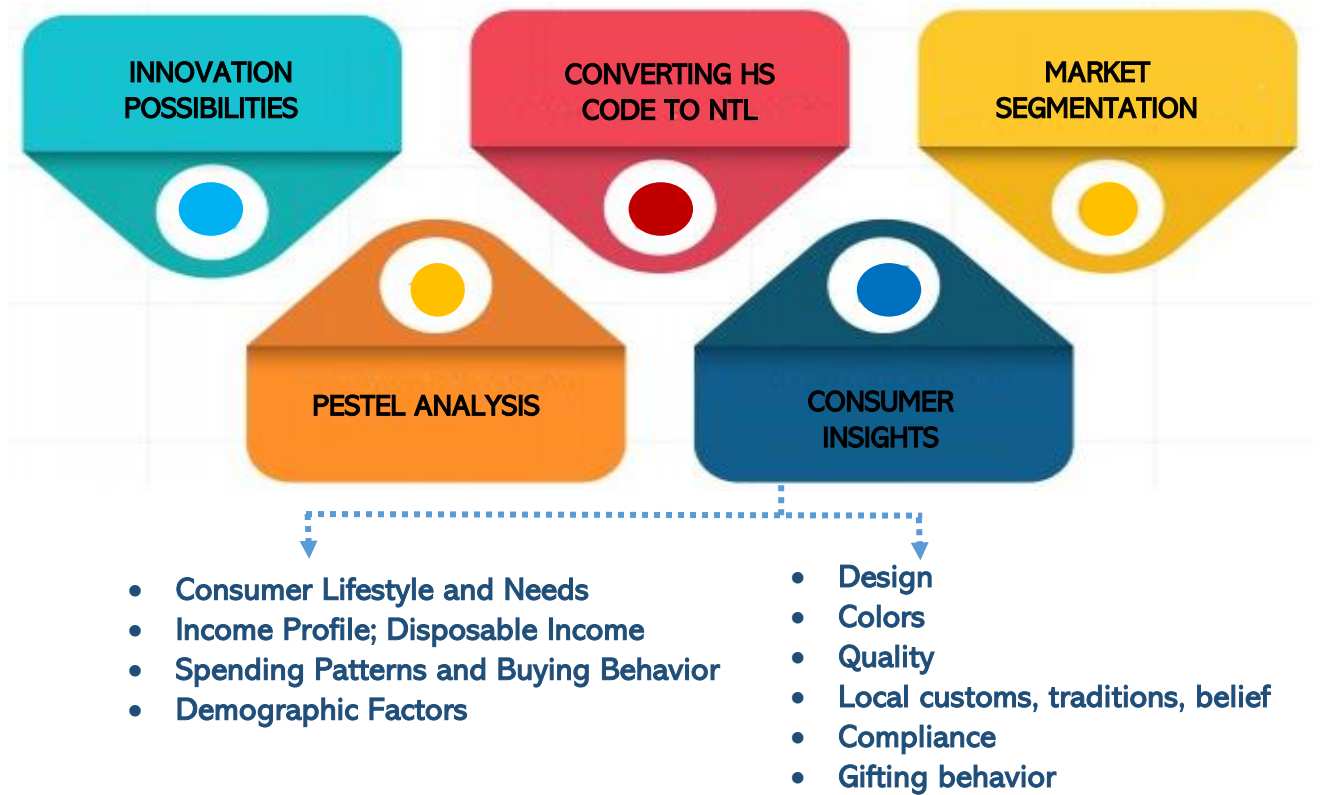
Are we catering to post covid consumer behavioral changes?

Why? Covid19 is expected to bring changes in ability of consumers to spend, changes in lifestyle and hence will impact the consumption pattern globally. Hence the sustainability of Indian handicraft exports in traditional and emerging destinations would depend on the level of customization done by Indian exporters to cater to this shift in consumer behaviour .

How? An extensive secondary research on primary surveys and study conducted across the globe would be included. Hofstede's model will be analysed across countries to analyse their purchasing behaviour. In addition local custom and traditions is studied in finer details to suggest customized pitch of Indian handicrafts with tweak of innovation.



1.6 FINAL DELIVERABLES



COUNTRIES COVERED



Traditional export destinations

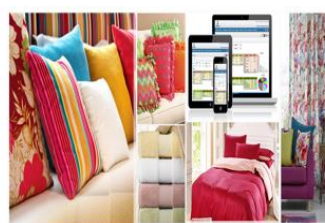
Emerging new export destinations



Fashion accessories



Lifestyle



Home Textiles



Home Accessories



Furniture

HANDICRAFT CATEGORIES COVERED

CHAPTER II

INDIAN HANDICRAFTS EXPORTS: PRE-COVID STATUS

2.1 INDIAN HANDICRAFT SECTOR: SNAPSHOT

The handicrafts sector is of importance to the Indian economy as it is one of the largest employment generators and account for a significant share in the country's export. The state and regional clusters contribute significantly to handicrafts export. The Indian handicrafts industry is fragmented with more than seven million regional artisans and over 67,000 exporters/export houses promoting regional art and craftsmanship in the domestic and global markets. Exports from the sector aggregated to Rs 24,500 crore. Handicrafts embody the rich cultural heritage and traditions of India. There are a total of 744 handicraft clusters in India engaging nearly 2,12,000 artisans, offering more than 35,000 products. The major clusters are in Surat, Bareilly, Varanasi, Agra, Hyderabad, Lucknow, Chennai, Ranipet, Mumbai, Kanpur, Farrukabad, Saharanpur, Etikoppaka, Jaipur, Asharikandi, etc. The table below shows the handicraft categories produced in India:



ARTWARE

Brass Metalware, Bidri work, Dhokra, Bell Metal, Bells & Chimes, Candle Holders, Candle Sconces, Fireplace, Flower Vases, Jewelry boxes, Utensils etc.



WOODWARE

Almirah, Beds, Cabinets, Chairs, Home Temples, Mirror Frames, Side Boards, Sofa sets, Stools, Tables etc.



EMBROIDERY & CROCHET GOODS

Zardozi, Parsi work, Kashmiri Crewel Embroidery work, Phulkari work, Kasuti, Chikankari, Crocheted work, Kantha Embroidery, Mirror Work



HANDPAINTED TEXTILES & SCARVES

Kalamkari, Tie and Dye, Block Printing, Bed covers, Carpets, Coverlets, Curtains, Cushion covers, Duvets, Kitchen Towels, Quilts, Rugs & Mats, Sofa



IMITATION JEWELLERY

Anklets, Armlets, Bangles, Bracelets, Brooches, Chokers, Cufflinks, Earrings, Necklaces, Pearls, Pendants, Rings, Toe Rings etc.

Out of these traditional production strengths, main handicraft items exported by India include house-ware, home textiles, furniture, glassware, bamboo goods, fashion jewelry and lamp and lighting.

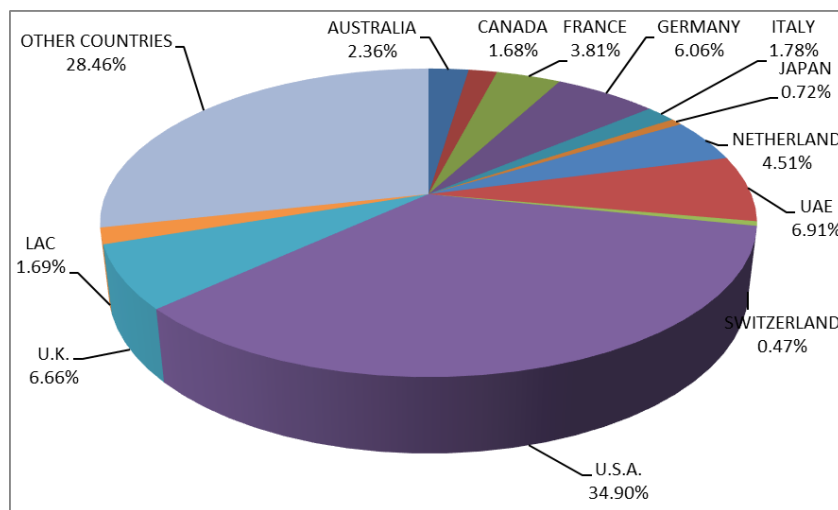


Annexure I details out the entire list of 167 HS code divided into five categories:

- Lifestyle
- Fashion
- Home
- Textiles
- Furniture

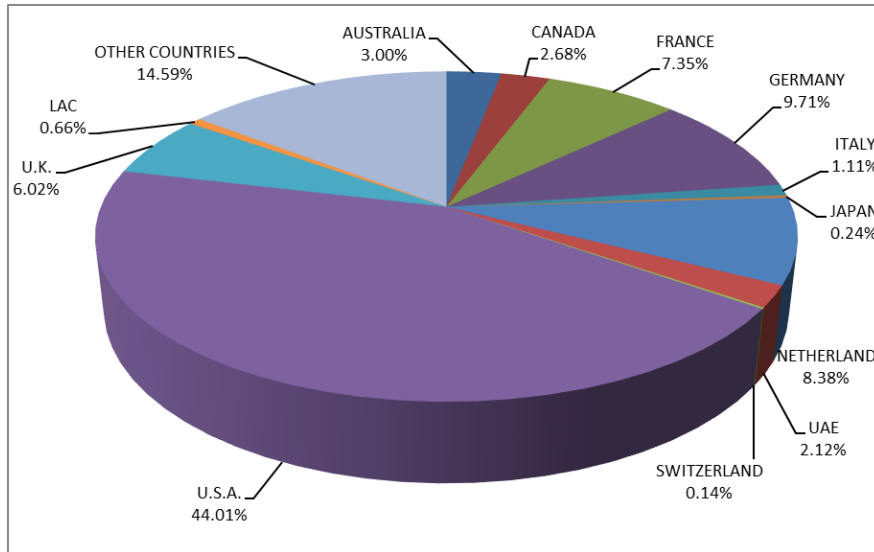
Major export destinations for domestic handicrafts items include the US, Europe, South America, Africa and China. Other markets include UAE, Australia, Canada and Japan. The US and Europe together account for about 60 per cent of the country's total handicraft exports.

INDIAN HANDICRAFTS: COUNTRY WISE EXPORT SHARE



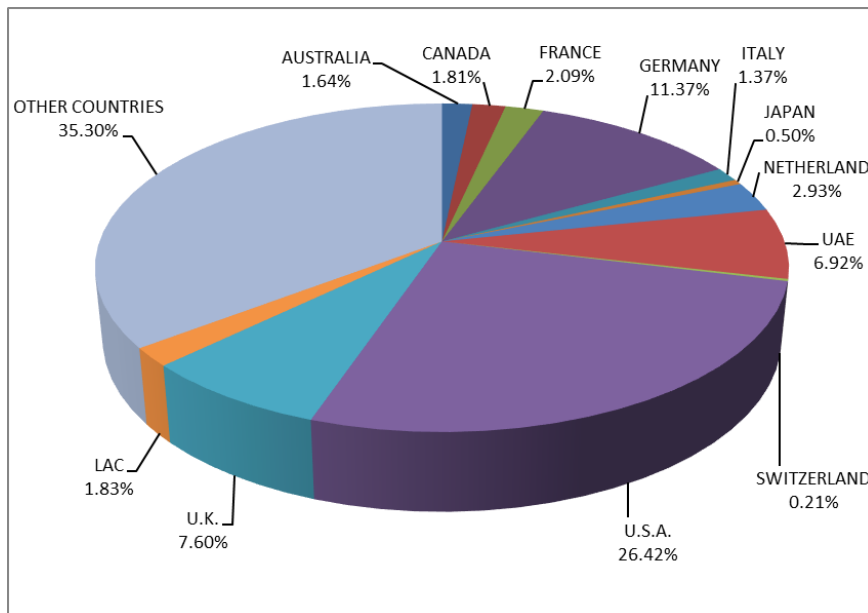
USA was the highest in importing of handicrafts among all the importing countries of the world, which was 34.90 percent share of the total export. Further, followed by UAE, UK, Germany, Netherland and France were having the percentage share of 6.91, 6.66, 6.06, 4.51 and 3.81 respectively in the import of handicrafts during the year. These five countries have more demand for the handicraft products produced by India, which was more than 64 percent of the total export during this year.

Export Markets for Woodenware



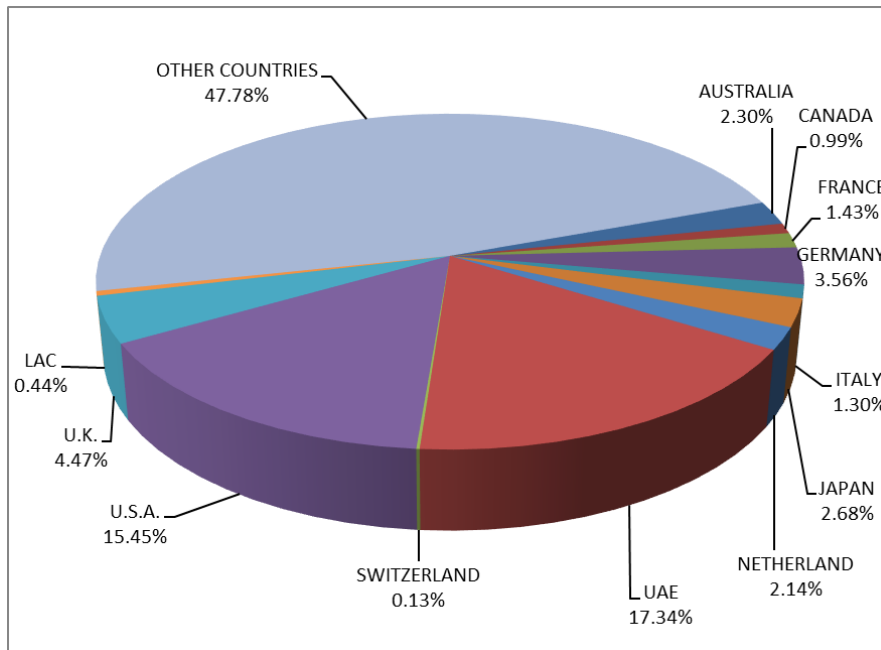
Some of the centers for these crafts are in Saharanpur, Nagina, Hoshiarpur, Srinagar, Amritsar, Jaipur, Jodhpur, Jagdalpur, Bangalore, Mysore, Chennapatna, Madras, Kerala & Berhampur (WB). The USA was the highest importer with Rs 2418.50 Crore which was 44.01% of the total export from India and the second country was Germany.

Export Markets for Metal Artware



India is the largest brass metal ware producer in the world. The major cluster of brassware is Moradabad, Murshidabad, Madurai, Salem, Cuttack, and Haryana. USA was the highest importer of metalware followed by the Germany. Which was 26.42% and 11.37 % respectively of the total export. People of these countries have a great fascination for the Indian metal ware.

Export Markets for Hand-printed Textile

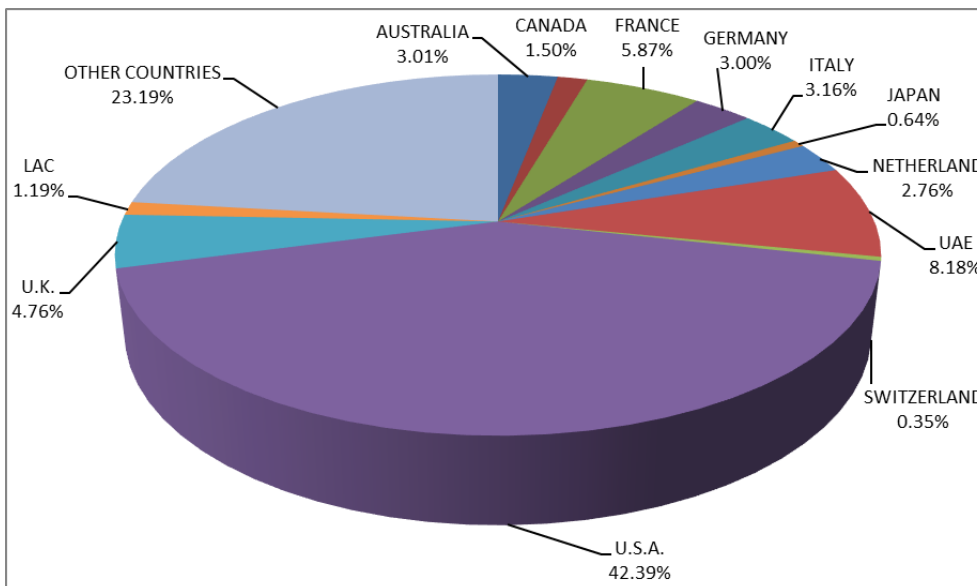


There are many popular bunches of embroidery such as Chikankari and zardozi of Lucknow, Katha of Bengal, phulkari of Punjab, Kutchi embroidery of Gujarat and Kashidakari of Kashmir.

Some of the important centers of the craft are in Hyderabad, Machalipattanam, Varanasi, Farrukabad, Bagh, Behrongarh, Mandar, Burhanpur, Ahmedabad, Rajkot, Kutch, Bagru, Chittroli, Sanganer, Indore, Jaipur, and Jodhpur.

USA is the importer of woodenware (44.01%) and UAE (17.34%) has emerged is the second largest export destination for Indian hand printed textile items.

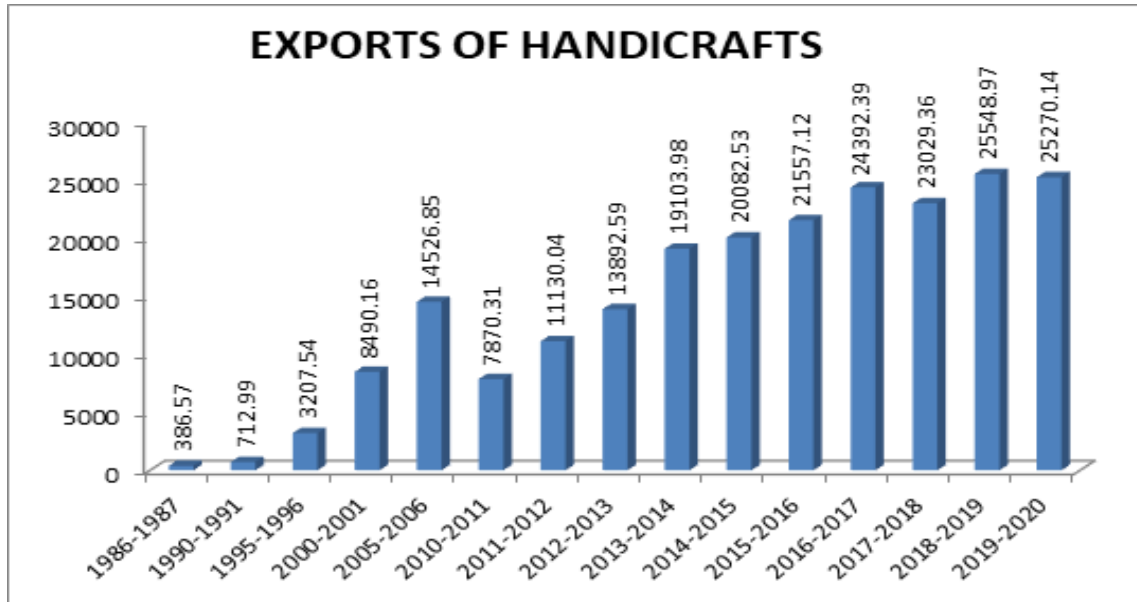
Export Markets for Embroidery and Crochet



Major export markets for Indian embroidery and crochet fabrics and apparels include USA, followed by Italy, France and Netherlands.

Amongst the Non-EU countries some of the other minor takers of Indian embroidered and crochet products include UAE, Australia, Canada and to some extent Japan.

Trend in Indian Handicraft exports (1986-2020)



Source: DGCIS, 2020

Handlooms and Handicrafts Sector craved for growth since quite a few years, which has now actually turned prolific. No doubt, India has an edge against its competitors like China, Philippines, Thailand, Taiwan and Korea who generally produce machine-made products. Indian handmade products have a niche market all over the world creating a distinct impact through exclusive designs, workmanship, finesse, colors and raw material.

“India is failing to raise its share in the global market, beyond 2% for a long time. confronting challenges due to increased competition from machine-made products of China.”

However, despite these promising trends, India is failing to raise its share in the global market, which has remained at around 2% for a long time. Globalization has involved changes in economic structure, relative prices, consumption possibilities and pattern, which in turn affects the growth of the sector. The handicraft industry is confronting challenges due to the intervention of new technology and also increased competition from different countries and especially, from machine-made products. Indian products are now facing challenges of price competitiveness from other countries like China which have mixed craft with the latest technology.

India is still to introduce such innovative technologies in the handicraft sector. Appreciating the fact that the world handicraft market would be worth \$ 1091.2 billion by 2024, expanding at 11%, annually compounded, during 2019-2024; it is worth exploring the status of India versus other global players especially China in each of the 167 HS codes carrying huge production strength for India.

2.2 COVID19: THE CHINA FACTOR: WHAT IT MEANS FOR INDIAN HANDICRAFTS?

Covid wave which was initiated in Wuhan province in China has resulted into an expected impact on trade figures of the country. The figures indicate weakening in the strength of the world's second biggest economy. Chinese exports went down by USD 71,342 million to USD 281.4 billion in January-February 2020 relative to the preceding year according to the IHS Markit Global Trade Atlas database. It represents a fall of 20.2% in comparison to 2019.

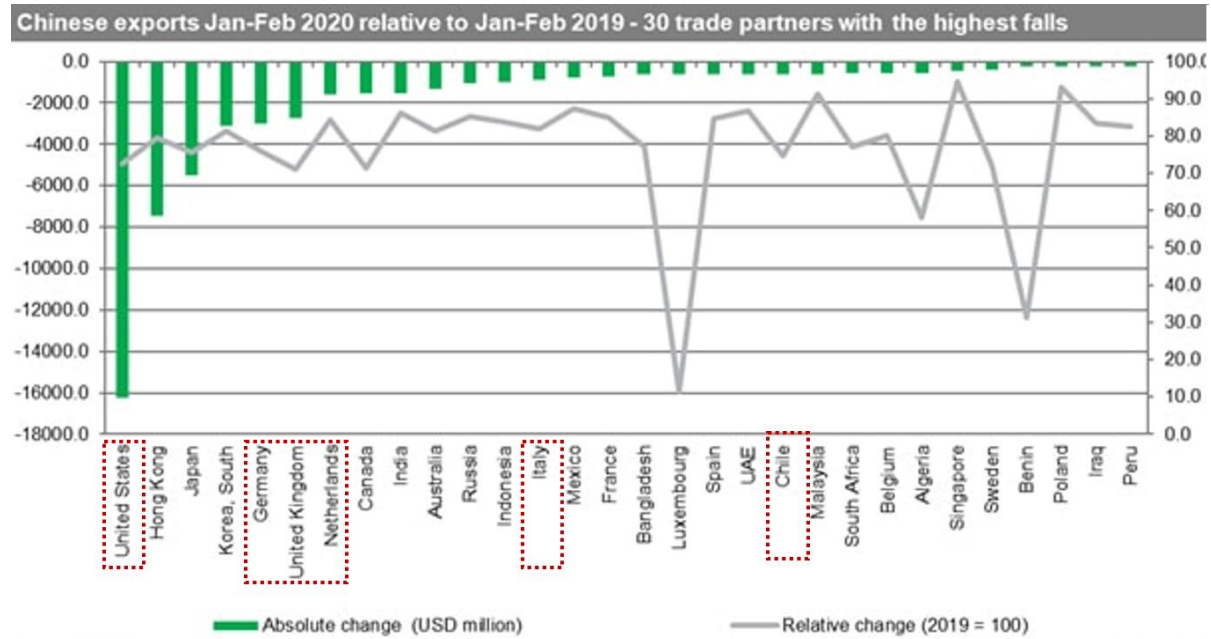
The worst affected trade partners were the US (USD -16,235 million), Hong Kong (USD -7,477 million), Japan (USD- 5,500 million), South Korea (USD -3,096 million) and Germany (USD -3,031 million) Out of the main trade partners (with exports value exceeding USD 100 million) the relative drop in exports was the largest for Benin (-68.7%), Algeria (-41.9%), Syria (-39.6%), Macau (-38.1%), Mozambique (-31.1%) and the United Kingdom (-29.0%).

The Chinese exports contracted by more than 25% for Canada, Kenya, Sweden, the United States, Senegal, Mongolia, Switzerland, Laos, Chile, and Qatar.

The largest contraction in Chinese exports relative to 2019 in handicraft sector was observed in furniture, apparel, footwear and toys.

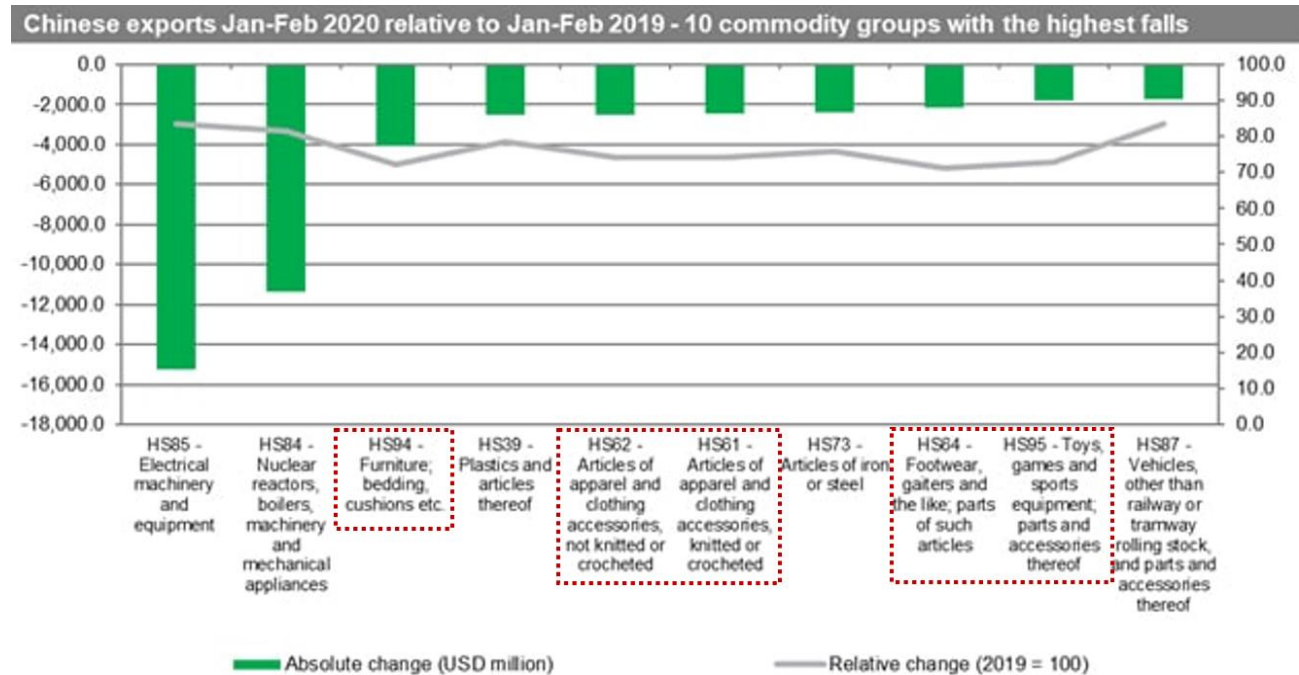
The impact of COVID-19 on Chinese exports was highly asymmetric across industries and commodity groups. The largest contraction relative to 2019 in handicraft sector was observed in furniture and accessories (HS94; USD - 4.053 billion); articles of apparel and accessories (HS61 & 62); footwear (HS64) and toys (HS 95). The shock was widespread affecting both traditional as well as high-tech industries and propagated globally due to existing commercial, logistics and production relations affecting the global value chains.

Covid19 impact on Chinese exports: Country-wise details



Export Markets of China coinciding with that of India and hence decline of Chinese exports in these markets is expected to result in trade diversion in favor of Indian handicrafts.

Covid19 impact on Chinese exports: Product-wise details

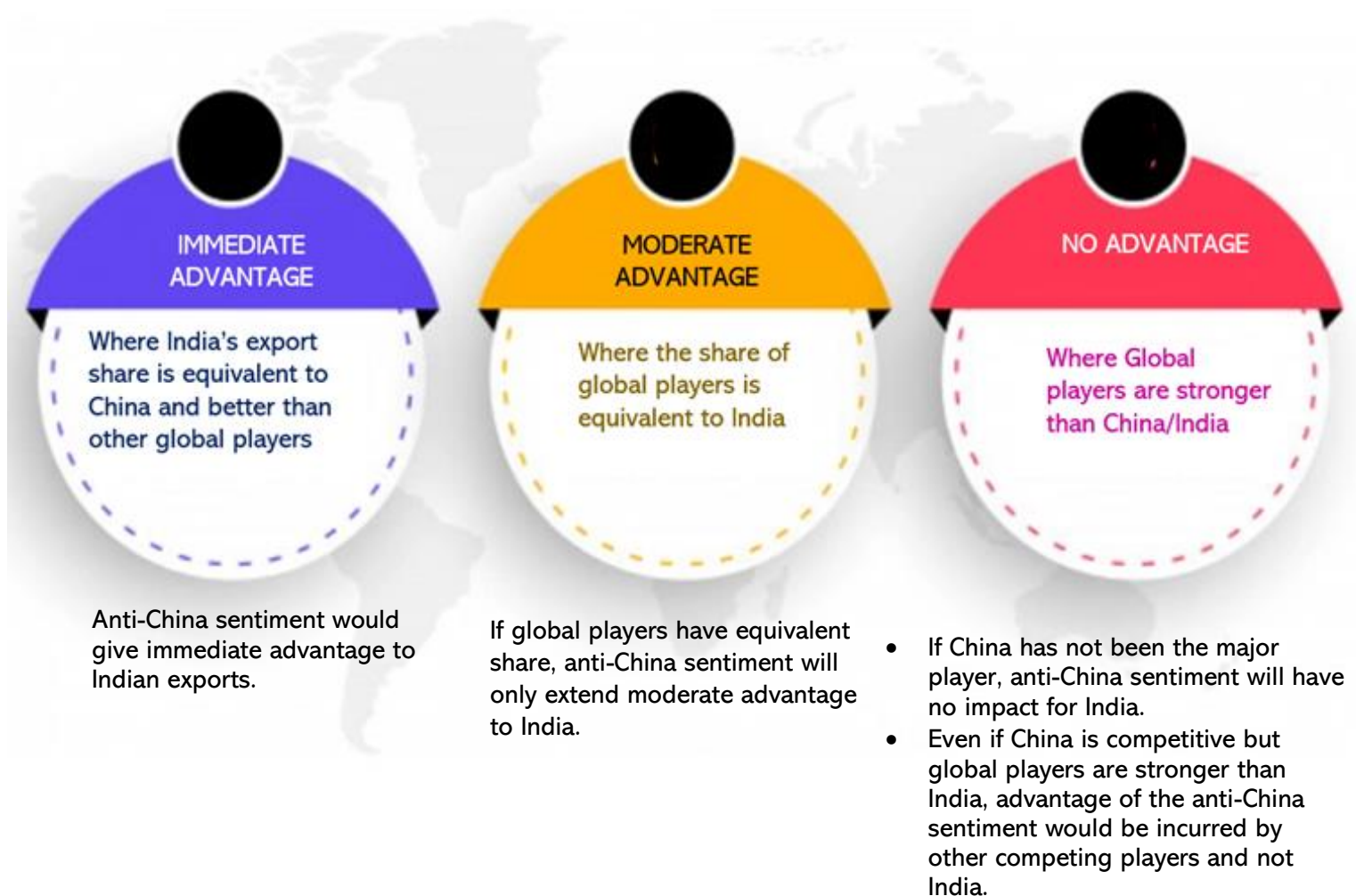


Products where China has lost its global market share in exports- post Covid19: advantage India.

WILL ANTI- CHINA SENTIMENTS GIVE ANY TRADE ADVANTAGE TO INDIAN HANDICRAFTS?

As analyzed, China have been losing its market share in countries like USA, EU, Latin America, GCC etc. which have been traditional export markets for Indian handicraft exports. Also, the products where it has lost market in handicraft category includes furniture, textiles and apparel and its accessories, iron and steel articles (wrought iron handicraft products), footwear, toys and games. Most of these product categories seem to be having great export potential across various handicraft clusters of India.

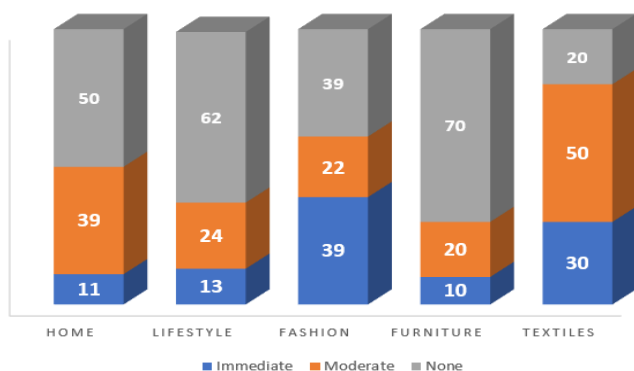
The section below therefore analyses the impact of all 167 HS codes of export interest to EPCH and compares India's export share with that of China versus other global exporters. The HS codes are then divided into three categories:



Based on the logic stated in the table above, all 167 HS codes of export interest to EPCH have been analyzed to estimate the impact of fall of China due to Covid impact as against the opportunity it might offer to Indian handicraft exports.

As seen in the table below, immediate advantage goes to products in fashion (39%) and textiles (30%) categories, while moderate opportunity goes to handicraft products in home. (39%). Lifestyle and furniture category products are expected to have minimum opportunity.

TRADE OPPORTUNITY FOR INDIAN HANDICRAFTS: IMPACT ANALYSIS



Category	Total No of HS codes	% age of Tariff lines		
		Immediate	Moderate	None
Home	18	11	39	50
Lifestyle	45	13	24	62
Fashion	23	39	22	39
Furniture	10	10	20	70
Textiles	10	30	50	20

Source: Author's estimation as per ITC, 2021

Annexure II details out the analysis depicted in the table below. Many products including aggarbatti, table, kitchen and household articles captured a decent market share in the world just next to China and hence the fall of China is expected to shift the focus of global sourcing towards India. Similarly in category of lifestyle products where Indian exporters should focus includes extracted oleoresins, wallets, purses, key-pouches, cigarette-cases, tobacco-pouches, handmade paper and worked vegetable or mineral carving material.

China's fall: India's Advantage? HS code wise analysis (Annexure III)

Category	Immediate	Moderate	None
Home	330741, 741810	442191, 700992, 701349, 741999, 830630, 960310, 960899	691110, 691190, 691200, 701328, 701333, 701337, 701341, 970400, 970500
Lifestyle	330190, 420231, 460199, 480210, 960200, 961400	340600, 420229, 441400, 441919, 460219, 482390, 702000, 761510, 830610, 830621, 940550	330749, 392310, 420239, 442010, 460129, 482370, 660200, 691310, 691390, 701391, 701890, 830629, 920290, 920590, 920600, 940510, 940530, 950300, 950510, 950590, 960622, 970110, 970190, 970200, 970300, 970400, 970500, 970600
Fashion	560500, 580900, 581010, 611710, 630790, 681599, 711311, 960190, 960200	580810, 581092, 701810, 711719, 711790	581100, 610431, 640320, 650400, 650500, 670100, 711711, 830890, 960110
Furniture	442090	940360, 940389	460211, 460212, 940330, 940350, 940390, 950300, 940382
Textiles	580430, 580500, 940490	581100, 630411, 630491, 630790, 640610	580410, 670290

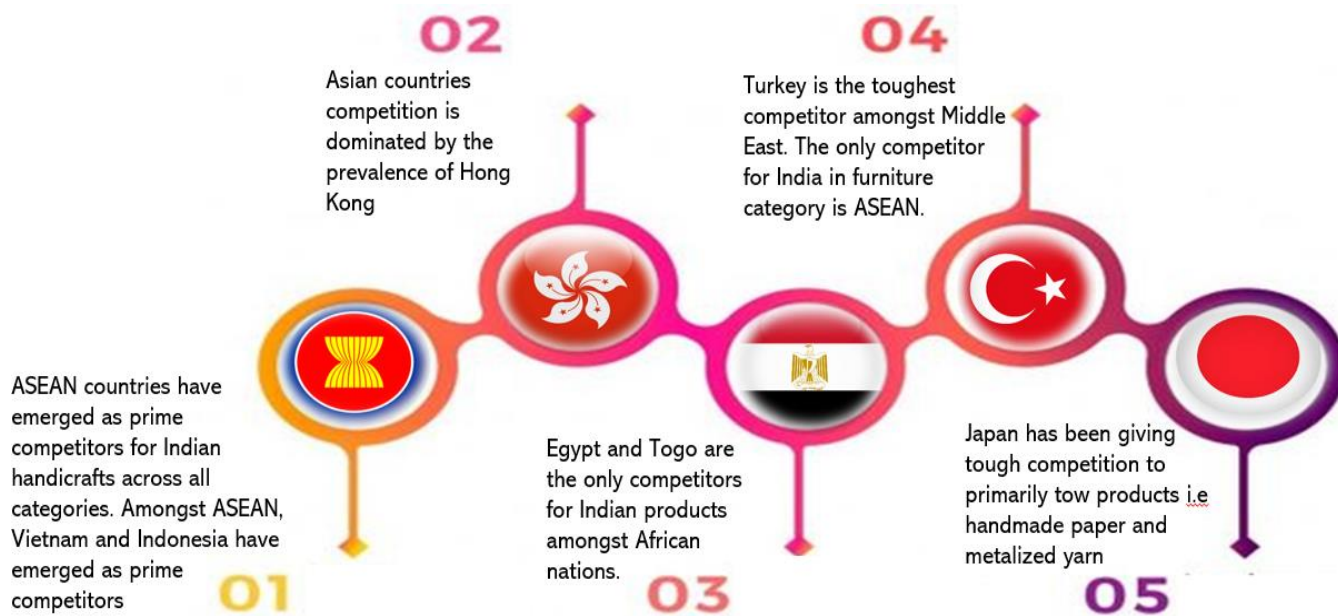
Source: Author's estimation as per ITC, 2021

Products amongst fashion category where Indian exporters have immediate advantage includes; metallized yarn, woven fabrics of metal thread, embroidery on a textile fabric ground without visible ground, articles of stone, articles of jewelry and worked bone and tortoiseshell. Indian doesn't have any major advantage in furniture products where the only product worth considering includes wood marquetry and inlaid wood; caskets and cases for jewelry or cutlery. Textile sector carries maximum advantage amongst all the handicraft categories where products carrying utmost opportunity includes handmade laces, tapestries handmade, mattress support and bedding material.

2.3 GLOBAL COMPETITION FACED BY INDIAN HANDICRAFTS: APART FROM CHINA

The reason for product having either moderate or no advantage of the fall of China was attributed to strong presence of global competing players. While European nations were predominant competitors across almost all the product categories; even emerging markets of ASEAN, Asian Pacific including Korea and Japan and South Asian countries including Srilanka and Pakistan were found to be better market players as compared to India in most of the products. Hence if Indian government or Indian exporters intend to make their presence in the said products, they would need to cater to strong competition arising from these countries apart from China.

Figure below summarized from the data in the table below highlights the status of global competition faced by Indian exporters across different handicraft categories. Annexure I details it our further.



GLOBAL COMPETITORS (APART FROM EU) IN CATEGORY: HOME

ASEAN/SA			Asia Pacific			UAE		Africa		
HS code	Product	Country	HS code	Product	Country	HS code	Product	HS code	Product	Country
330741	Aggarbatti	Vietnam	741999	Copper Articles	Korea	330741	Aggarbatti	701337	Drinking glasses (excluding ceramics/ lead)	Turkey
442191	Bamboo	Indonesia	830630	Metal frames	HongKong	691110	Table and Kitchenware, of porcelain	701333	Drinking glasses of lead crystal (excluding stemware)	Egypt
691200	Ceramics kitchenware	Thailand	960899	Parts of pen	Japan	691190	Household articles, of porcelain	701349	Glassware for kitchen purposes	Turkey
700992	Glass mirror	Vietnam								
960310	Brooms and brushes	Srilanka, Indonesia								

GLOBAL COMPETITORS (APART FROM EU) IN CATEGORY: TEXTILES

Africa and Middle East			ASEAN/Asia		
HS code	Product	Country	HS code	Product	Country
580500	Tapestries handmade	South Africa	670290	Others of all material	Hong Kong
580410	Tulls and nets other than textiles	Turkey	580410	Tulls and nets other than textiles	Chinese Taipei
580430	Handmade laces		580430	Handmade laces	Pakistan
630411	Bed spread knitted or crochet		640610	Emb uppers of textile material	Vietnam

GLOBAL COMPETITORS (APART FROM EU) IN CATEGORY: FURNITURE

ASEAN		
HS code	Product	Country
460211	Basketwork, wickerwork from bamboo	Vietnam
940330	Wooden furniture for offices (excluding seats)	
940350	Wooden furniture for bedrooms	
460212	Basketwork, wickerwork from rattan	Indonesia, Vietnam
940382	Wooden of bamboo furniture used in bed	Indonesia

GLOBAL COMPETITORS (APART FROM EU) IN CATEGORY: LIFESTYLE

NAFTA/LAC			ASEAN			Asia		
HS code	Product	Country	HS code	Product	Country	HS code	Product	Country
330190	Extracted oleoresins	Brazil	340600	Candles		480210	Handmade paper	Japan
330749	Odoriferous preparations	Mexico, USA	460129	Mats/ screens of plant materials		660200	Walking sticks	Chinese Taipei
482370	Articles of paper pulp	Canada, USA	460219	Basketwork, wickerwork		950300	Dolls, toys	Hongkong
940510	Chandeliers	Mexico	702000	Articles of glass	Vietnam	960622	Buttons of base metal	
950590	Festival articles	USA	420229	Handbags	Vietnam, Cambodia			
960200	Worked vegetable carving material		420239	Wallets, purses, key-cases, cigarette-cases	Vietnam, Singapore			
961400	Smoking pipes,		441400	Wooden frames for paintings	Indonesia			
970110	Paintings,		442010	Statuettes of wood				
970190	Collages		920290	String musical instruments	Thailand			
970200	Original engravings		761510	Household articles	Cambodia, Philippines			
970300	Original sculptures		940530	Electric lighting Christmas trees				
970500	Collections							
970600	Antiques of > 100 years old							
392310	Boxes, cases, crates for packaging							
920290	String musical instruments							
920600	Percussion musical instruments							
940550	Non-electrical lamps							

GLOBAL COMPETITORS (APART FROM EU) IN CATEGORY: FASHION

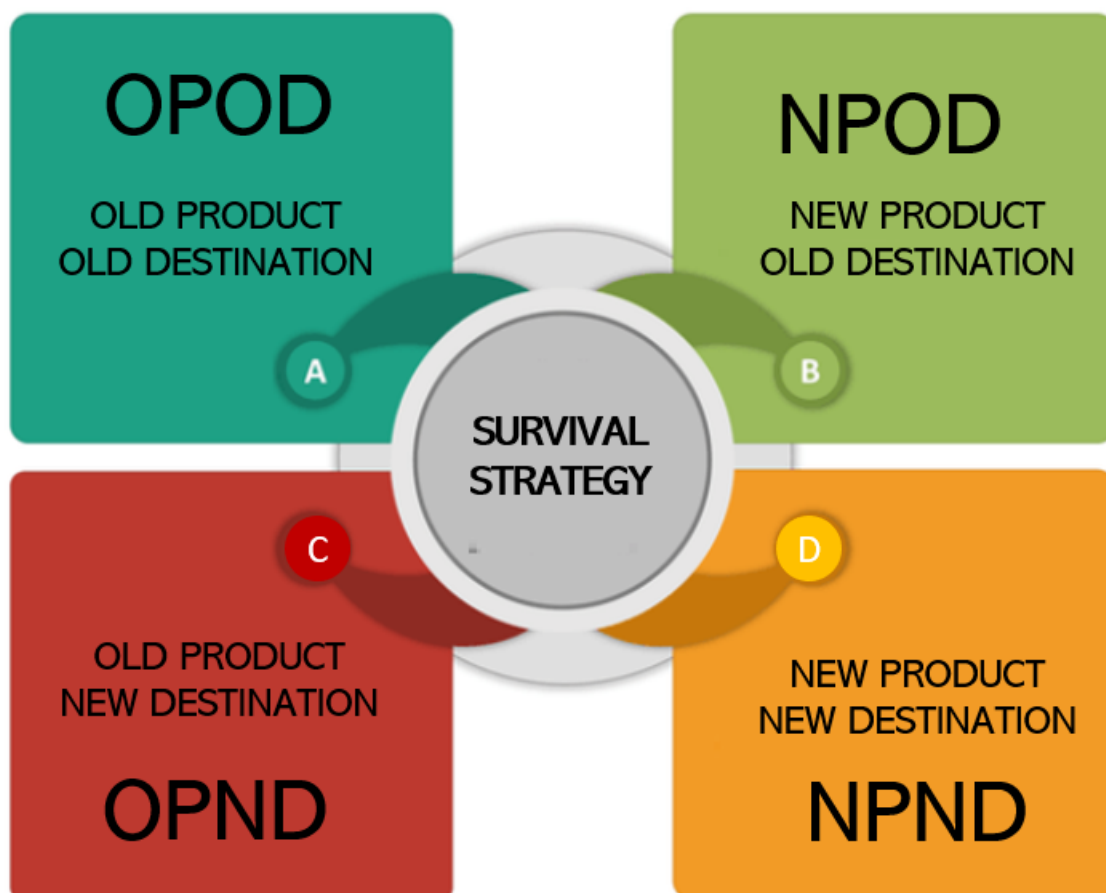
ASEAN			Asian			ME		
HS code	Product	Country	HS code	Product	Country	HS code	Product	Country
630790	Made-up articles of textile materials,	Vietnam	560500	Metallised yarn,	Japan	581092	Embroidery of man-made fibres on a textile fabric base.	Turkey
650500	Hats and other headgear, knitted or crocheted,		580810	Braids in the piece	Chinese Taipei	611710	Shawls, scarves, mufflers,	
670100	Skins and other parts of birds		581010	Embroidery on a textile fabric ground without visible ground,	Hong Kong			
581010	Embroidery on a textile fabric	581092	Embroidery of man-made fibres					
711311	Articles of jewellery of silver,	610431	Women's or girls' jackets and blazers of wool					
711711	Cuff links and studs, of base metal,	Thailand	711719	Imitation jewellery, of base metal,				
640320	Footwear with outer soles of leather,	Cambodia	711790	Imitation jewellery				
711719	Imitation jewellery, of base metal,	Singapore	830890	Clasps, frames with clasps without locks,				

CHAPTER III

SURVIVAL STRATEGY FOR INDIAN HANDICRAFTS

3.1 POLICY DILEMMA AND OPTIONS

In light of the fact that Indian handicrafts have been facing stiff competition from across the world both from developing as well as least developed markets apart from China; as indicated in the section above; formulating a survival strategy to compete against these global players becomes inevitable. This becomes more important considering an overall shrinkage of demand globally. In such a scenario, Indian handicraft exporters and policy makers could possibly work on following four options:





This box would include those handicraft products in which India has traditional export strength and brand presence in global markets exported primarily to traditional export destinations including EU and USA.

When survival in OPOD becomes difficult due to reduced demands in covid hit old destinations, exporters & policymakers can look into following possibilities:



Exploring possibilities of design innovation and shifting from HS code to National Tariff lines customized as per the consumer behavior of traditional old destinations.



When inventory sizes are huge and possibilities of new product creations are limited, shifting from exporting to old destinations to newer emerging markets using MEIS scheme and Regional Trade Agreements becomes advisable.



When competition at three levels as indicated below becomes very high in OPOD, entering into differentiated products in newer emerging markets where acceptance of Indian products is better than in old destinations; becomes essential for survival.

POLICY DILEMMA

- Should India focus on sustaining market share in traditional products in old traditional destinations? [OPOD]
- In which handicraft sectors do we need to make changes in the traditional products? [NPOD]
- In which of the handicraft products shift in export market is desirable [OPND]
- In which products do we need to focus on both design innovation as well as exploring new markets? [NPND]

The above stated policy dilemma of categorizing various handicraft products across five major categories of fashion, furniture, lifestyle, textiles and home in the most appropriate box have been done based on their trade performances at two different levels (i) status and growth in world imports and (ii) status and growth in India's exports. The rationale towards categorization was as follows:

Case	World imports		India's exports		Inference	APPROPRIATE BOX
	Growth 2014-20	Absolute value 2020	Growth 2014-20	Absolute value 2020		
A	High	High	High	High	Indian exports in sync with world imports both in absolute volume as well as growth in past 5 years.	OPOD
B	High	High	High	Low	India's absolute value low in high growing sectors both for India and the world.	
C	High	High	Low	High	India is high on volumes in products which are high on import demand across globe. However, those high-volume products are not able to catch up on their export growth.	NPOD
D	Low	High	High/Low		Absolute value of world demand is high, but growth is not picking up.	OPND or NPOD
E	High	High	Low	Low	Indian exports both in terms of absolute value and growth not in sync with growing demand in world.	NPND

3.2 POLICY OPTION I: STRATEGIZING OPOD BOX



SHOULD INDIA FOCUS ON SUSTAINING MARKET SHARE IN TRADITIONAL PRODUCTS IN OLD TRADITIONAL DESTINATIONS?

CASE A

World imports		India's exports		Inference	Policy Suggestion
Growth 2014-20	Absolute value 2020	Growth 2014-20	Absolute value 2020		
High	High	High	High	Indian exports in sync with world imports both in absolute volume as well as growth in past 5 years.	Traditional export destination for India should be maintained. All efforts to sustain the market share in traditional destinations should be made.

Considering the fact that both world imports and India's export in terms of absolute value as well as growth in last 5 years have been on rise indicates that such handicraft products have been doing excellently well. The products falling in this category are assured of their acceptance in the prime importing destinations responsible of pulling the world import demand. Hence it makes sense for policy focus towards strengthening India's performance in these traditional credible export earners as product as well as the export markets falling in OPOD.

Towards the process of strengthening the export performance of traditional export products from India in the most traditional export destinations; competition at three levels have to be catered to:



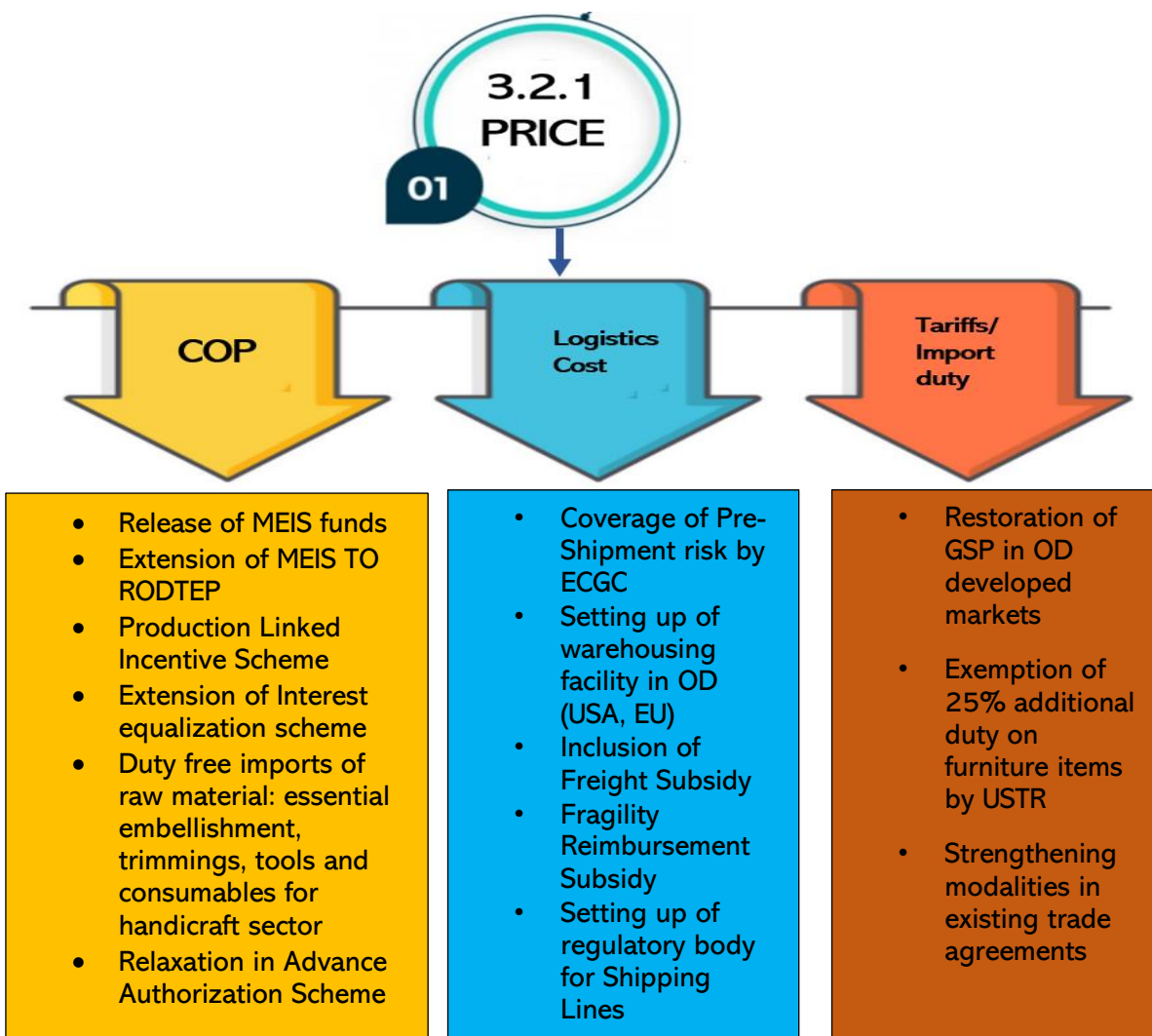
STRATEGY TO SURVIVE IN OPOD: 3 PILLARS

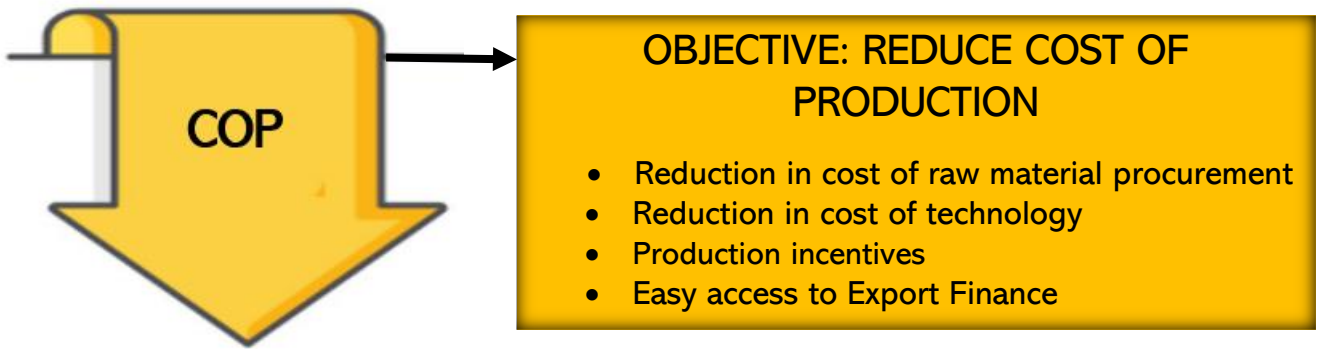


To combat competition faced against L2 (for instance China in Aggarbatti and Vietnam in furniture) and L3 players (for instance local players of leather products in Italy while targeting Indian leather exports to Italy); three phased strategy has been proposed (i) enhance Price competitiveness (ii) reduce export rejections and enhance credibility through adhering to quality compliance and (iii) promote product differentiation through innovation.

3.2.1 POLICY INTERVENTIONS TO ENHANCE PRICE COMPETITIVENESS

Price competitiveness which is the most important pillar to survive against global competitors; is primarily the component of cost at three levels: ex-factory cost which involves the actual COP (cost of production which in turn is the aggregation of cost of raw material, labor, technology, finance); Logistics cost i.e transportation cost both in domestic boundary and international shipping freight and transit losses and finally import duties to be paid towards custom clearance in the importing country. Suitable policy measures towards all three components of pricing are listed as below:





Reduction in cost of raw material and technology procurement

- **Restoration of provision of Duty free Import of essential embellishment, trimmings and tools for handicrafts sector**

In the recently announced budget 2021-22, the provision of duty free import of specified tools, trimmings and embellishments under Sl. No. 229 of Custom Notification No. 50/2017-Customs dated 30.06.2017 for handicrafts sector has been withdrawn w.e.f. 31st March 2021. The provision has helped handicrafts exporters, enhance the quality and look of their final products as per the tastes and preferences in vogue in the international market. New and novelty items have been produced by the handicrafts exporters on a regular basis and exported to various countries all across the globe. Hence it makes sense to restore the benefit of duty free import of specified embellishments, trimmings and tools to the handicrafts sector.

- **Relaxation in Advance Authorization Scheme**

The average export obligation as maintaining original Export Obligation (EO) of 6 times of duty saved amount is enough when export sector is reeling and bleeding. Block year fulfilment of 50% in first 4 years and 50% in next 2 years should be done away with and No block year fulfilment should be imposed to the handicrafts sector.

Production Linked Incentive Scheme for Handicrafts sector

The Government of India in November 2020 had recently announced the Production Linked Incentive Scheme to benefit textiles and some other sector (13 sectors). The cottage sector including handicrafts is labour intensive sectors. The Production Linked Incentive Scheme (PLI) may be extended to Handicrafts on incremental exports value for the exporters with turnover of Rs. 10.00 cr and above. This will help the exporters to increase their exports and will boost overall growth of the sector.

Easy access to Export Finance

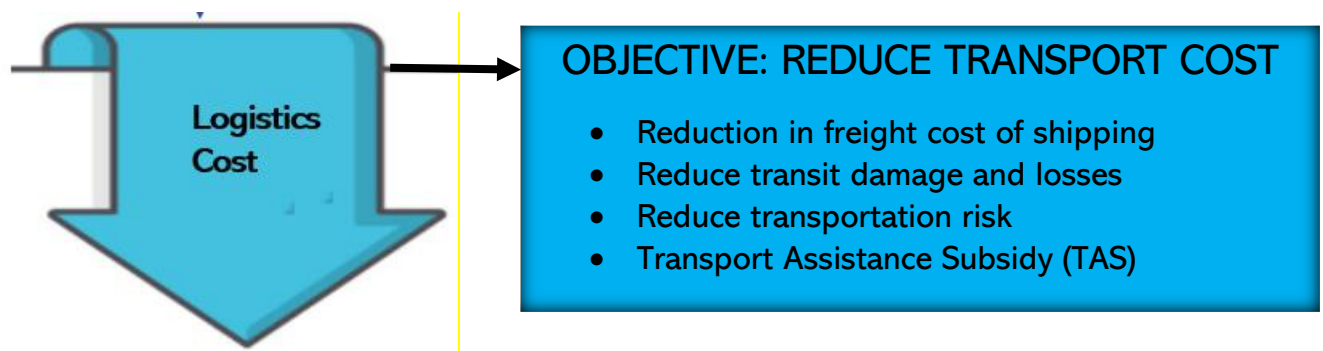
- **Extension of Interest equalization scheme**

In order to provide relief to the handicrafts exporters and help them withstand the challenges posed by the current pandemic driven crisis, Interest Equalization Scheme on Pre and Post Shipment Rupee Export Credit should be extended beyond 30th September 2021 in the new FTP.

- **Interest waiver U/S 234B and 234C of I-Tax Act on delay in deposit of advance tax on MEIS / RODTEP for the AY 2021-22**

As per Section 28(iii) (a) of The Income Tax Act, MEIS is liable to tax as business income hence, in terms of accounting principles, liable for tax on accrual basis. So, the exporters are liable to pay Advance tax on income from MEIS. Due to non-receipt/uncertainty of the export incentives (MEIS and RODTEP) for whole of the year, exporters are not in a position to ascertain amount of tax to be deposited as advance tax or self-assessment tax.

In view of the above, It is requested that you may kindly issue necessary instructions to waive the interest U/S 234B and 234C of Income Tax Act on advance tax and self-assessment tax for AY 2021-22 on the amount of MEIS / RODTEP outstanding in the balance sheet as at 31.03.2021 till one month from the date of starting disbursement of MEIS / RODTEP.



Reduction in freight cost of shipping

- **High Container Charges levied by Shipping Lines**

The certain shipping lines are seeking charges from the exporters for providing the containers instead of the ICDs / CONCOR who used to do the same earlier and raise the bill to the exporters. This new modus operandi adopted by the shipping lines is leading to the high charges i.e Rs. 10-15 thousand more being charged from exporters in these critical pandemic times. Further, since the invoice are being raised by shipping lines to the exporter directly and not by Container Corporation of India (CCI), is leading to the documentary problem of claiming freight subsidy in case of exporters from Uttar Pradesh.

This is an additional cost which the exporter has to bear thereby increasing the transaction cost for them. The problem of high charges is critical at various craft clusters and in case the problem is not addressed at the earliest, the momentum which sector is beginning to attain would be lost resulting in even cancellation of orders.

- **Setting-up regulatory body for Shipping lines and freight forwarders**

The ongoing pandemic has disrupted the Exim logistics across the globe due to which the exporters are facing shortage of containers and are frequently subjected to additional charges such as repositioning charge imposed by shipping lines and freight forwarders. This is an additional cost which the exporter has to bear hence increasing the transaction cost for them. Under the new FTP, the Government may consider establishment of a Regulatory Authority through enactment of the Parliament to control and monitor the pricing, terms & conditions and other provisions relating to the shipment of goods.

- **Freight Subsidy**

Freight is an important expense adding to the cost of the exporter. The freight charges of small handicraft items like metalware shipped in a 40 foot container having FOB value US\$30-US\$40,000 from Moradabad to Mumbai is Rs. 80,000 – Rs. 90,000 (rail +terminal handling); similarly in case of voluminous items like furniture the 40 foot container having FOB value of US\$15-US\$20,000 the freight charges from Jodhpur to Mumbai is around Rs.40,000 (Rail + terminal handling charges).

Keeping in view the above, proposed freight subsidy is as under:-

- 20 feet container – 50% of the freight charges maximum upto Rs. 20,000/- per container
- 40 feet container – 50% of the freight charges maximum upto Rs. 40,000/- per container
- 50% of the freight charges on actual exports in year upto Rs. 1 crores may be provided to the exporter.

Reduce transportation risk

Coverage of Pre shipment risk by ECGC

ECGC may consider covering all risk from the day when the exporter receives orders, it will be a great enabler for all exporters to come to normalcy. The exporters may be charged extra premium for such service. The items which are either at the production stage, packaging stage or ready to be shipped may kindly be provided pre shipment cover so as to help the exporters in these difficult times.

Reduce transit damage and losses

Fragility Reimbursement Subsidy

As in many European Countries Fragility Reimbursement may also be made available to the Glassware Manufacturers as glassware is a fragile item as the possibility of breakage during its manufacturing, packaging and shipment is considerably high as compared to other sectors.

Setting up a warehousing facility at USA & LAC

Exploration of the possibility of setting up a warehousing facility at USA so that the opportunities in B2B E-Commerce segment can be captured by the member exporters. The goods are to be consolidated from various exporters and exported from India to be placed in a warehouse enabling the exporters to service the quantity ordered by their buyers in a Just-in-Time manner. The Warehouse facility in USA forms a critical component of the overall marketing strategy and can be a game changer in the greater interest of the Exporters. Funding for the same can be procured under MAI scheme of Ministry of Commerce.

Export Promotion Council of Handicrafts (EPCH) is envisaging to set up a warehouse in a select city in USA which would operate on the lines of a fulfilment centre used in e-commerce operations.

The proposed endeavour has been driven by growing traction of e-commerce in the retail segments particularly in lifestyle and discretionary segments across developed markets initially in USA. The global markets are shifting towards e-commerce entailing both B2B and B2C segments. The current pandemic, for all of its serious challenges, is only accelerating the digitization of B2B SMBs. Analogue businesses are now digitizing to keep up with higher online demand and cashing in on the promise of e-commerce as a great way to find new customers and suppliers and boost sales, which will only continue to grow in the post-COVID-19 era.

The U.S. is one of the top ten countries for cross-border shopping for Indian buyers. Automotive, baby supplies, toys, clothing, footwear, wearables and accessories, jewellery, watches, cosmetics, health products and digital entertainment and educational services are some of the leading categories for cross-border B2C e-Commerce. USA assumes a significant importance for India's handicrafts sector also as the country accounts for close to one-third of total India's handicraft exports (US\$ 1327 million/ Rs. 9855 Crores). The growing adoption of B2B e-commerce by institutional retail customers in USA calls for Indian handicraft exporters to adopt B2B e-commerce in the right earnest to increase their market share. Some of the challenges restricting growth of cross-border e-Commerce are high shipping costs, import duties and complexities in returns and exchanges.

Indian handicraft exporters, who are typically MSME organizations, require extensive product and market diversification to increase their revenues and global footprint. In light of the tough international competition, Indian handicraft exporters need to move from selling old products to existing trade partners, towards developing a range of contemporary products that target both existing trade partners as well as potentially new ones. Indian MSMEs will also need to support this with shifting from traditional styles of marketing to new ways of doing B2B business via e-commerce to ensure competitiveness. Some of the other benefits of B2B e-commerce include:

- **Payment First:** Cash flows are vital for any MSME to operate. Exports via e-commerce ensure timely payment of the goods exported. More sophisticated payment systems improve the efficiency of transfer of money.
- **Diversification and Mitigation of Risks:** E-commerce enabled exporter firms on an average export to 30 to 40 different economies, in comparison with 3-4 economies for traditional exporters. This ten-fold increase in the number of markets targeted by e-commerce MSMEs diffuses their business risk by decreasing dependence on any one specific market. Further, the margins would also increase due to elimination of middlemen.

In light of the above, EPCH intends to support its handicrafts exporters in this digital shift by enabling storage of their goods in a US based warehouse. Also the endeavour shall handhold them with order fulfilment and last mile delivery to the end buyers to be able to leverage the growing B2B e-commerce business opportunity. Setting up a warehouse and fulfilment centre in US will also help the exporters reach thousands of independent retail stores who are looking for door delivery for their small orders at competitive prices with shorter lead times.

A USA warehouse facility with a wide range of handicrafts product categories from Indian exporters also gives the international buyers a wider choice of products for their stores which traditionally they would not have access to and in turn increasing the volume of sales for each exporter. In short a warehouse with goods in US enables cross selling and cross buying which has a direct impact on sales volumes and increases revenue contribution from the existing buyers.

Special Provisions for B2B E-commerce (Bulk Shipments)

In order to encourage overseas warehousing for B2B e-commerce purposes, special provisions may be made in the foreign trade policy.

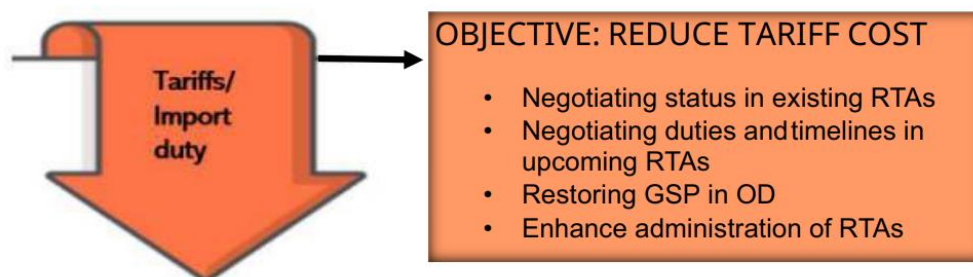
Partial settlement in BRC's (Bank Reconciliation Certificate), if payment received in part

Since the goods will be placed in a warehousing facility and will be sold as per the orders received from the buyers in USA or other countries which will lead to the payment being received in a staggered manner hence special concessions for such exporters with respect to partial settlement of BRCs may be made.

Export Subsidies & incentives

- **Release of funds of MEIS**
The DGFT has opened the window for filing claim for MEIS benefit for 2019-20, however, the claims for the period starting 1st April, 2020 till 31st December, 2020 are still pending.
- **Extension of benefits under MEIS scheme to the successor scheme, namely, Remission of Duties and Taxes on Exported Products (RoDTEP)**

Remission of Duties and Taxes on Exported Products (RoDTEP) is a new scheme launched by the government to replace the existing MEIS scheme for exports of goods from India. The Scheme will enclose all sectors (including textiles), with priority given to labor-intensive sectors which are enjoying benefits under MEIS Scheme at 5% or 7% of the Fob value of exports. The Department of Revenue has announced the RoDTEP scheme, however, the rates are yet to be announced.



Simplification in issuance of Certificate of Origin (CoO)

It is requested that the procedure to issue of Certificate of Origin (CoO) in case of export made under various trade agreement with countries like Japan, Chile, Korea, Sri Lanka etc may be simplified and mechanism may be developed as EU REX System.

Restoration of GSP by USA for handicrafts

India has also been one of the beneficiary developing countries to have been accorded benefit under GSP scheme. The removal of GSP benefit would impact the exports of handicrafts to USA as there are many handicrafts items at 8 digit HS level on which preferential duty access is granted to India pertaining to handicrafts sector with the withdrawal the exporter has to bear increased duty of 3% - 6% on these handicrafts items. The total export of handicrafts to USA during 2019-20 has been US\$ 1244.07 million. Further, the imports of the GSP listed handicrafts items by USA from India is US \$ 172.39 million during 2020-21. Keeping in view the change in Government in USA, it is proposed to pursue the restoration of GSP benefit for handicrafts items.

Separate Clearance to re-import unsold/rejected inventory into India

In case the goods which are not sold within the stipulated time period, or rejected are allowed to be re-imported into India through a separate clearance mechanism.

Digital integration

The digital integration of multiple interfaces such as Central Board of Indirect Taxes & Customs (CBIC), Department of Posts (DoP), Directorate General of Foreign Trade (DGFT) and Goods and Service Tax Network (GSTN) for facilitating e-commerce exports to be undertaken. This would help treat the e-commerce exports on par with non-e-commerce exports by enabling online grant of drawbacks, advance authorization, EPCG and GST refund etc.

3.2.2 POLICY INTERVENTIONS TO ENSURE QUALITY COMPLIANCE



Grant for Compliances Scheme

Factory compliances have been one of the major issues in today's international business environment. Certifications pertaining to wood (VRIKSH), REACH- Certification for chemicals, Radiation testing for metal crafts and other certifications like C-TPAT (customs-trade partnership against terrorism), ROHS and any other compliance/ testing required have become one of the key requirements for doing business with overseas buyers. The non-tariff barriers by the buying community in international market add to the cost of products being exported from major craft clusters of India. In order to help exporters cope with their testing requirements, it is important that a financial assistance scheme is provided by the Government, the scope of the scheme be widened to include all kinds of compliance testing sought by overseas buyers. All compliances / certification such as VRIKSH, REACH, Radiation Testing, C-TPAT etc. should be covered.

Centralized Digital Portal on import regulations across OD

With the lowering of tariffs across the globe, NTMs have come into prominence with Members using these measures to erect entry barriers for goods. It is therefore, not surprising that the developed countries with relatively lower tariffs are the more prolific users of NTMs / NTBs especially to keep out developing country exports.

Hence to strengthen the position of India's exports in traditional markets of developed countries (OD), it is quint essential to apprise Indian handicraft exporters on import regulations across old destinations for their variety of handicraft products.

CASE EXAMPLES

The Integrated Trade Intelligence Portal (I-TIP) provides a single entry point for information compiled by the WTO on trade policy measures. Containing information on over 25,000 measures, I-TIP covers both tariff and non-tariff measures affecting trade in goods as well as information on trade in services, trade in government procurement markets, regional trade agreements and the accession commitments of WTO members.



i-tip.wto.org/goods/default.aspx?language=en



I-TIP Goods: Integrated analysis and retrieval of notified non-tariff measures

I-TIP Goods provides comprehensive information on non-tariff measures (NTMs) applied by WTO members in merchandise trade. The information includes members' notifications of NTMs as well as information on "specific trade concerns" raised by members at WTO committee meetings. Its aim is to serve the needs of those seeking detailed information on trade policy measures as well as those looking for summary information. It includes links to the WTO's extensive tariff and trade databases, and to DocsOnLine system.

Choose one of the following options:



GRAPHS over TIME

- You can see and select stocks or flows of Non-Tariff Measures (NTMs), by type of measure.
- See individual measures by simply clicking on any bar in the graphs!
- This option does not allow the selection of country or product affected.



TABLES by PRODUCTS

- Look at the incidence of NTMs by HS sections and chapters, and by country imposing the measure.
- See individual measures by simply clicking on any number in the tables!
- This option does not allow a selection of products.



TABLES by MEMBERS

- Look at the incidence of NTMs by WTO member and geographical regions.
- See individual measures by simply clicking on any number in the tables!

Filtered information about NTM across countries on handicrafts can be prepared as handy guide on Compliance by EPCH member exporters.

TRAINS

The global database on Non-Tariff Measures

trains.unctad.org











Through 

Developed by WTO
Adapted for TRAINS data by UNCTAD

Home
TABLES by PRODUCTS
TABLES by MEASURE
TABLES by COUNTRIES
DETAILED QUERY
ANALYSIS

About

TRAINS: Non-Tariff Measures (NTMs) based on official regulations



Manual of Importing Country Requirements

In addition to setting an online portal on import regulations across old destinations, Australia's 2017 Foreign Policy White Paper recognised that non-tariff barriers have emerged as a prominent issue for many Australian exporters. By some estimates these barriers cost as much as three times more than tariffs and other formal trade barriers. The Australian Government has committed to working with industry to address non-tariff barriers including raising concerns with other countries. EPCH with MAI budget from Ministry of Commerce can create a similar online portal ONLY dedicated to rejections of Indian handicraft products across its old destinations.



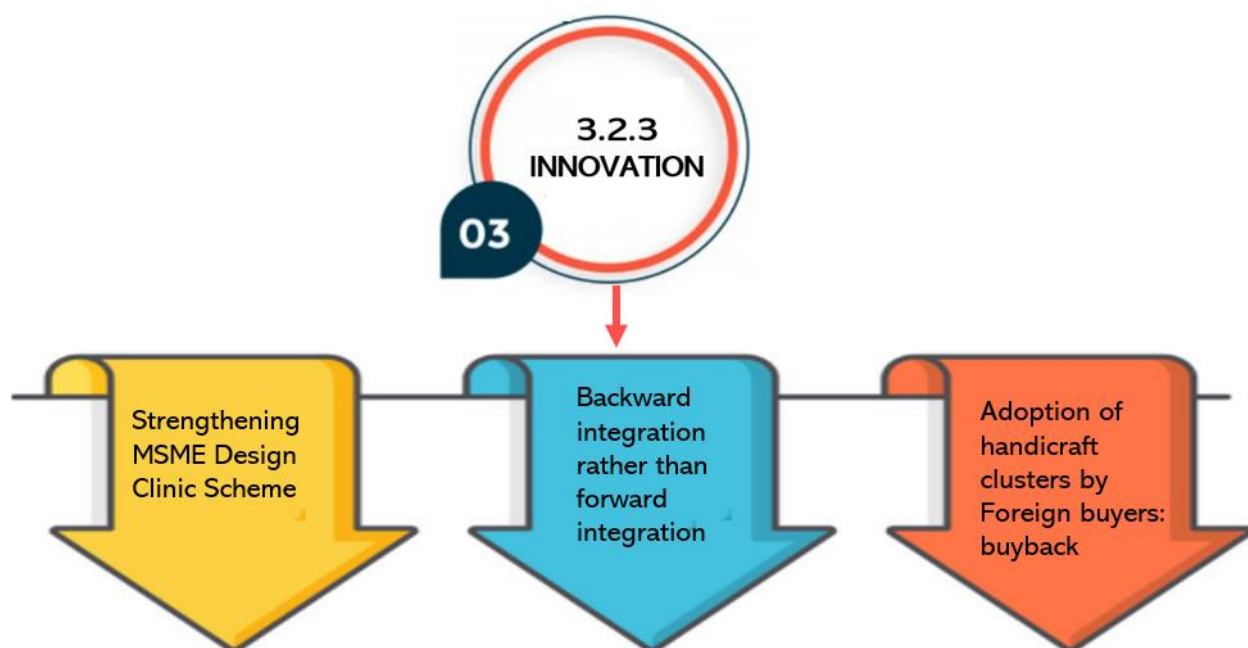
Non-tariff barriers can be any kind of 'red tape' or trade rules that unjustifiably restrict the flow of goods and services and are inconsistent with trade rules. The Government is taking action to remove these kinds of trade barriers for Australian businesses in overseas markets.

[REPORT A NON-TARIFF BARRIER](#)

Strengthening Pre Shipment Inspections for Handicrafts

Further in addition to establishing the digital online centralized portal and enhancing awareness of Indian handicraft exporters through webinars and training program and booklets, designated PSI agencies for handicraft QC should be established to minimize the export rejections and detentions and rapid alerts received by prominent old destinations on TBT front.

3.2.3 POLICY INTERVENTIONS TO PROMOTE INNOVATION



Consumer tastes and trends are constantly changing. In view of this, it is high time the Indian handicraft industry adjusted to changing designs, patterns, and product development. Expertise related to production techniques is also necessary to achieve a leadership position in the global market.

- Design has been given due attention and the National Centre for Design and Product Development (NCDPD) which is providing the services of expert designers, helping in the creation of skilled manpower; needs to be given more focus.
- Efforts by design institutes including National Institute of Design (NID), National Institute of Fashion Technology (NIFT), Design Innovation, Craft Resource Centre and ICCD needs to be strengthened.

CRAFT DESIGN INNOVATION IN TERRACOTTA CRAFT CLUSTER OF GUNDIYALI BY DICRC

The Design Innovation and Craft Resource Center (DICRC) is a research center for the development and understanding of Indian crafts, and traditional and vernacular interior architecture of India. The Center functions as an interface between creative persons, artisans and the industry; promoting collaborations and innovation in the field of crafts within interior architecture education as well as practice.



CRAFT
CLUSTER
(NIFT)

STRENGTHENING
SCHEMES
FACILITTING
INNOVATION

INTERNATIONAL
CENTRE FOR
INDIAN CRAFTS
(ICIC-NID)

NIFT with the active support from the Ministry of Textiles, Office of Development Commissioner (Handlooms) and Office of Development Commissioner (Handicrafts) has developed and implemented a new Craft Cluster Initiative Program which aims to provide the students with continuous exposure to the handloom and handicraft clusters, thus providing an opportunity for creative innovation and experimentation. The artisans and craftsmen involved in the initiative will benefit through knowledge dissemination and exposure to urban markets and design intervention, innovative designs and linkages with new markets.

International Centre for Indian Crafts (ICIC) is set up with the primary aim to effectively understand the needs, strengths and weaknesses of a particular crafts sector and apply NID's interdisciplinary design expertise and knowledge base for capacity building and skill up gradation of artisans with a Global - Local approach. The unique approach is to develop a national and international network for Crafts Design Research, Training and Knowledge Dissemination for providing collaborative and sustainable linkages to the Indian crafts sector.

EFFORTS MADE IN INDIA NEEDS TO FURTHER INVOLVE FOREIGN DESIGNERS



CAMBODIAN
BASKET WEAVING
CLUSTER
HANDHOLED BY
EUROPEAN
DESIGNERS



VIETNAM CERAMIC
CLUSTER
HANDHOLED BY
CHINESE
DESIGNERS

HA THAI TRADITIONAL LACQUER VILLAGE ARTWORK ON DISPLAY AT PARIS DESIGN WEEK IN FRANCE IN SEP 2020.



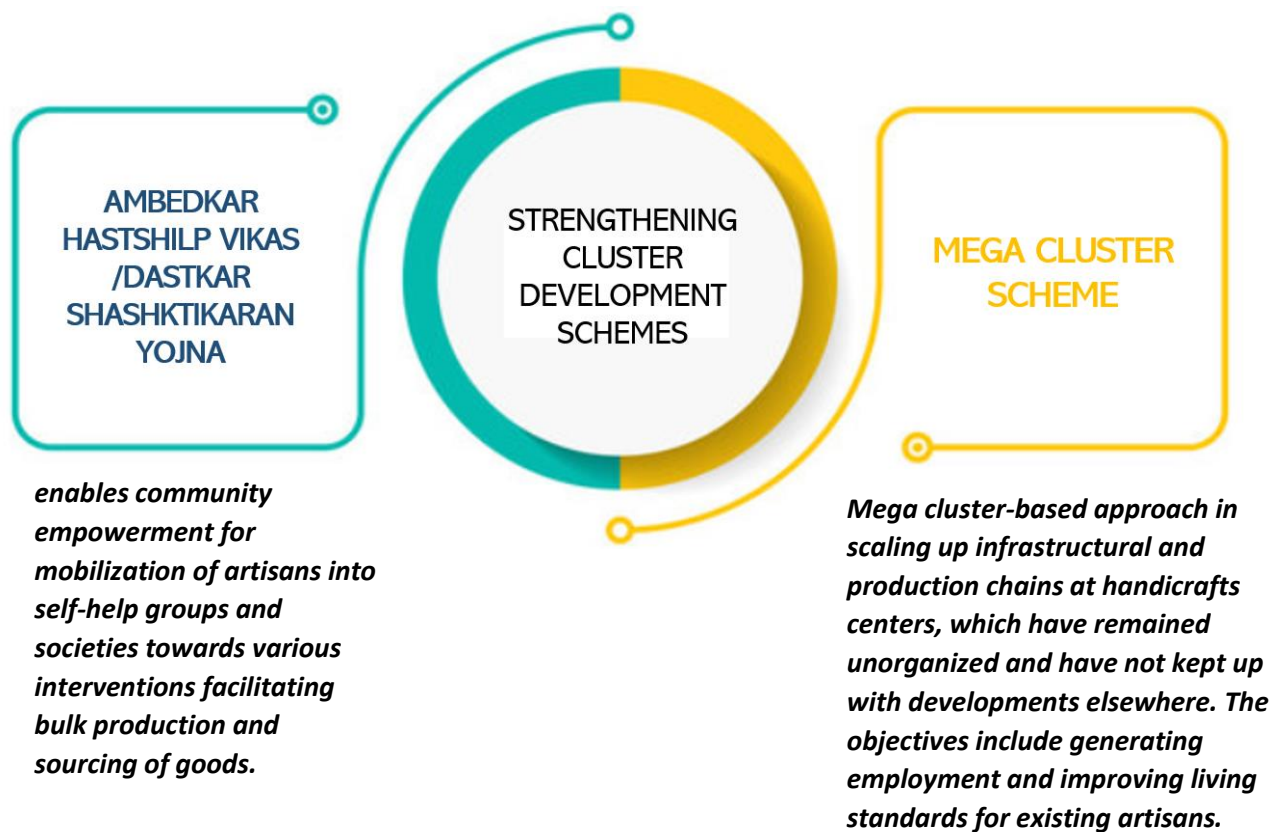
- The lacquer works of Ha Thai village by Hanoi and three young French designers are attracting the world's attention again at Paris Design Week, which took place from September 3-12, 2020.
- The successful works were created by Hanoi's artisans and talented designers Pierre Charié, Marie-Aurore and Guillaume Delvigne at Hanoi's workshop in Ha Thai Village and a rattan and bamboo workshop in Ninh So Village over just two weeks.
- The project has connected 43 designers from France, Thailand, Indonesia and Vietnam in 18 local craft workshops. It aims to preserve and develop traditional crafts in Southeast Asia through creating opportunities for young designers to meet and work with local artisans.

CASE B

World imports		India's exports		Inference	Policy Suggestion
Growth 2014-20	Absolute value 2020	Growth 2014-20	Absolute value 2020		
High	High	High	Low	India's absolute value low in high growing sectors both for India and the world.	India should focus on strengthening the supply side capacities of the cluster to cater to larger volumes.

Case B accumulates those handicraft products where India needs to gear up on its absolute value which is indicative of the fact that supply side capacity of these clusters dealing in these products needs to be strengthened.

FOCUS ON THESE SCHEMES NEED TO BE REINFORCED



Besides the two schemes focusing on cluster development as listed below; Government needs to have more focus on the following (i) Identification of suitable handicrafts concentration area (cluster) for development of exportable products (ii) Creation of Export Consortiums.

CASE STUDY OF HANDICRAFT CONSORTIUM MUYU PERU

The group of companies was established in 2005 as associative group of several microenterprises of the Peruvian high plateau. The handicraft products of ceramics, silver, leather and fabrics that Muyu Perú's members elaborated mirrored the wide artistic and cultural diversity of the region of Cuzco. With UNIDO's support the five consortium enterprises carried out jointly a long series of activities to improve their competitive position on an international level. At all times Muyu Perú wanted to operate in line with best practices of internationalization; therefore it formulated a medium-term business plan and recruited a director so as to guarantee a professional management of the consortium. The microenterprises pinpointed quality as main strategic factor for competing on international target markets (United States and European Union) and for choosing distribution channels (museums, art galleries, fair trade stores, boutiques). With this key factor in mind the members jointly elaborated several marketing tools, carried out different activities for the development and the promotion of the corporate image and participated jointly at different international fairs. At this point all members of Muyu Perú export. Exports delivered to the U.S. and the EU represent 40% of total consolidated sales. Also, the microenterprises in general have been able to increase their global sales by more than 100%.

3.3 POLICY OPTION II: STRATEGIZING NPOD BOX

Above two scenario gives an indication where traditional products can be pushed in traditional export destinations of India. However, when survival in OPOD becomes difficult despite policy attention, next best option for policy makers is to shift from OPOD to NPOD i.e policy focus on product differentiation, technology intervention and thereafter strengthening marketing and brand promotion efforts towards export promotion in old destinations.

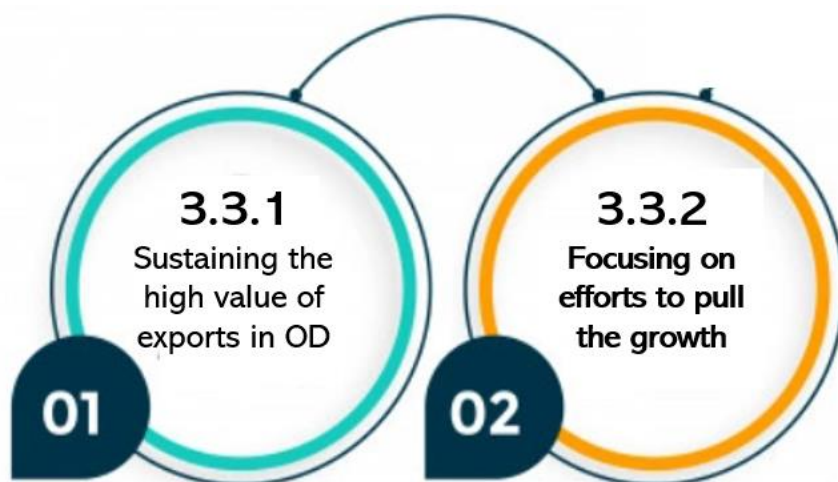
CASE C

World imports		India's exports		Inference	Policy Suggestion
Growth 2014-20	absolute value 2020	Growth 2014-20	absolute value 2020		
High	High	Low	High	India is high on volumes in products which are high on import demand across globe. However, those high-volume products are not able to catch up on their export growth.	Since our export volumes are good indicating acceptance of our exports in existing export markets hence market diversification is not required.

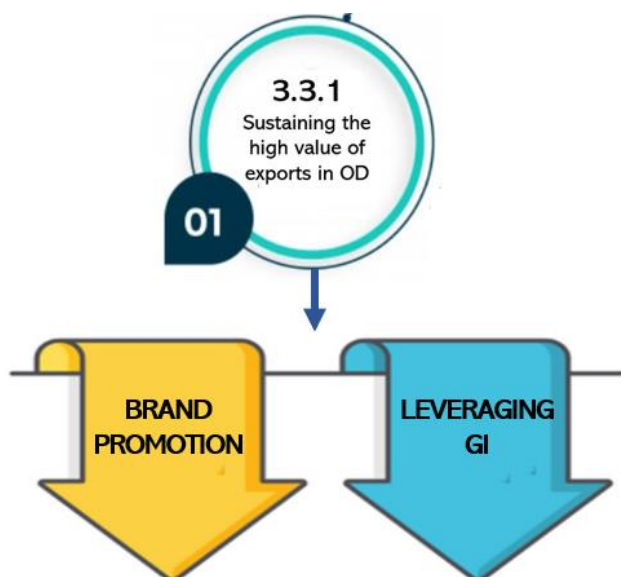
WHY NPOD?

Case C accumulates those HS codes where world imports have been on high and rising with high export value for India; however poor growth of Indian exports have been a concern. High value and growth in world imports also indicates that prime importing destinations in the world are promising which have been instrumental in pulling India's high value of exports. Hence old destinations can be maintained but will need to shift to new products to sustain the market share i.e NPOD.

STRATEGY TO SURVIVE IN NPOD: 2 PILLARS



3.3.1 SUSTAINING MARKET SHARE IN OLD TRADITIONAL EXPORT MARKETS



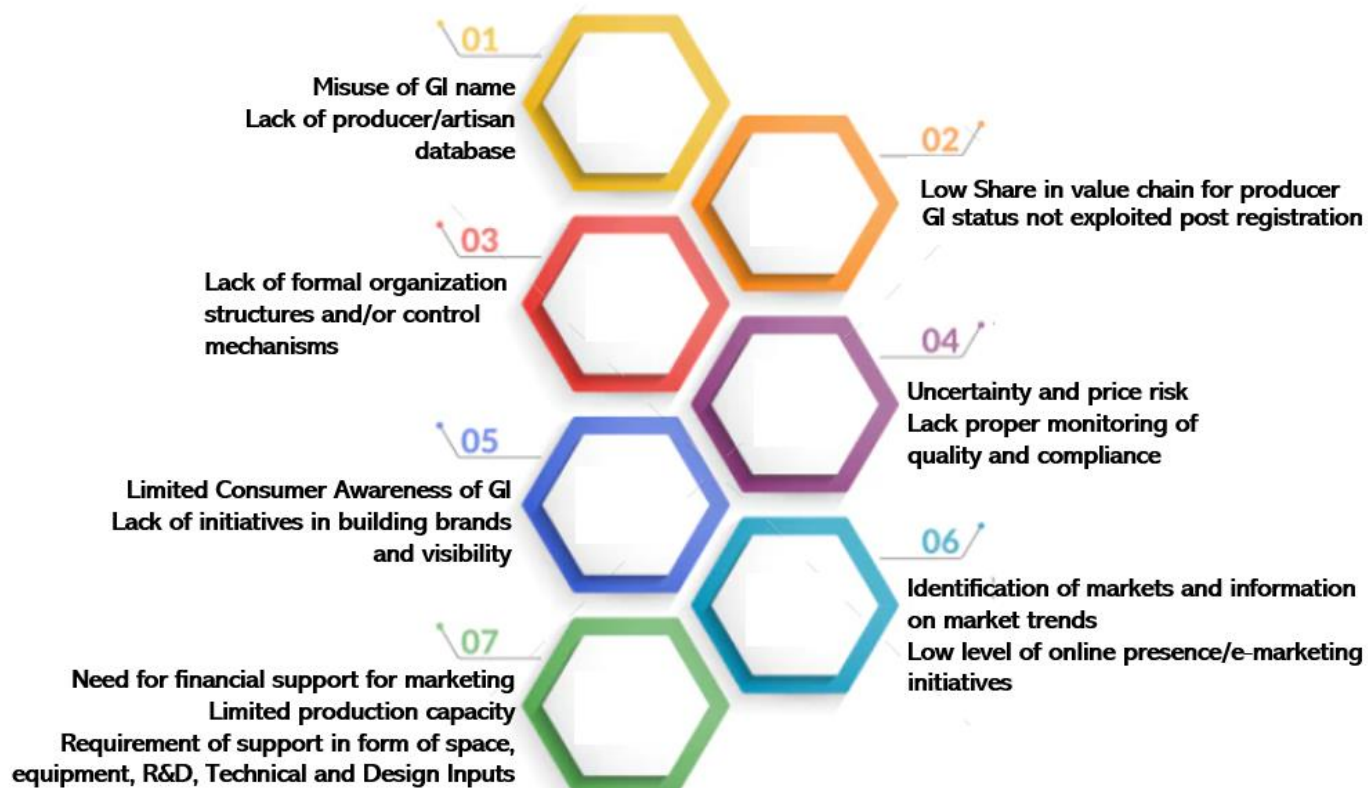
In order to sustain the market share of traditional Indian handicrafts manufactured across various clusters, policy focus should consider strong presence of L2 global competitors in similar categories as stated in the above section.

In case India wants to exploit anti-China sentiments in this box; GOI should extend huge brand promotion and enhance registered users of GI and file more GIs if possible, in the identified products.

STRATEGY TOWARDS PROMOTION OF GEOGRAPHICAL INDICATIONS

In order to pull our exports in old destinations; there is a need for substantial investments in advertising and marketing to develop a product's image and reputation as well as to establish quality control, monitoring, and enforcement mechanisms aimed at building consumer trust in the product's quality. Successful marketing of a product based on the link between its specific origin and its unique quality, characteristic, or reputation may allow GI producers to increase their access to new or existing markets, gain a competitive advantage, and make a profit from the product differentiation. The capturing of price premiums by producers is 'often one of the first aims of supporting a strategy for an origin-linked product'.

CHALLENGES TO BE ADDRESSED TOWARDS GI USAGE



Without some level of standardization, a uniform branding strategy cannot be implemented. However, on the other hand, absolute standardization and rigid controls on all aspects, besides being difficult to implement in a scenario of community ownership, can kill incentives to innovate. Therefore, a middle path needs to be followed which allows all authorized users of a particular GI product to leverage a common identity for all authorized users along with flexibility to differentiate within this common identity.

For a common identity to be developed and to have some meaning, it is imperative that certain key aspects related to the uniqueness and quality of the GI product ought to be standardized and strictly adhered to. The branding strategy which is recommended in such a scenario is to develop the GI brand as an endorser brand for the individual product brands developed by each of the authorized users. An endorser brand is one which provides credibility & substance to the main brand.

For this strategy to work, it is important that the GI brand be established as a credible and preferred brand for the concerned product category with unique and differentiated positioning, as has been done by Darjeeling Tea and Kota Doria. First, a clear target segment and the key value proposition of the GI brand needs to be defined. Next, the name and visual identity of the brand needs to be developed and systems need to be put in place to ensure that minimum specified standards are met by all products endorsed by this brand. The differentiated positioning of this GI brand, then needs to be communicated to customers and investments made in creating awareness for its visual identity and meaning.



1. Classification of GI products based on market potential and production capability
2. Setting up GI enabler cell for each GI- The GI enablers could be an association comprising representatives from producer groups, traders, government and NGOs or a government body like tea board / NGO if they are the registered proprietor
3. Faster registration of authorised users.
4. Creation of a common GI seal across all GI products
5. Product specific GI logos for selected GI products with moderate to high potential
6. Setting up of a Market Development Fund
7. Mass Awareness campaign for consumers explaining why they need to look for GI seal/logo
8. Creation of a website for each GI product category
9. Celebration of 7th August to focus on handicrafts as well as handlooms.
10. Gift Catalogue for MEA/PMO and others for visitors
11. Verification of GI for exhibition participation.
12. Sensitization on legal issues through government circulars, retailer workshops and leaflet distribution

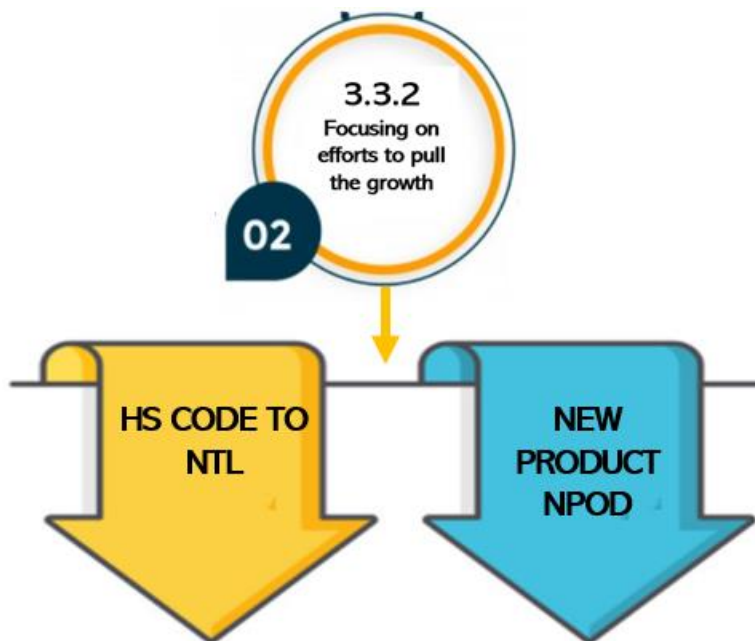


13. Quality Checks and Compliance- Self audit by producer groups + sample checks by designated quality team. Repeat offenders on quality standards should stand to lose their authorised user status.
14. Quality Enhancement through Technology and equipment upgrading, visit by agricultural scientists and packaging experts, tie ups with empanelled designers/ design institutes, etc.
15. Exposure to exhibitions and direct interaction with customers through haats, etc.
16. Technical inputs and innovation in packaging design.
17. Common Facilities Centres in each of the hubs for identified GI products
18. Mass media campaign for building awareness for specific GI Products with moderate to large market potential
19. Developing Brochures/catalogues for each GI (printed and/or digital)
20. Setting up of an Umbrella GI Portal which links to all individual GI portals
21. Creation of a Database and Tracking System
22. Promotional Activities for Building Awareness
23. Leveraging Public relations.
24. Promoting Direct Buyer seller interaction through initiatives like one big GI focused exhibition per year in every state, adequate participation of existing GI producers/ authorised users in key National Exhibitions, Haats/ craft bazaars for direct selling to consumers should be set up in key cities in each state by respective state governments.
25. Tie up with offline retail shops, designers and organic brands to launch special lines. Example, Khadi Gram Udyog, Dastkaar, Raw Mango, HortiCorp, VFPC, Milma Green etc
26. Leveraging E-commerce to enhance reach and reduce the layers of middlemen. The producers could sell directly through their own portals, developed and managed by the GI enablers with support from the government, non-profit organizations or development agencies. They could leverage State Emporia websites and tie up with other online retailers.
27. Enforcement
 - a. Raids need to be conducted so that offenders are caught and warned or notices served on them
 - b. Legal Cell- a legal cell needs to be set up at the nodal level, to take up issues of infringements

PHASE III

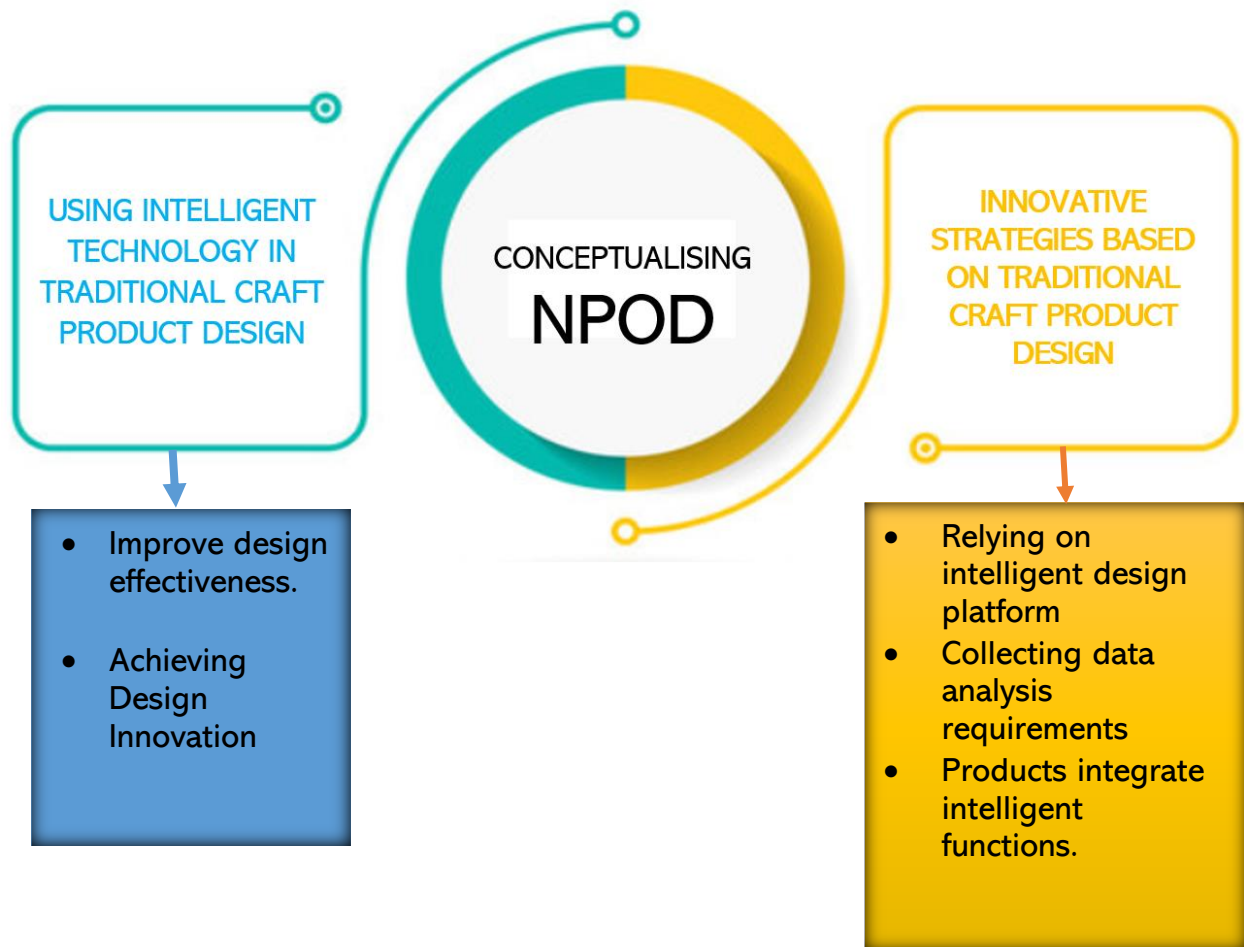
28. Shop- in- shop concepts for GI products called “Traditional Treasures of India”
29. Registration of GI brand name and logo in key international markets for products with high export potential
30. Foreign Trade experts as mentors to traders/ producer organizations for 18-24 months to make them export-ready
31. Use of Crafts parks for organizing theme based events/ shows/ exhibitions/ workshops and can also be leveraged for tourism
32. Introduction of courses/projects on relevant GI products in selected Institutes/ Universities

3.3.2 FOCUSING ON EFFORTS TO PULL THE GROWTH



To pull up the growth in high value products for India's share is stagnant for past few years, Indian Govt should do the following:

- Promote design thinking to promote innovation to combat global competition.
- Conversion of HS code to National Tariff lines to customize products as per the demand patterns in importing country to attract better share.



USING INTELLIGENT TECHNOLOGY IN TRADITIONAL CRAFT PRODUCT DESIGN

- **IMPROVE DESIGN EFFECTIVENESS**

In the design of traditional craft products, the introduction of various modern information technologies including computer technology, as well as other related intelligent tool software systems, is very important to improve the design efficiency of traditional craft products and ensure product design quality. By using intelligent technical means and using various professional intelligent drawing design software and modeling software to replace traditional manual drawing and manual design, it is bound to greatly improve the efficiency of traditional craft product design.

- **ACHIEVING DESIGN INNOVATION**

On the one hand, intelligent technology can break through the limitations of traditional craft product design models and achieve innovative development of product design forms. On the other hand, the intelligent technology has a variety of advantageous functions such as strong interactivity and various forms, which also help to achieve the functional innovation and optimization of traditional craft products. For example, in the design of traditional mold products, by using various intelligent technologies flexibly, it can add intelligent functions such as intelligent display of product information and other voice and automatic adjustments, so that the product can better meet the diverse needs of customers. And thus achieve the fundamental purpose of promoting traditional craft products to achieve sustainable development.

INNOVATIVE STRATEGIES BASED ON TRADITIONAL CRAFT PRODUCT DESIGN

- **RELYING ON INTELLIGENT DESIGN PLATFORM**

Use of various intelligent and modern technical means in traditional craft products has an important help in improving the design effectiveness of traditional craft products. Therefore, in the era of intelligence, when relevant staff actually carry out the innovative design of traditional craft products, they also need to flexibly use the intelligent design platform and related tool software based on the product's structural characteristics and design requirements.

For example, in the design of a traditional craft product, the designer introduces computer technology, sensor technology, and integrates various existing advantageous resources such as network resources to integrate professional drawing tool software and modeling software. Build an intelligent development and design platform. The intelligent design platform belongs to a single-chip microcomputer based on open-source code and uses an intelligent and humanized program control language. The designer only needs to compile the design requirements and design flow of the craft product into a professional computer program, and the intelligent design platform can complete the design of the traditional craft product automatically, standardly, and in batches. This greatly saves product design time cost and manufacturing cost and helps the traditional process product to achieve the goal of maximizing economic benefits.

- **COLLECTING DATA ANALYSIS REQUIREMENTS**

In the traditional product design process, a lot of data information will be generated. In the age of intelligence, relevant staff members flexibly use intelligent technology to actively collect and sort out and rely on professional data analysis software to conduct in-depth mining and statistical analysis. It can help designers to more comprehensively and accurately understand the design needs of customers and markets for traditional craft products, and then to make scientific and reasonable traditional craft product design schemes more targeted.

3 PRODUCTS INTEGRATE INTELLIGENT FUNCTIONS

USE OF VARIOUS ADVANCED INTELLIGENT TECHNOLOGIES CAN ALSO ACHIEVE MULTI-ANGLE DEVELOPMENT OF PRODUCTS.

- In addition to relying on the intelligent design platform, many designers and their communication with consumers, etc., complete the product modeling design, color design and other aspects of efficient sharing of information resources, and improve the overall product design efficiency.
- In the selection of materials for traditional craft product design, effective innovation can also be achieved. For example, relevant designers use 3D printing technology or corresponding smart sensors to obtain more materials for product design and effectively control the cost of product design materials.

WITH THE HELP OF INTELLIGENT TECHNOLOGY, VARIOUS NEW INTELLIGENT FUNCTIONS CAN BE INCORPORATED INTO TRADITIONAL CRAFT PRODUCTS, MAKING THE PRODUCTS MORE INNOVATIVE.

- For example, in a bamboo weaving craft product, it can only be used to make a sound by tapping and used as a musical instrument for singing and dancing. However, under the application of intelligent technology, designers can use various vibration and ultrasonic sensors, and at the same time use a dedicated intelligent design development board, and use LED lights with self-programming control software.
- The materials used have also expanded from a single bamboo material such as moso bamboo to various electronic materials and plastics. Users can use voice control, touch control and other methods to make this craft product play various music and audio stories according to actual needs, and can switch to display different lights, integrating sound, light and electricity.
- On this basis, designers introduce the Internet of Things technology, wireless transmission technology, etc., and connect it with the APP on the mobile phone with the corresponding intelligent hardware and software, so that people can directly use the APP on the mobile phone to remotely process the traditional craft product. intelligent control.

3.4 POLICY OPTION III: STRATEGIZING OPND BOX

CASE D

World imports		India's exports		Inference	Policy Suggestion
Growth 2014-20	Absolute value 2020	Growth 2014-20	Absolute value 2020		
Low	High	All categories		Absolute value of world demand is high, but growth in old destinations is not picking up.	<ul style="list-style-type: none"> • High absolute value of world demand is indicative of assured import destinations with sustainable market size. • World demand is very focused and existing importers are promising. • It is important to ensure that Indian exports are targeted to these promising import markets.

Case D filters those HS codes which are high in absolute value in world imports but its growth is not picking. Appreciating the fact that growth in traditional destinations is not picking up, it makes sense to target newer destinations by the use of RoDTEP scheme and existing and newly signed trade agreements. Subsequent chapters dwell upon the HS code-wise analysis of efficacy of existing trade agreements and negotiating agenda.

3.5 POLICY OPTION IV: STRATEGIZING NPND BOX

CASE E

World imports		India's exports		Inference	Policy Suggestion
Growth 2014-20	Absolute value 2020	Growth 2014-20	Absolute value 2020		
High	High	Low	Low	Indian exports both in terms of absolute value and growth not in sync with growing demand in world.	<ul style="list-style-type: none"> • If the product is not a core strength for India, in which case we should not focus. • However, if clusters in India exists, Govt needs to shift its policy to strengthen its focus to these products i.e NPND

CASE F

World imports		India's exports		Inference	Policy Suggestion
Growth 2014-20	Absolute value 2020	Growth 2014-20	Absolute value 2020		
High	Low	All categories		Low absolute volumes in the world are indicative of poor market size.	Since the world import growth is high but volume is low, in which case products from handicraft clusters which do not have much production can be promoted.

3.6 COMPARATIVE QUADRANT ANALYSIS FOR IDENTIFIED CATEGORIES

Based on the above rationale and category-wise analysis; corresponding policy suggestions are listed in the subsequent section. Graphs below illustrates the status of all the products across different categories, which have been organized as per their performance on the two parameters indicated above. Bubble graph on world imports in each of the categories; depicts status of individual products across four quadrants based on the above two parameters:

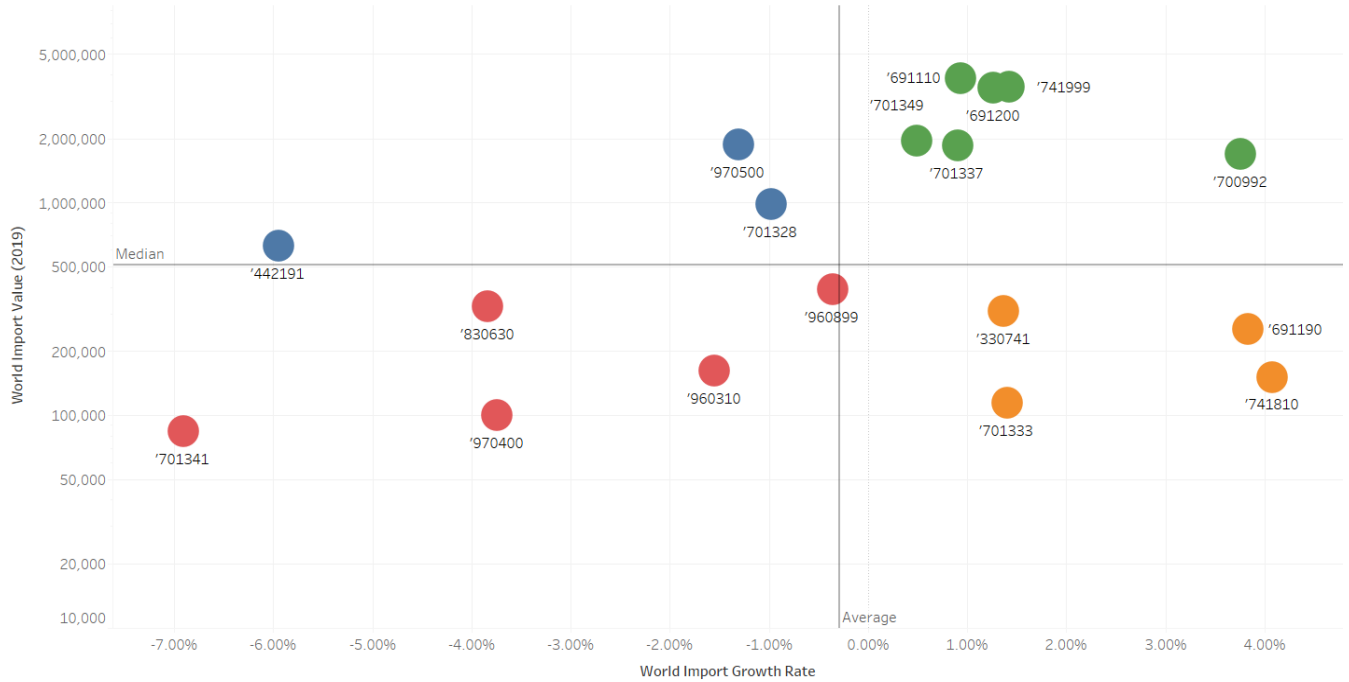
Color Coding	Growth 2014-20	Absolute value 2020
	High	High
	High	Low
	Low	High
	Low	Low

Once the HS codes in each category is distributed across 4 quadrants based on their status in world imports, the same products are then mapped across another 4 quadrants based on their status in India's exports. Finally; the policy recommendations HS code-wise is suggested as per the above-mentioned rationale.

CATEGORY: HOME

WORLD IMPORTS VALUE VERSUS GROWTH

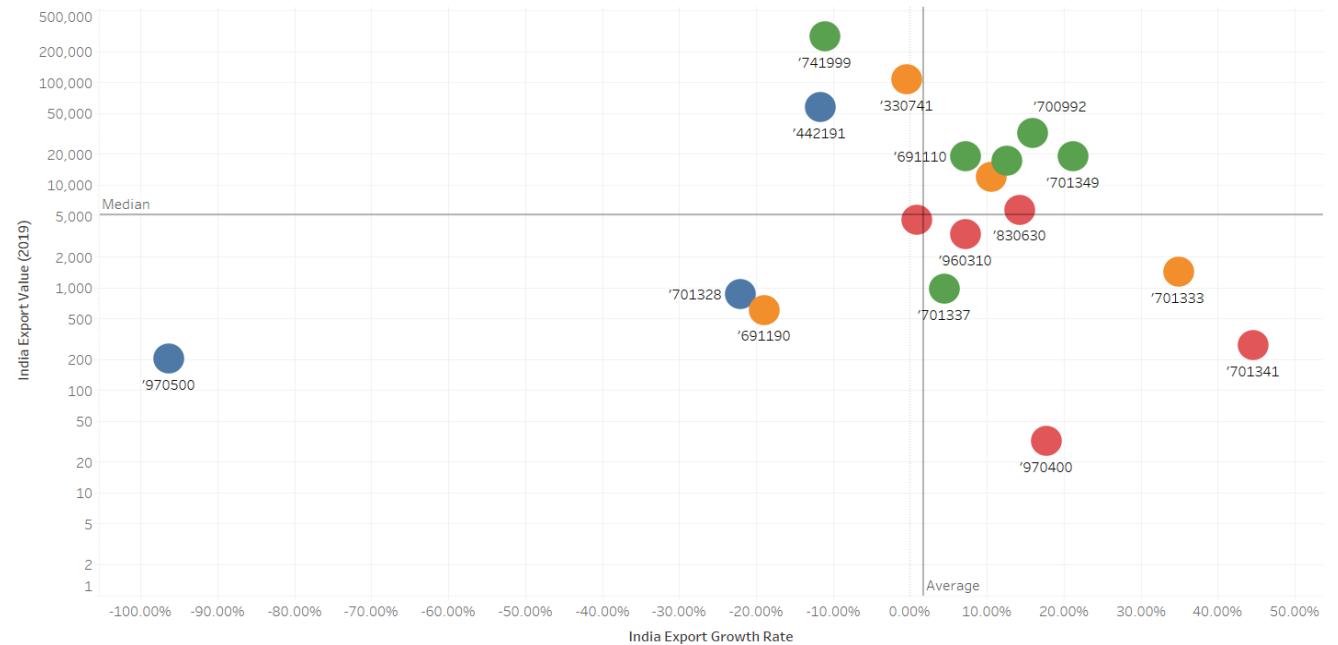
WI Value vs Growth (Home)



Sum of World Import Growth Rate vs. sum of World Import Value (2019). Color shows details about Quadrant Color. The marks are labeled by Code1. The data is filtered on Category1, which keeps Home.

INDIAS EXPORT VALUE VERSUS GROWTH

INDEXP Value vs Growth (Home)



Sum of India Export Growth Rate vs. sum of India Export Value (2019). Color shows details about Quadrant Color. The marks are labeled by Code1. The data is filtered on Category1, which keeps Home.

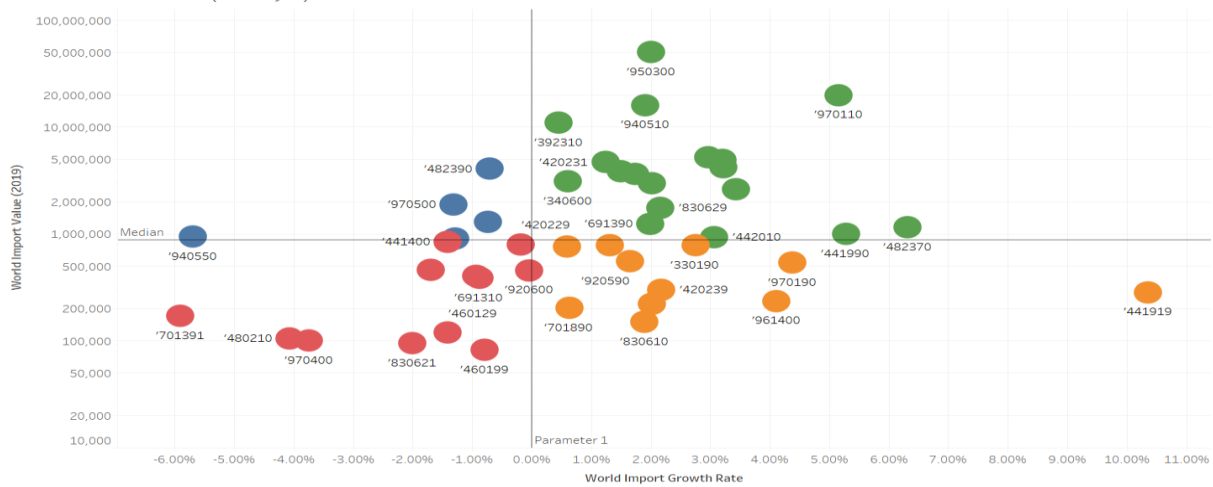
Based on the above two bubble charts, following are the policy suggestions:

Suggested Recommendations	HS codes
D1	700992, 701349, 691110,
D3	741999
D2	701337
B	442191, 970500, 701328
A	330741, 691190
C	701341, 970400, 830630, 960310

CATEGORY: LIFESTYLE

WORLD IMPORT VALUE VS GROWTH

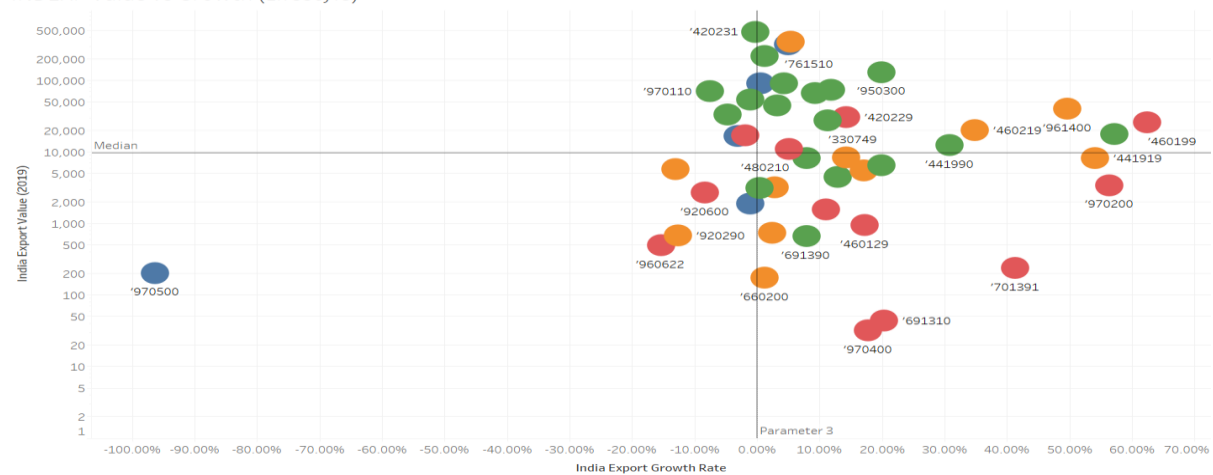
WI Value vs Growth (Lifestyle)



Sum of World Import Growth Rate vs. sum of World Import Value (2019). Color shows details about Quadrant Color. The marks are labeled by Code1. The data is filtered on Category1, which keeps Lifestyle. The view is filtered on Quadrant Color, which keeps no members.

INDIAN EXPORT VALUES VS GROWTH

INDEXP Value vs Growth (Lifestyle)



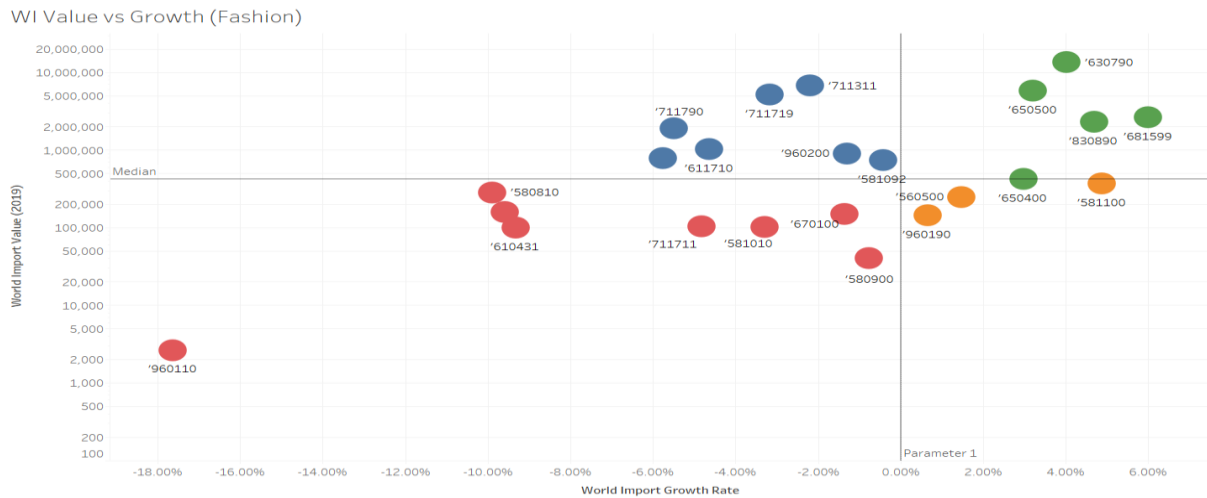
Sum of India Export Growth Rate vs. sum of India Export Value (2019). Color shows details about Quadrant Color. The marks are labeled by Code1. The data is filtered on Category1, which keeps Lifestyle.

Based on the above two bubble charts, following are the policy suggestions:

Suggested Recommendations	HS codes
D1	330749, 340600, 392310, 441990, 702000, 761510, 950300, 950510, 970300, 970600
D2	442010, 482370, 691390, 830629, 950590
D3	420231, 940510, 970110
A	330190, 460219, 961400, 420239, 441919, 701890, 830610, 920290, 920590, 660200, 970190
B	482390, 960200, 940530, 940550, 970500
C	420229, 460199, 480210, 460129, 691310, 701391, 830621, 960622, 970200, 970400, 441400, 920600

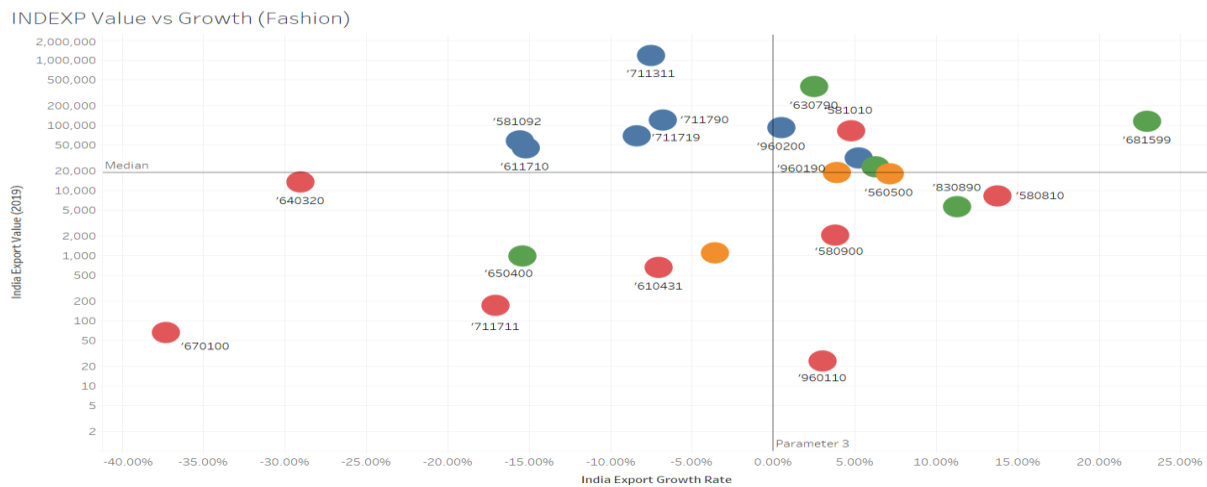
CATEGORY: FASHION

WORLD IMPORT VALUE VS GROWTH



Sum of World Import Growth Rate vs. sum of World Import Value (2019). Color shows details about Quadrant Color. The marks are labeled by Code1. The data is filtered on Category1, which keeps Fashion.

INDIA'S EXPORTS VS GROWTH



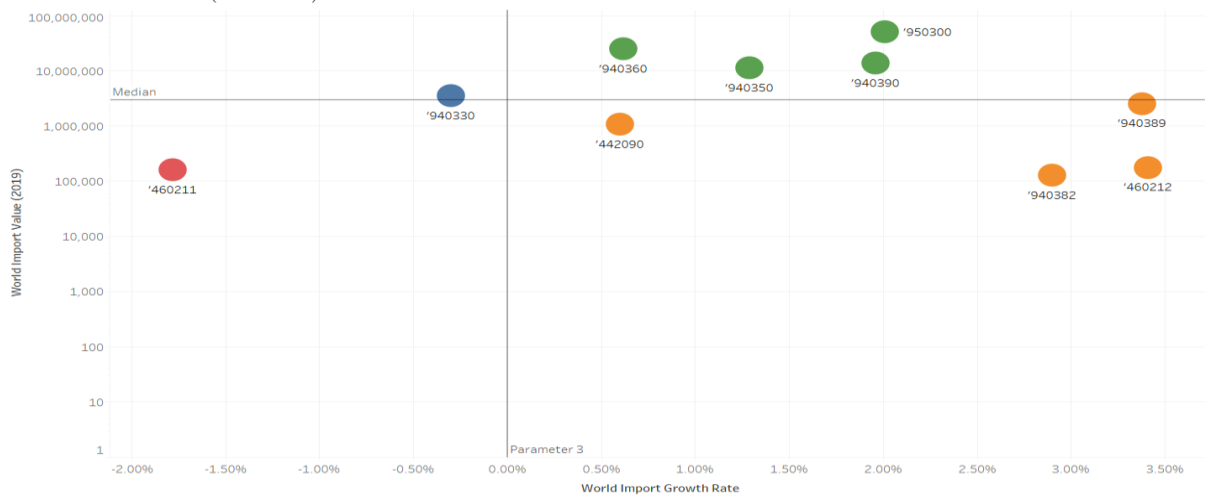
Sum of India Export Growth Rate vs. sum of India Export Value (2019). Color shows details about Quadrant Color. The marks are labeled by Code1. The data is filtered on Category1, which keeps Fashion.

Suggested Recommendations	HS codes
D1	630790, 650500, 681599
D2	830890
D4	650400
A	960190, 560500, 580900, 581100
B	701810, 960200, 711311, 581092, 611710, 711719, 711790
C	581010, 580810, 610431, 960110, 640320, 670100, 711711

CATEGORY: FURNITURE

WORLD IMPORT VALUE VS GROWTH

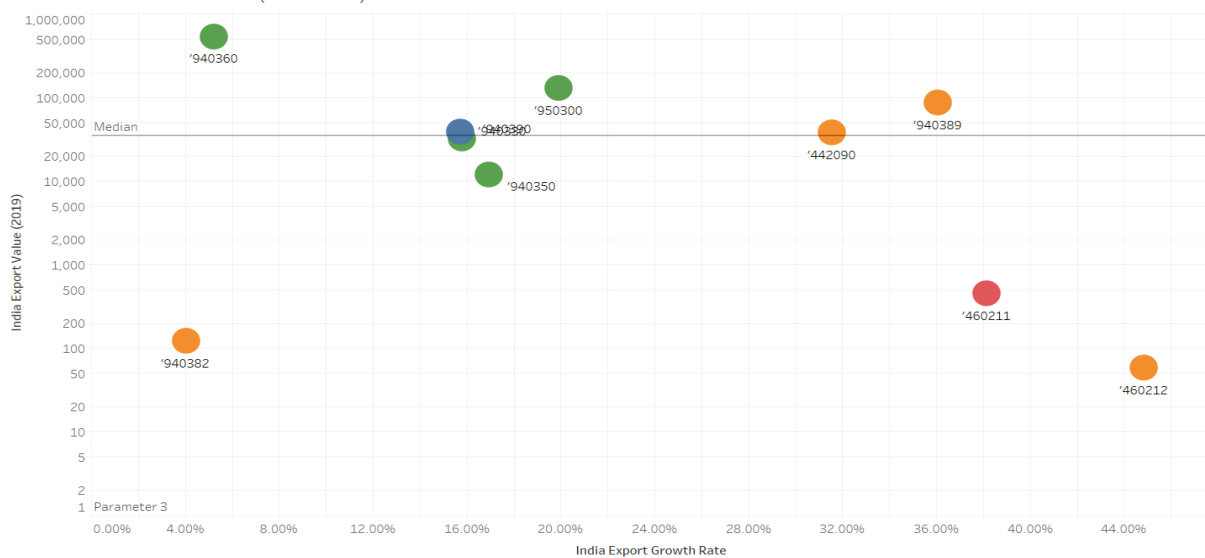
WI Value vs Growth (Furniture)



Sum of World Import Growth Rate vs. sum of World Import Value (2019). Color shows details about Quadrant Color. The marks are labeled by Code1. The data is filtered on Category1, which keeps Furniture.

INDIAN EXPORT VALUES VS GROWTH

INDEXP Value vs Growth (Furniture)



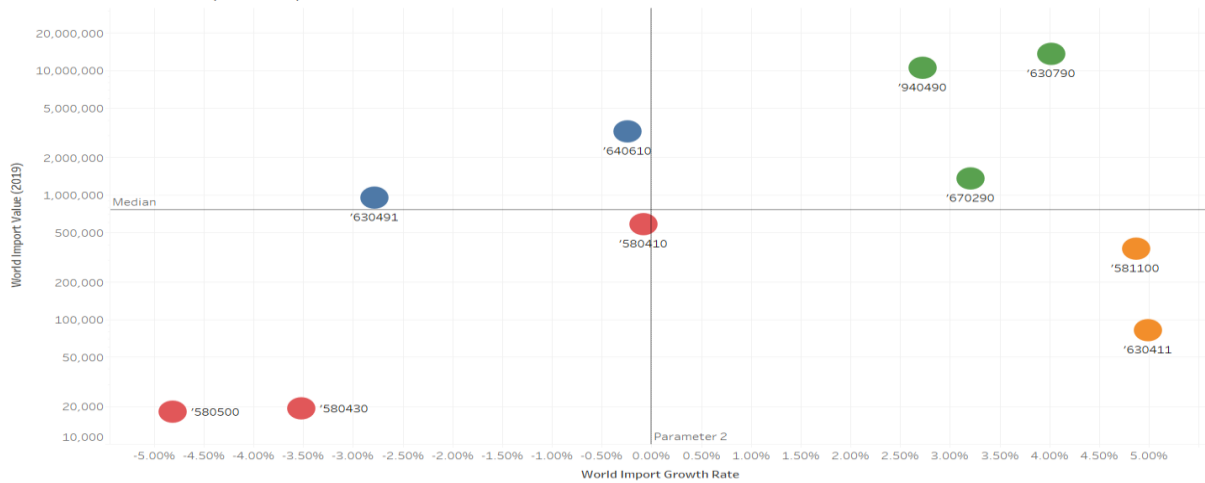
Sum of India Export Growth Rate vs. sum of India Export Value (2019). Color shows details about Quadrant Color. The marks are labeled by Code1. The data is filtered on Category1, which keeps Furniture.

Suggested Recommendations	HS codes
D1	940360, 950300
D2	940350, 940390
A	442090, 940389, 460212, 940382
B	940330
C	460211

CATEGORY: TEXTILES

WORLD IMPORT VALUE VS GROWTH

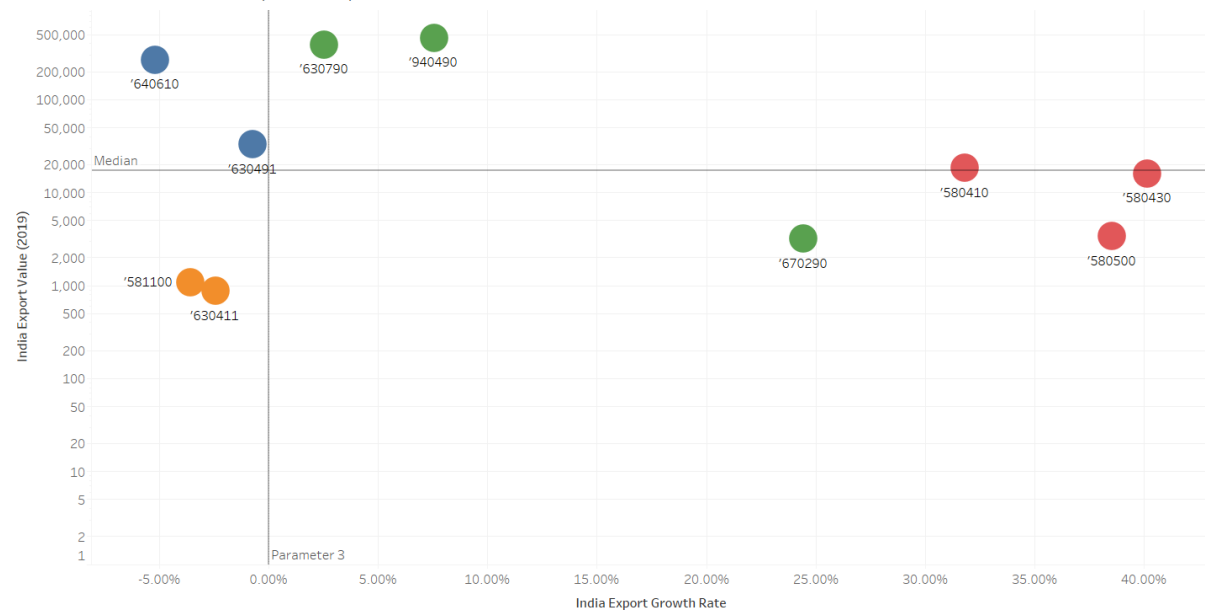
WI Value vs Growth (Textiles)



Sum of World Import Growth Rate vs. sum of World Import Value (2019). Color shows details about Quadrant Color. The marks are labeled by Code1. The data is filtered on Category1, which keeps Textiles.

INDIAN EXPORT VALUES VS GROWTH

INDEXP Value vs Growth (Textiles)



Sum of India Export Growth Rate vs. sum of India Export Value (2019). Color shows details about Quadrant Color. The marks are labeled by Code1. The data is filtered on Category1, which keeps Textiles.

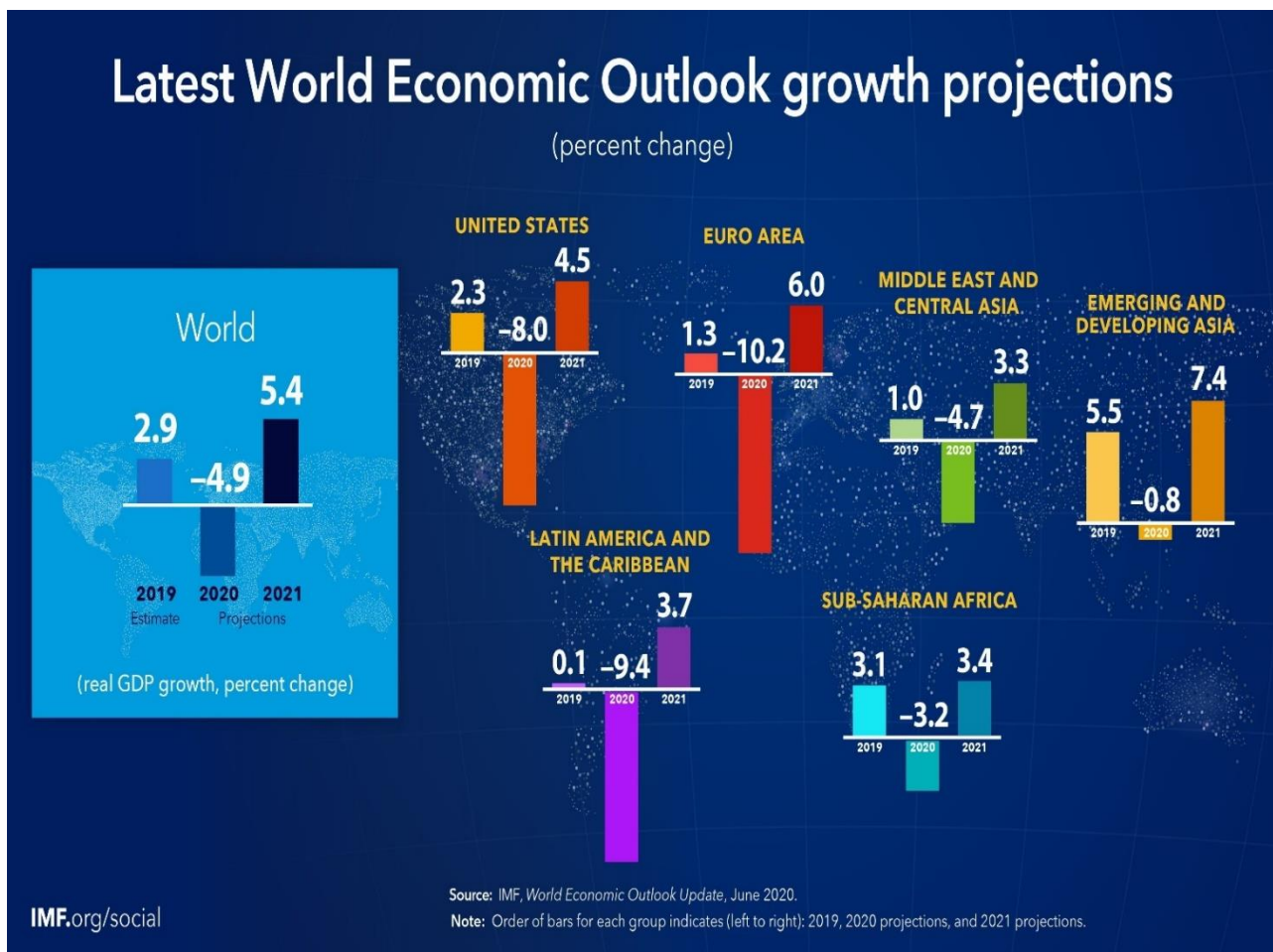
Suggested Recommendations	HS codes
D1	630790, 940490
D2	670290
A	630411, 581100
B	630491, 640610
C	580410, 580430, 580500

CHAPTER IV

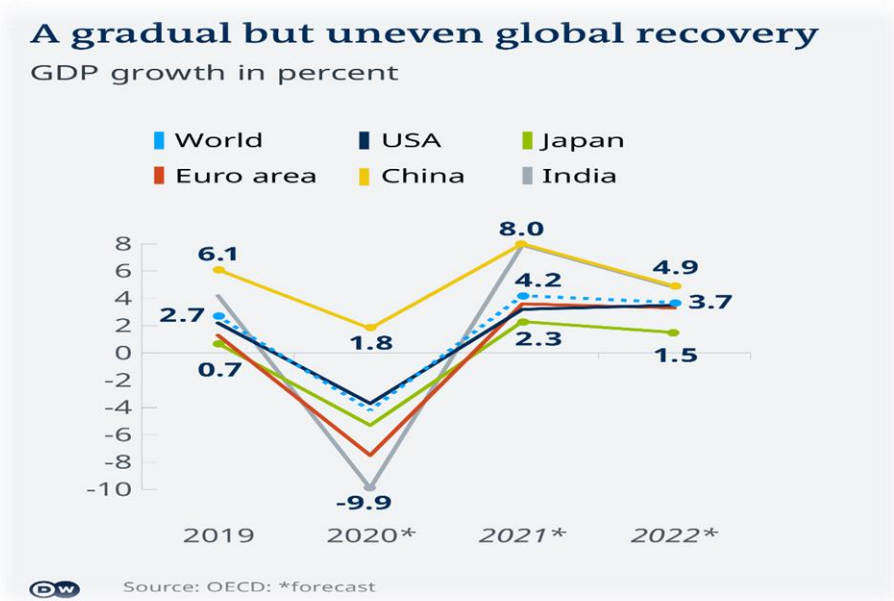
EXPORT PROMOTION FOCUS POST COVID

4.1 POST COVID DEMAND ANALYSIS: FORECAST 2025

Since the COVID-19 crisis began, global GDP has fallen by 4.2%. Although the pandemic has had a devastating economic effect around the world, it is expected to return to pre-pandemic levels by the end of 2021. This revival of economy post covid would vary from one region to another. Europe is expected to see GDP growth of 5.2% in 2021, while for the United States, that figure is just 3.1%.

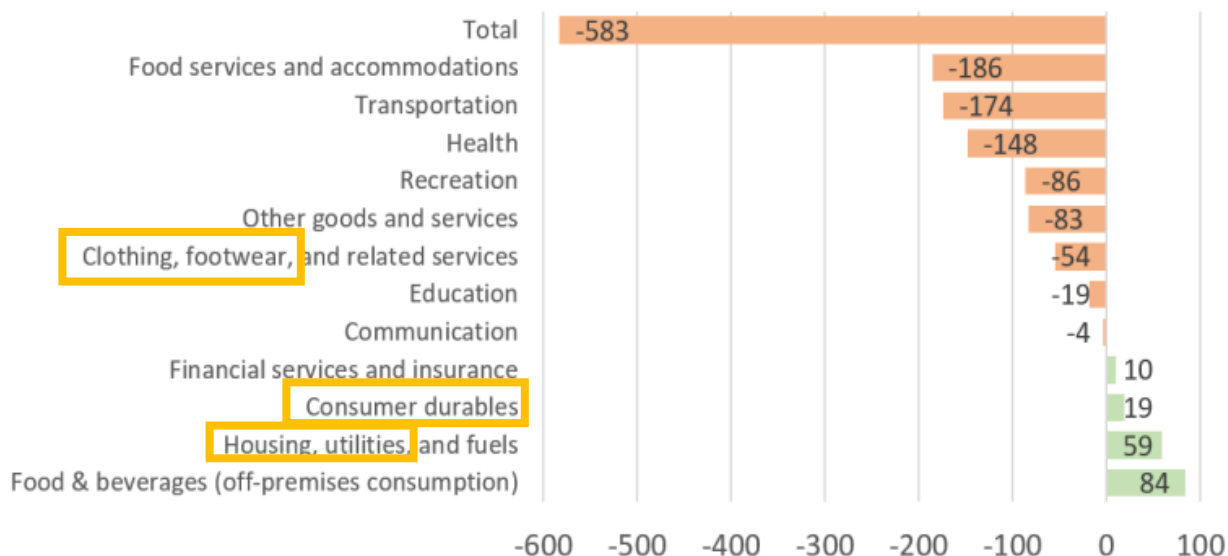


Asian countries, in contrast have recovered much faster and are projected to see GDP growth of 8% this year – in particular, China, which experienced only a moderate dip in 2020 and which the International Monetary Fund (IMF) predicts will see 8.2% in real GDP growth in 2021. The output in many other countries is projected to remain around 5% below pre-crisis expectations in 2022. OECD has projected global GDP to rise by around 4.2% in 2021 and by a further 3.7% in 2022.



According to the Organization for Economic Development (OECD), while global GDP should rise by around 4¼% by the end of 2021, national bounce-back could be uneven. This would change the consumer spending across different countries.

In 2020, American consumers shifted their spend from services to retail goods, with groceries and consumer durables like home appliances outpacing restaurants and travel as consumer spending held steady over the summer months.

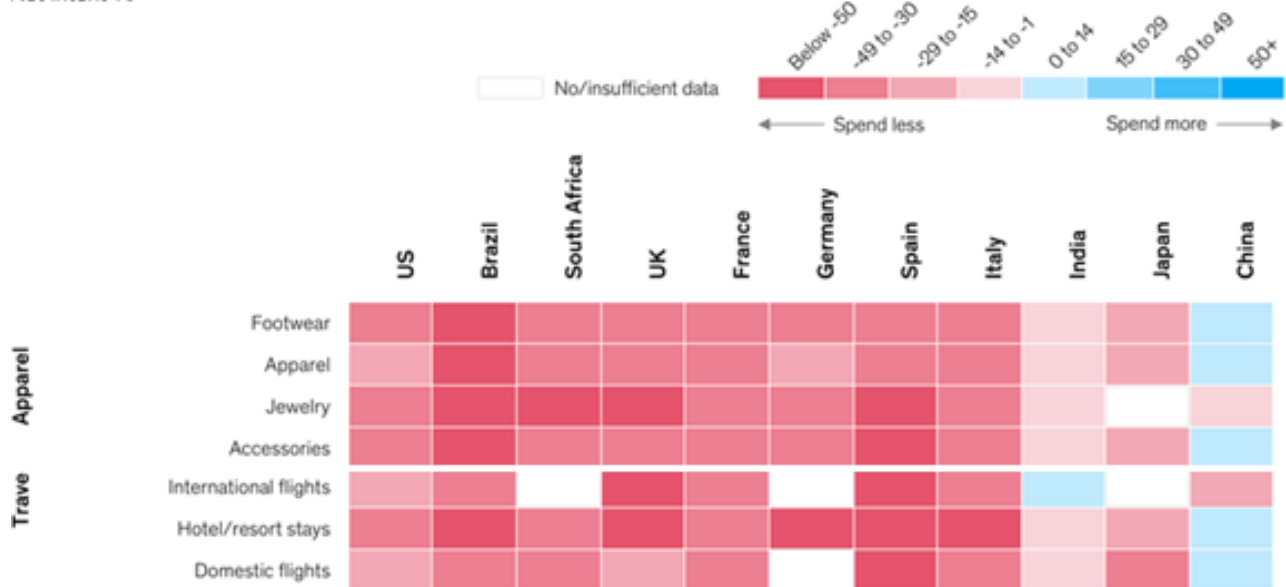


But in Asian countries with greater optimism around a COVID-19 recovery, spending is higher on items such as clothing, cars and hotels, and consumers are more likely to shop differently to the way they did before the pandemic.

Outside of China and India, global consumers anticipate pulling back on spending.

Expected spending per category over the next two weeks compared to usual¹

Net intent %²



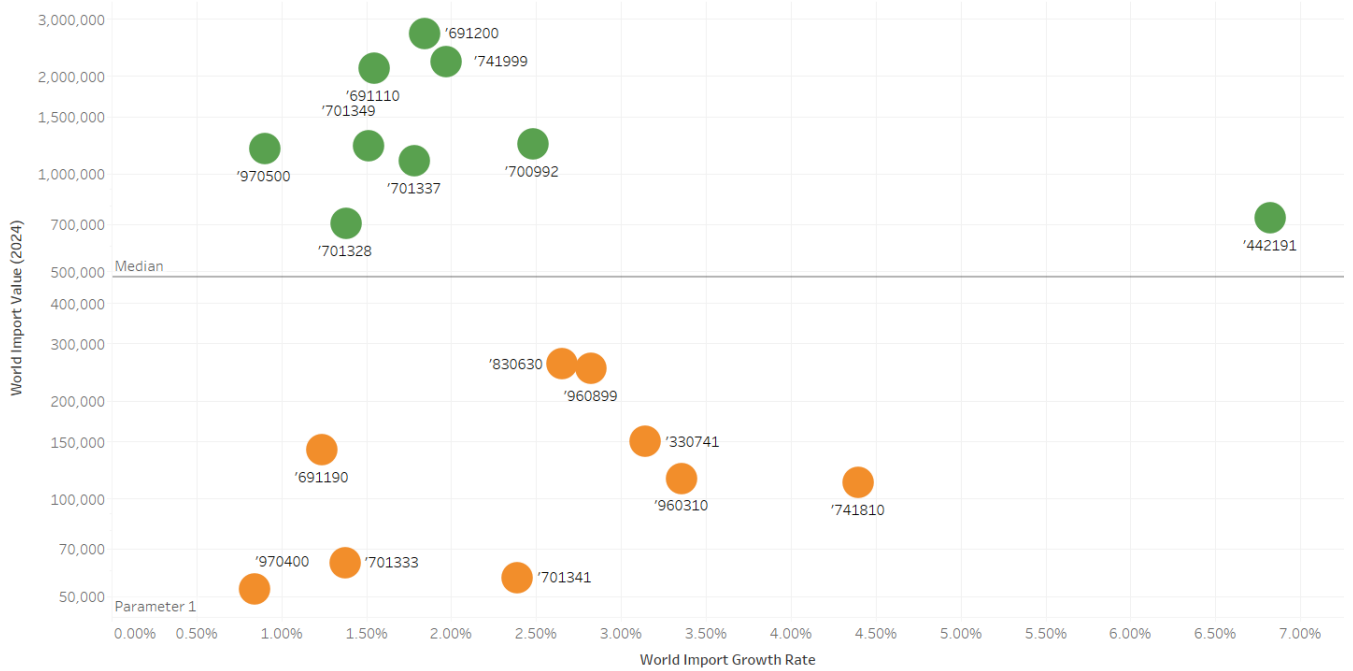
The above data highlights the fact that while global GDP should rise by around 4¼% by the end of 2021, national bounce-back could be uneven. This would change the consumer spending differently across different products and nations. This section therefore analyses the world import demand for handcraft products forecasted for 2025 across different categories. Analysis further dwells into an interesting comparison of the status of India's exports in 2025 as against that of the world. This would highlight the fact about:



CATEGORY: HOME

WORLD IMPORT VALUE VS GROWTH

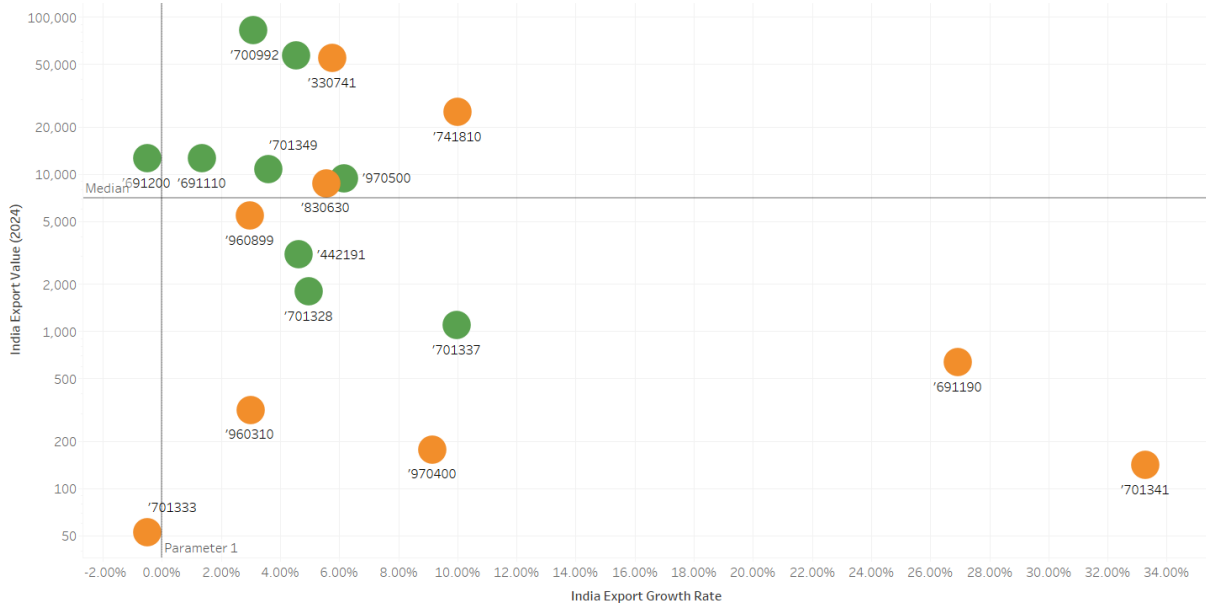
WI Value vs Growth (Home)



Sum of World Import Growth Rate vs. sum of World Import Value (2024). Color shows details about Quadrant Color. The marks are labeled by Code1. The data is filtered on Category1, which keeps Home.

INDIAN EXPORT VALUES VS GROWTH

INDEXP Value vs Growth (Home)



Sum of India Export Growth Rate vs. sum of India Export Value (2024). Color shows details about Quadrant Color. The marks are labeled by Code1. The data is filtered on Category1, which keeps Home.

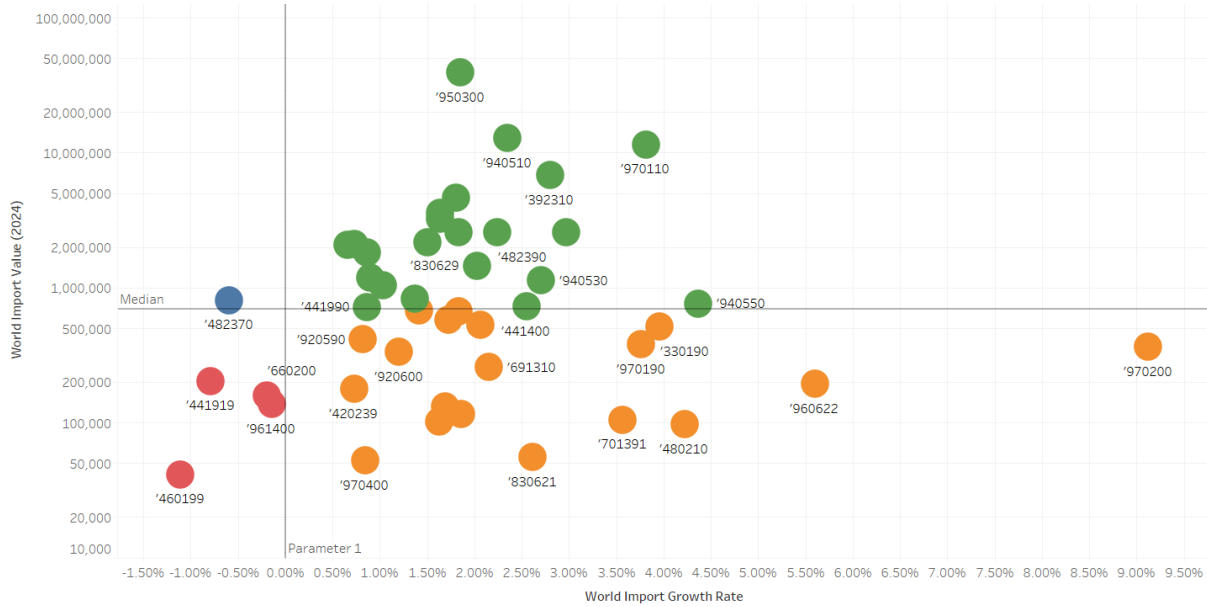
Inference

- Based on the forecasting of the global demand in 2025, HS codes which would be high in demand in next five years would include HS 700992 (Mirrored Framed - 70099200), 970500 (Animal Figures – 97050010), 701349 (GLASSWARE – 70134900), 691110 (Tableware-Porcelain – 69111011), 691200 (Terracotta – 69120010). Since Indian exports are also forecasted to be doing good in these products, policy initiatives taken now can be sustained.
- However, for products including HS 701328 (Glass for Tables – 70132800), 442191 (Household Products-Decorative – 44219160), 701337 (Glass For Tables – 70133700), it is seen that world import demand would be high in 2025, but India's export volumes seem to be lower and hence Indian government needs to work on strengthening the supply side capacity and extend suitable production level support to the artisans and MSMEs to enhance the export volumes. Export consortium and focused product approach in the form of OTOP in South East Asia or ODOP as in the state of UP should be promoted in these products.
- For HS codes 691190 (Toiletries – 69119010), 701341 (Glass-Decorative – 70134100), 960310 (Brooms and Brushes – 96031000), 970400 (Philat – 97040090) And 701333 (Bar Accessories – 70133300) world import growth is high but volumes would not pick up even in next 5 years. Out of these products, for HS code 701341 (Glass-Decorative – 70134100), 691190 (Toiletries – 69119010), 970400 (Philat – 97040090), India's export growth would remain high but with lower volumes indicating that exports from clusters with lower volumes can also be promoted.

CATEGORY: LIFESTYLE

WORLD IMPORT VALUE VS GROWTH

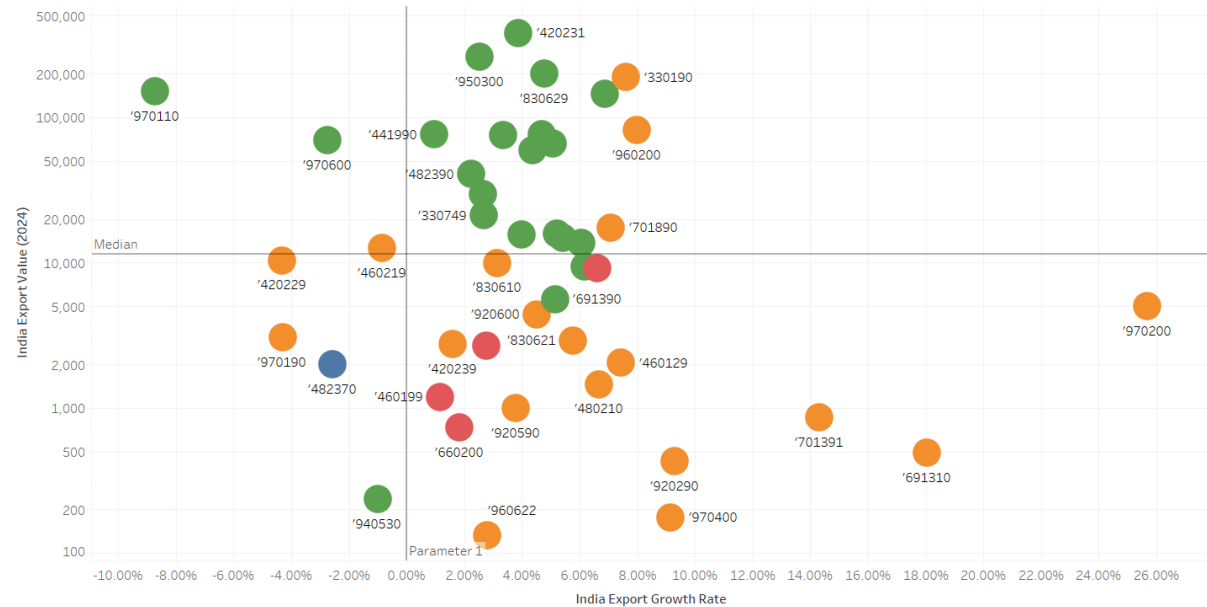
WI Value vs Growth (Lifestyle)



Sum of World Import Growth Rate vs. sum of World Import Value (2024). Color shows details about Quadrant Color. The marks are labeled by Code1. The data is filtered on Category1, which keeps Lifestyle. The view is filtered on Quadrant Color, which keeps no members.

INDIAN EXPORT VALUES VS GROWTH

INDEXP Value vs Growth (Lifestyle)



Sum of India Export Growth Rate vs. sum of India Export Value (2024). Color shows details about Quadrant Color. The marks are labeled by Code1. The data is filtered on Category1, which keeps Lifestyle.

Inference

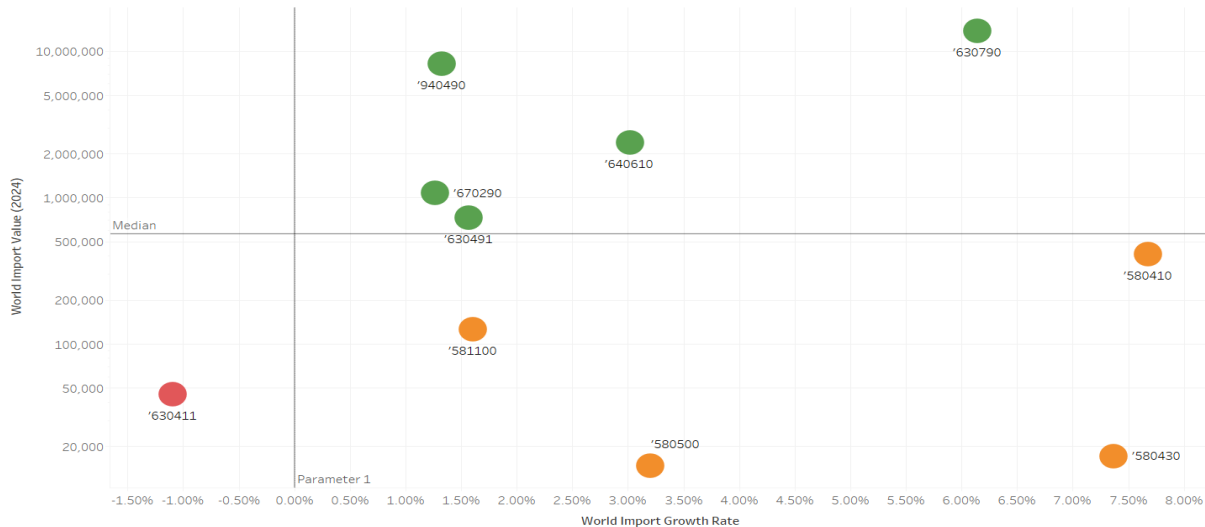
A closer look on the lifestyle category brings out interesting observations:

- Indian export focus in sync with expected global demand for HS codes 420231 (Jewellery Boxes-42023110), 950300 (Toys – 95030010), 830629 (Candles & Candle Holders – 83062990), 482390 (Decorative Paper – 48239018), 330749 (Loban – 33074900), 441990 (Chopping Boards - 44199090)
- However, India needs to work on enhancing its production for certain HS codes which are expected to pick up as demand, but we are falling short in volumes. Such products include HS code 691390 (Statuette – 69139000).
- Indian Government should strongly focus on promoting both volumes as well as growth for HS 940530 (Christmas Light – 94053000).
- For HS 330190 (Aromatics, Incense & Oils – 33019031) And 960200 (Potpourri - 96020010, world import growth is high, but volumes are low. However, for India, focus is given for both promotions of volumes as well as the growth. If the volumes of world demand will not pick up as much by 2025, more focus on enhancing production would result in enhanced supply with no global demand resulting into loss in export opportunities and fall in price even in domestic market. With MSMEs working on poor margins and their inability to hold inventories, focus on enhancing volumes may seem detrimental.
- HS codes including 970200 (Leather Carving – 97020000), 691310 (Ceremonial Items – 69131000), 701391 (Glassware Of Lead Crystal – 70139100), 460129 (Agri Mats – 46012900), 480210 (Hand Made Paper - 48021010), 920290 (String Musical Instruments – 92029000), 970400 (Philat – 97040090), 960622 (Horn Bone Buttons For Textiles – 96062200), 420239 (Jewel Cases/Boxes/Pads – 42023910), 830610 (Bells Gongs - 83061000) And 920600 (Musical Instruments – 92060000) does not need any policy shift as their expected export growth and volumes are absolutely in sync with expected global demand.
- HS codes including 691390 (Statuette – 69139000), 830621 (Precious Ornament - 83062190, 460199 (Plaiting Materials - Bamboo Articles – 46019900) and 660200 (Walking Sticks – 66020000); world demand is expected to decline badly both in value as well as growth. However, Indian export growth rate is expected to flourish. Since there will be no takers, export focus should shift all together from these clusters dealing into these products.
- For HS 482370 (Papier Mache – 48237030), world import value is expected to remain high but the growth wouldn't pick up much. Indian exports on the other hand would witness just the opposite trend.

CATEGORY: TEXTILES

WORLD IMPORT VALUE VS GROWTH

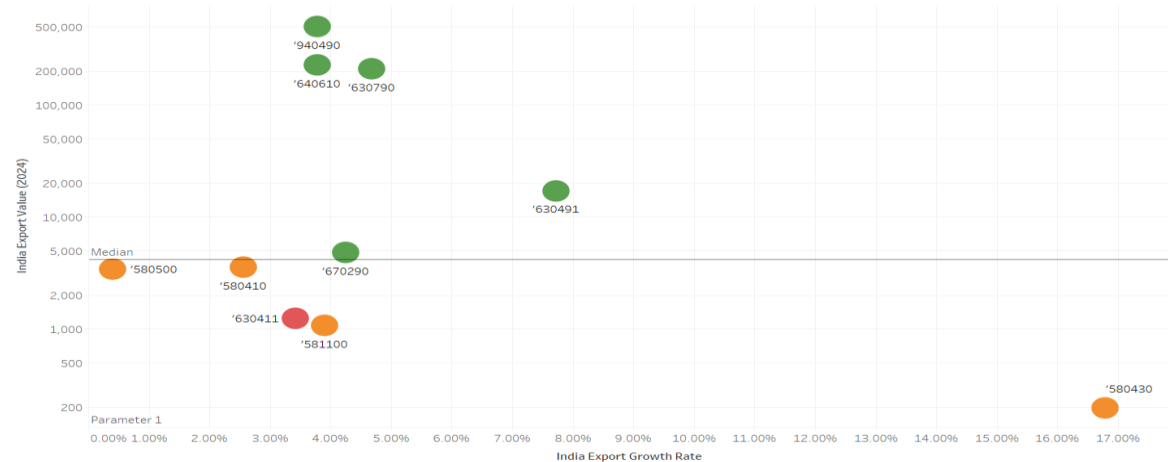
WI Value vs Growth (Textiles)



Sum of World Import Growth Rate vs. sum of World Import Value (2024). Color shows details about Quadrant Color. The marks are labeled by Code1. The data is filtered on Category1, which keeps Textiles.

INDIAN EXPORT VALUES VS GROWTH

INDEXP Value vs Growth (Textiles)



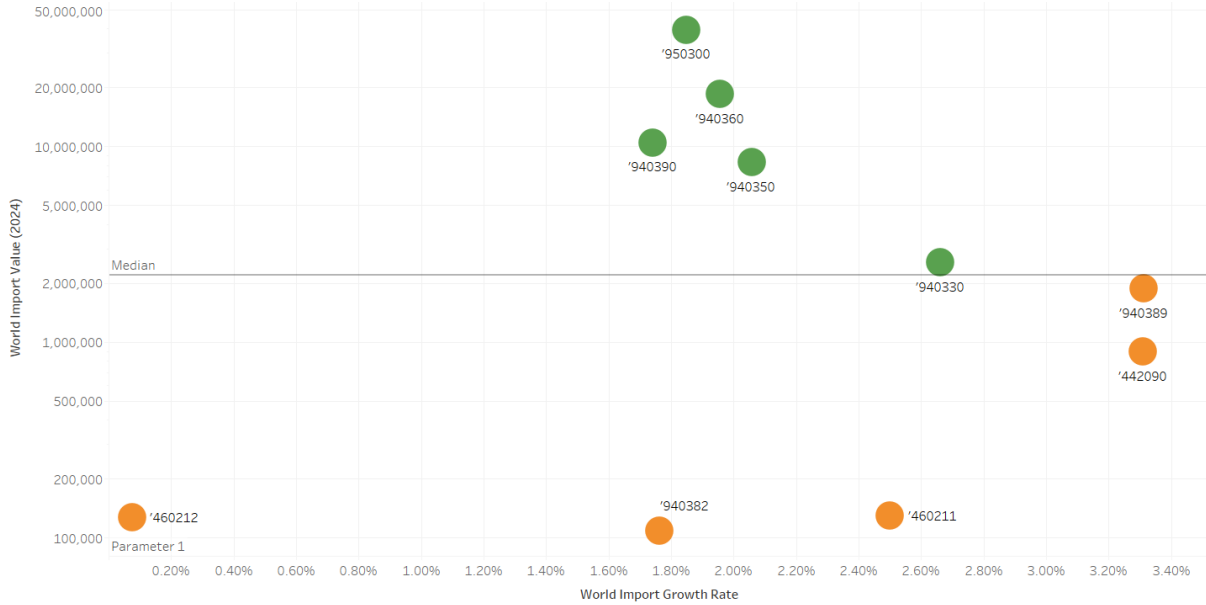
Sum of India Export Growth Rate vs. sum of India Export Value (2024). Color shows details about Quadrant Color. The marks are labeled by Code1. The data is filtered on Category1, which keeps Textiles.

Analysis of the above two tables for textiles highlight great competence and dominance of India in HS codes 940490 (Eye Pillows – 94049099), 630790 (Table Top - 63079020), 640610 (Embroidered Uppers – 64061010) and 630491 (Furnishing Artcils, Knited/Crocheted – 63049120). Fortunately, these are also the products where the world demand is expected to be maximum within textile category. However, India would need to gear up for 670290 (Flower Wooden – 67029090). Clusters focusing on the production and exports of 630411 (Bedspreads – 63041100) should not be encouraged further understanding a sharp decline in the global demand by 2025. Other impregnated textile performance is in sync with that of the world demand.

CATEGORY: FURNITURE

WORLD IMPORT VALUE VS GROWTH

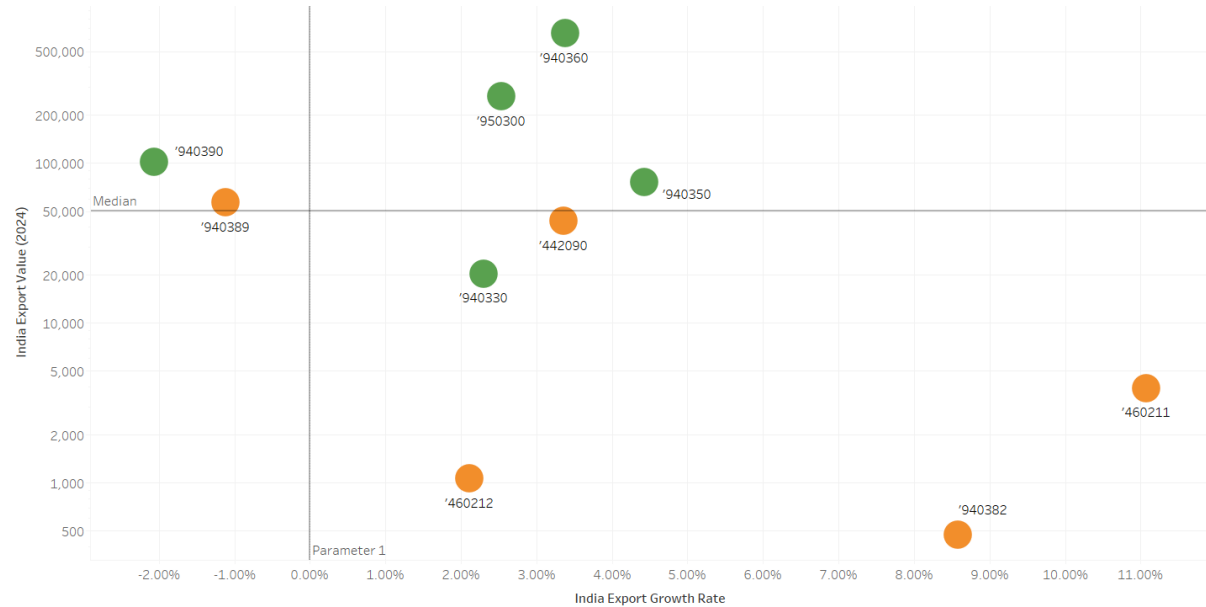
WI Value vs Growth (Furniture)



Sum of World Import Growth Rate vs. sum of World Import Value (2024). Color shows details about Quadrant Color. The marks are labeled by Code1. The data is filtered on Category1, which keeps Furniture.

INDIAN EXPORT VALUES VS GROWTH

INDEXP Value vs Growth (Furniture)



Sum of India Export Growth Rate vs. sum of India Export Value (2024). Color shows details about Quadrant Color. The marks are labeled by Code1. The data is filtered on Category1, which keeps Furniture.

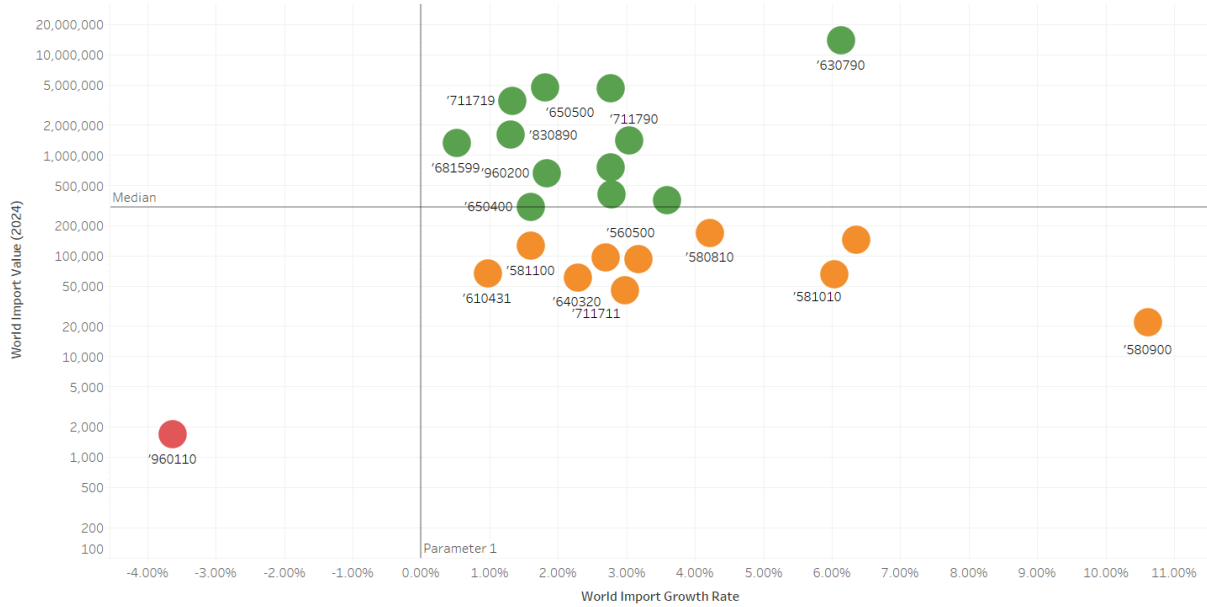
Inference

- India should keep its focus on 940360 (Children's Furniture – 94036000), 950300 (Toys-Wooden – 95030010), 940350 (Bed Stead - 94035010) assuming the global demand will be highest for these products amongst furniture category by 2025.
- For HS code 940330 (Wooden Cabinet For Office – 94033001), which is also promising product from global demand standpoint, India needs to improve its supply capacities to cater to high import demand by 2025.
- For 940390 (Furniture – 94039000) it is expected that Indian Govt. should focus on increasing the growth rate and combating the global competitors in case we would like to exploit high demand in global markets.
- For HS 940389 (Leather Furniture – 94038900), Indian exports by 2025 would be not in sync with the world demand. For India the export value will be higher indicating our enhanced supply side capabilities, however the world demand is not expected to pick up those huge volumes.
- For rest of the products including 442090 (Wood Marquetry – 44209010), 460212 (Rattan Basket – 46021200), 940382 (Bamboo Furniture – 94038200) And 460211 (Eco-Friendly Products – 46021100), India is expected to be in comfortable situation as that of the world.

CATEGORY: FASHION

WORLD IMPORT VALUE VS GROWTH

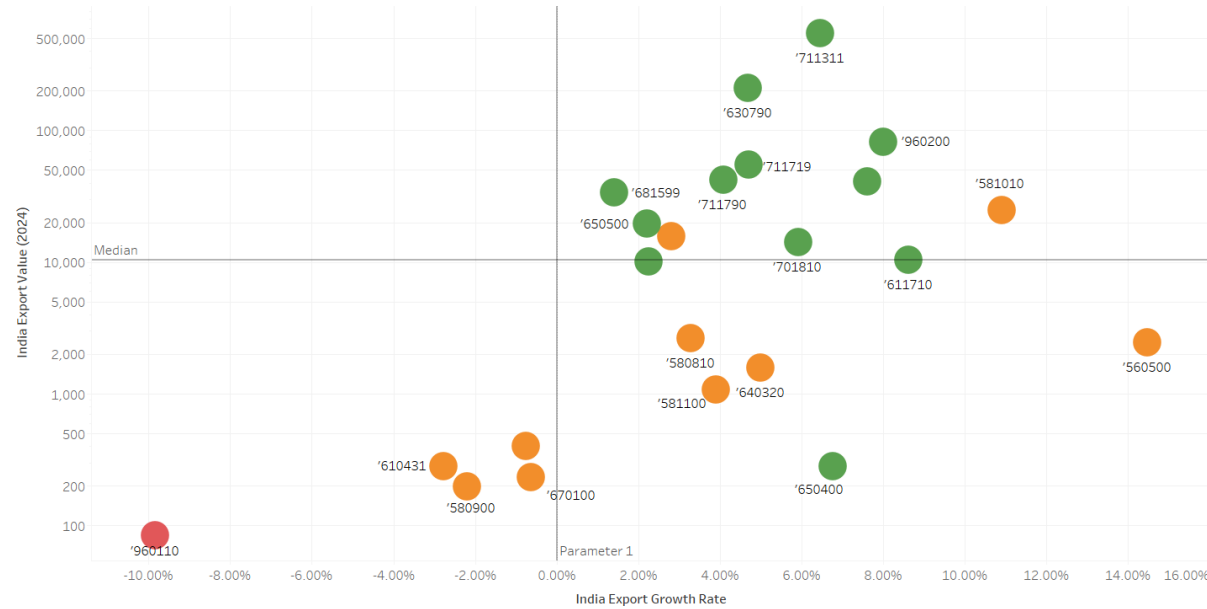
WI Value vs Growth (Fashion)



Sum of World Import Growth Rate vs. sum of World Import Value (2024). Color shows details about Quadrant Color. The marks are labeled by Code1. The data is filtered on Category1, which keeps Fashion.

INDIAN EXPORT VALUES VS GROWTH

INDEXP Value vs Growth (Fashion)



Sum of India Export Growth Rate vs. sum of India Export Value (2024). Color shows details about Quadrant Color. The marks are labeled by Code1. The data is filtered on Category1, which keeps Fashion.

Inference

- HS codes which are expected to gain in 2025 where export focus should be maintained in the fashion category includes 711311 (Silver Filigree – 71131110), 630790 (Hand Printed Dress - 63079011), 960200 (Potpourri – 96020010), 711719 (Jewellery- Silver – 71171920), 711790 (Imitation Jewellery – 71179010), 681599 (Marble & Stone Figurines – 68159990), 650500 (Knitted Or Crocheted Hat – 65050090), 701810 (Beaded Bangles – 70181010), 611710 (Pashmina Shawls & Stoles – 61171020)
- For HS code 650400 (Hats & Caps – 65040000), India is expected to pick up the growth but will have to work on enhancing the volume of exports.
- For 960110 (Articles Of Ivory – 96011000), India should not have any focus
- For 610431 (Jackets of Wool or Fine Animal Hair – 61043100), 580900 (Zari Borders – 58090010) and 670100 (Feather Dusters – 67010010), India needs to gear up on growth while rest all HS codes are in sync with expected trend in world imports by 2025.

4.2 SETTING PRIORITIES FOR EXPORT PROMOTION POST COVID

Above section indicates the status of each of the 167 HS codes on the basis of the expected growth in world demand by 2025 and the advantage that Indian exports are expected to have by the downfall of China by virtue of their market share as compared to the other global competitors. However, in order to get assured market share Indian exports should also have strong supply capacities and acceptance of its product. Towards evaluating this, a comparative index on RCA (Revealed Comparative Advantage) is being estimated for all 167 HS codes both for India as well as China.

CRITERIA AND RATIONALE FOR PRODUCT SELECTION FOR EXPORTS

Criteria II: RCA value for India followed by rising trend assuming if there is world demand; but India does not have comparative advantage which has been rising then we are not in the position of exploiting the rising demand.

Criteria IV: Advantage of China fall. If it's more, then even if China RCA is more than India RCA then it will not bother us.

01

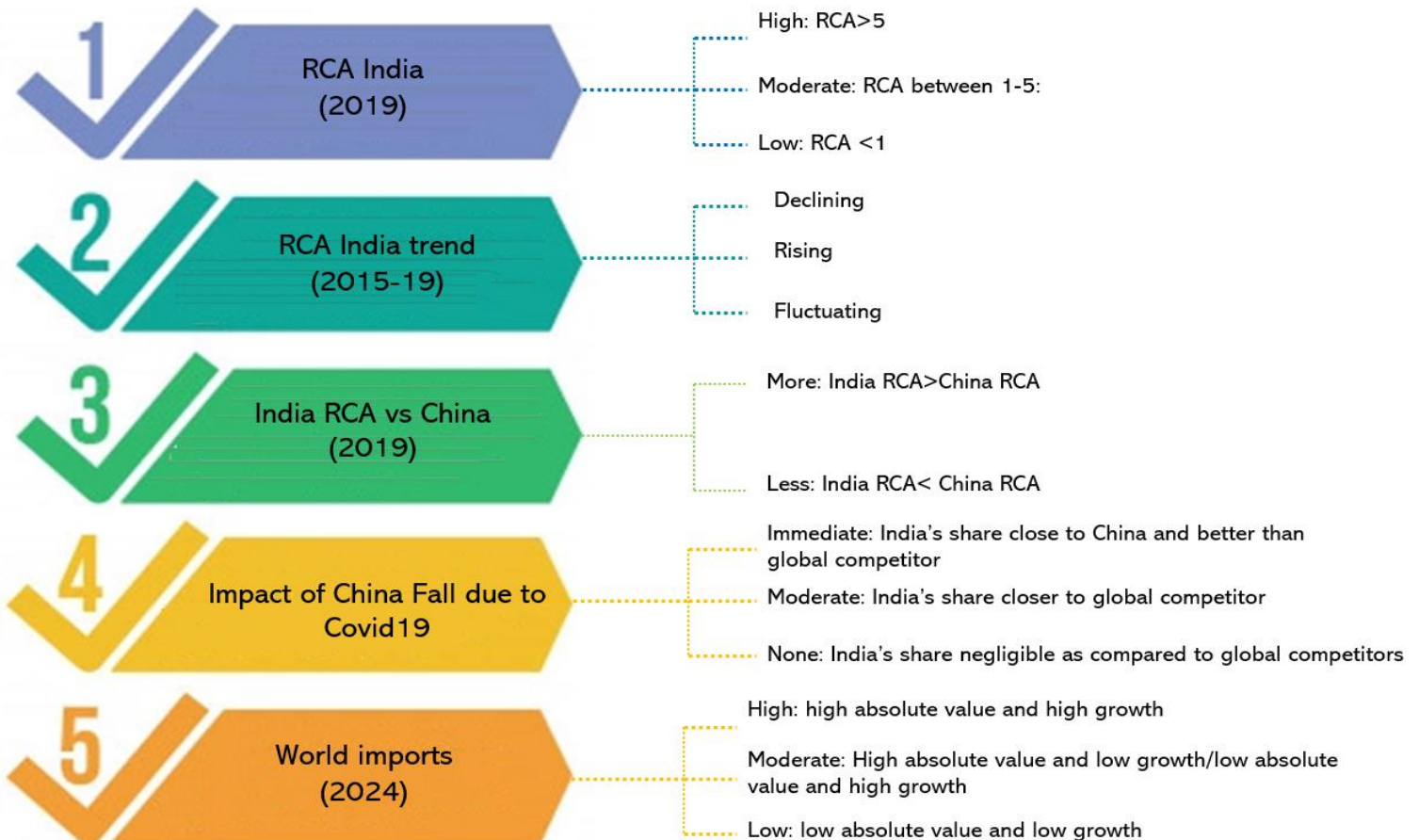
Criteria I: World Imports: most prominent criteria is the status of world imports. Since even if India's exports have comparative advantage but if there is no demand, it doesn't offer any export opportunity.

02

03

Criteria III: India RCA higher than China RCA because even if India RCA is good and rising, If China RCA is better than India, rise in world import will be exploited by China and not India.

04



FINAL PRODUCT SELECTION OF UTMOST IMPORTANCE TO EPCH CATEGORYWISE ANALYSIS

All Products								
World imp..	RCA India ..	RCA	India R..	China fall im..				
High	High	Rising	More	Moderate	741999			
			Less	Moderate	441990			
		Fluctuating	More	Immediate	960190			
				Moderate	482390			
		Moderate	Fluctuating	More	Immediate	711311	420231	
					Moderate	701810	640610	
	Less		Moderate	711790	700992			
Moderate	High	Rising	More	Immediate	581010			
		Fluctuating	More	Immediate	960200	442090	741810	580430
				Moderate	830610			
			Less	Immediate	480210			
	Moderate	Rising	More	Immediate	560500	580500		
				Moderate	580810	830630	830621	
		Fluctuating	More	Immediate	580900			
				Moderate	960310	960899	340600	
		Less	Moderate	460219				

Above 27 HS codes are of utmost importance to EPCH and deserve a focused policy focus towards sustaining the market share. All these identified commodities fair quite well across all the parameters wherein Indian handicraft exporters as well as the Government can be assured of sustainable import demand in the global market by the end of 2025 with India having a great comparative advantage and expected to have a decent share of exports in global market. **For remaining 80 HS codes across different categories the priority selection of products is as below**

Fashion		Furniture	
Order of selection	Product	Order of selection	Product
681599	MARBLE & STONE FIGURINES - 68159990	940360	CHILDREN'S FURNITURE - 94036000
581092	BADGES & EMBLEMS -58109210	940389	LEATHER FURNITURE - 94038900
611710	PASHMINA SHAWLS & STOLES - 61171020	940350	BEDROOM FURNITURE - 94035090
640320	KOLAPURI CHAPPALS - 64032040	460212	RATTAN BASKET - 46021200
630790	PRINTED FABRICS - 63079020	940330	CABINETWARE - 94033010
711719	JEWELLERY- SILVER - 71171920	940390	FURNITURE - 94039000
830890	IMITATION ZARI SPANGLES - 83089020	940382	BAMBOO FURNITURE - 94038200
610431	JACKETS OF WOOL OR FINE ANIMAL HAIR - 61043100	950300	TOYS-WOODEN - 95030010
581100	HAND EMBROIDERED GARMENTS - 58110010	460211	ECO-FRIENDLY PRODUCTS - 46021100
670100	FEATHER DUSTERS - 67010010		
650500	KNITTED OR CROCHETED HAT - 65050090		
650400	HATS & CAPS - 65040000		
711711	JEWELLERY- METAL - 71171100		
960110	ARTICLES OF IVORY - 96011000		

Home	
Order of selection	Product
330741	INCENSE STICKS & GIFT SETS - 33074100
442191	HOUSEHOLD PRODUCTS- DECORATIVE - 44219160
701333	BAR ACCESSORIES - 70133300
701349	GLASSWARE - 70134900
970500	ANIMAL FIGURES - 97050010
691190	TOILETRIES - 69119010
691200	TERRACOTTA - 69120010
701328	GLASS FOR TABLES - 70132800
701337	GLASS FOR TABLES - 70133700
970400	PHILAT - 97040090
701341	GLASS-DECORATIVE - 70134100
691110	TABLEWARE-PORCELAIN - 69111011

Lifestyle		Textiles	
Order of selection	Product	Order of selection	Product
330190	AROMATICS, INCENSE & OILS - 33019031	940490	EYE PILLOWS - 94049099
960200	POTPOURRI - 96020010	630491	FURNISHING ARTICLES, KNITTED/CROCHETED - 63049190
460199	PLAITING MATERIALS - BAMBOO ARTICLES - 46019900	630790	TABLE TOP - 63079020
441400	WOODEN PICTURE FRAME - 44140000	581100	HAND EMBROIDERED GARMENTS - 58110010
702000	GLASS SHELLS & GLOBES - 70200090	670290	FLOWER WOODEN - 67029090
761510	WOODEN CHEST WITH CERAMIC DARAJ - 76151090	630411	BEDSPREADS - 63041100
940550	LANTERNS & GARDEN LIGHTING - 94055010	580410	TULLES - 58041090
441919	BAMBOO TABLEWARE - 44191900		
950510	CHRISTMAS TREE DECORATION & ORNAMENTS - 95051000		
970300	SCULPTURES - 97030010		
970600	ANTIQUÉ FURNITURE - 97060000		
961400	SMOKING ACCESSORIES - 96140000		
420229	HANDBAGS - 42022910		
920600	MUSICAL INSTRUMENTS - 92060000		
970190	KNICK NACK TRAYS - 97019092		
970200	leather carving - 97020000		
330749	Loban - 33074900		
442010	SANDLEWOOD ARTICLES - 44201000		
830629	CANDLES & CANDLE HOLDERS - 83062990		
460129	AGRI MATS - 46012900		
482370	PAPIER MACHE - 48237030		
691390	STATUETTE - 69139000		
970110	ORIENTAL PAINTINGS - 97011090		
970500	ANIMAL FIGURES - 97050010		
950300	TOYS - 95030010		
970400	PHILAT - 97040090		
420239	JEWEL CASES/BOXES/PADS - 42023910		
701391	GLASSWARE OF LEAD CRYSTAL - 70139100		
701890	GLASS BEADS - 70189010		
392310	BOXES - GIFT - 39231020		
940510	CHANDLIERS - 94051010		
950590	Festive, Carnival - 95059010		

691310	CEREMONIAL ITEMS - 69131000
920290	STRING MUSICAL INSTRUMENTS - 92029000
920590	WIND MUSICAL INSTRUMENTS - 92059090
940530	CHRISTMAS LIGHT - 94053000
960622	HORN BONE BUTTONS FOR TEXTILES - 96062200
660200	WALKING STICKS - 66020000

STRATEGIC INPUTS FOR SENSITIVE HS CODES

Category	Home	Lifestyle	Textiles	Fashion	Furniture	Data Interpretation	Policy Recommendations
Decline in WI by 2025		961400 460199 441919 660200	630411	960110		World imports are expected to negligible both in absolute value as well as minimalistic growth.	Indian exporters and Govt. should divert focus to other products.
Poor Comparative advantage for Indian exports		961400 420229 940550 392310 940510 950590 660200 691310 920290 920590 940530 960622 330749 442010 830629 460129 701349 691110 970500 691190 691200 701328 701337 970400 701341				The only issue that India has to consider is declining RCA i.e poor or declining acceptance in India's traditional export destinations.	<p>Sustaining share in traditional markets</p> <ul style="list-style-type: none"> • High Brand Development • More GI to be filed. • HS code to NTL shift • Design thinking • New product ideas <p>Moving beyond traditional markets</p> <ul style="list-style-type: none"> • New market identification where import demand may increase. • Negotiating harder in emerging trade agreements for better import duty reduction • Working on better price competitiveness
Declining acceptance in global market	691110	420229 392310 940510 950590 660200 691310 920290 920590 940530 960622					

Category	Home	Lifestyle	Textiles	Fashion	Furniture	Data Interpretation	Policy Recommendations
High Global competition	691110	392310 940510 950590 660200 691310 920290 920590 940530 960622		650400 711711		Share of Indian handicrafts is negligible as against other global competitors.	Policy focus should be shifted away.



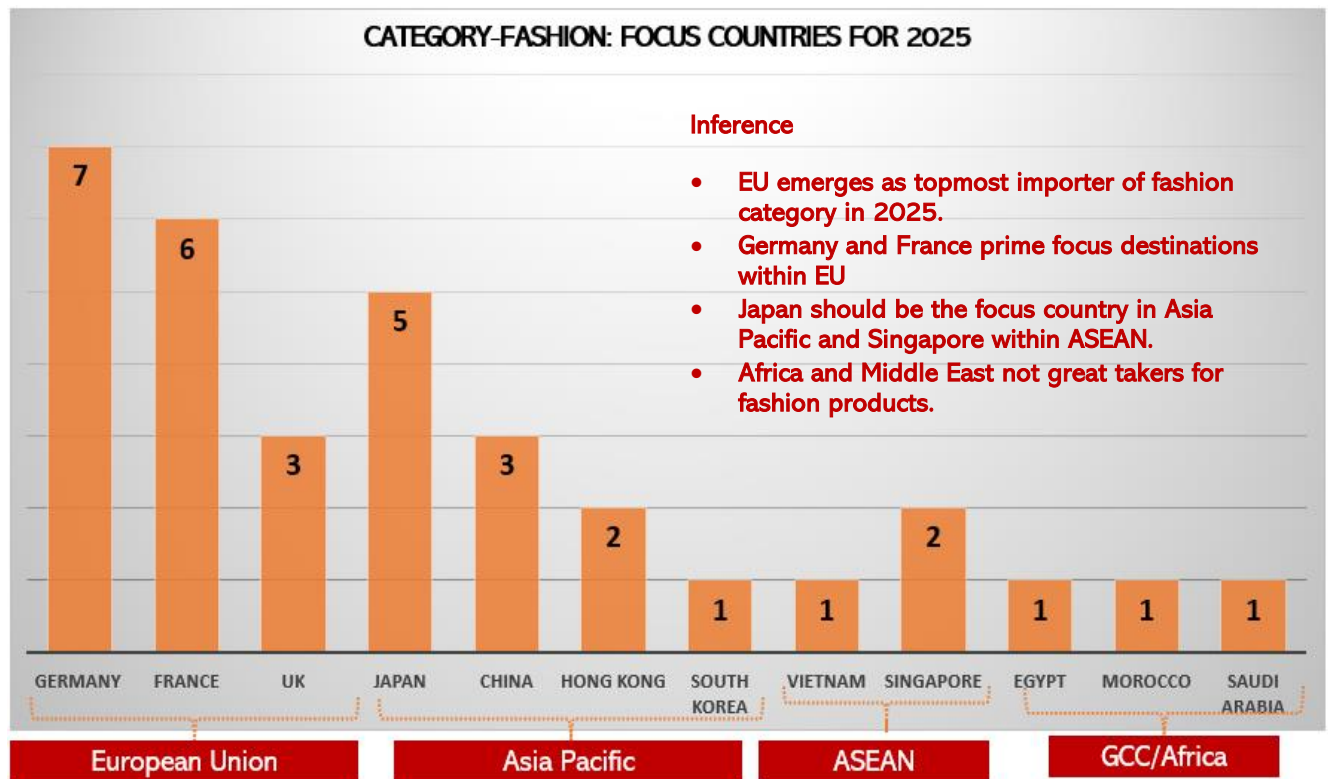
Govt. should divert its focus from these HS codes



Indian exporters and Govt. can pick up these products if strategic recommendations are implemented.

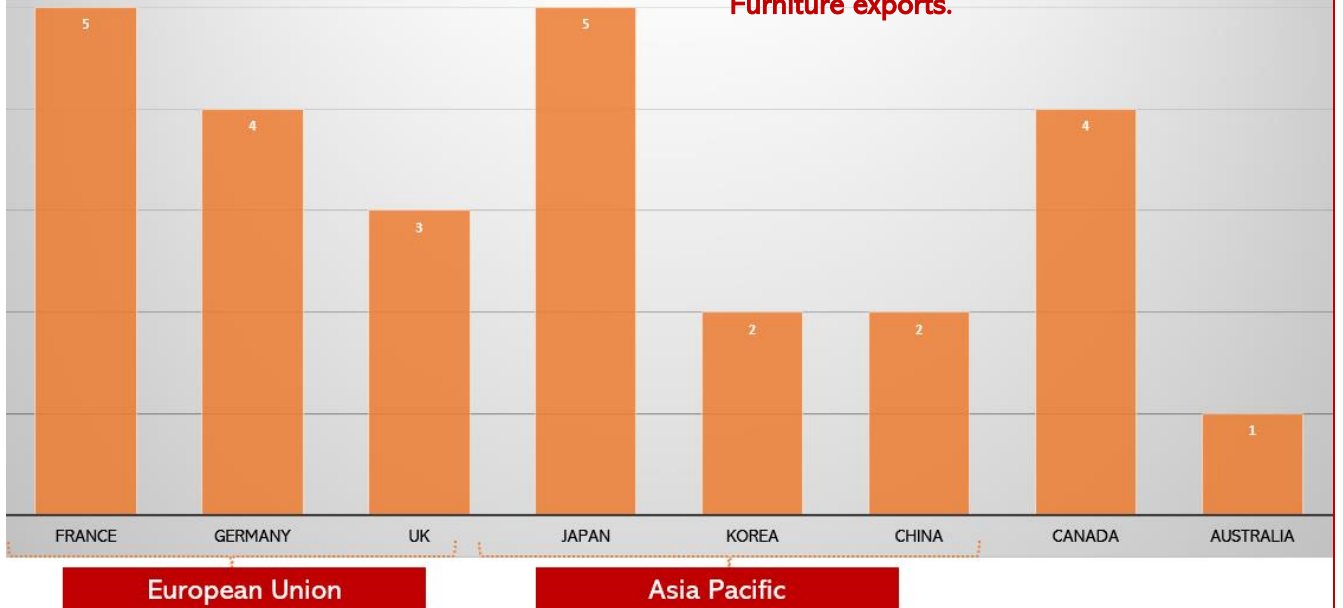
4.2.1 MOVING BEYOND TRADITIONAL MARKETS: COUNTRY-CATEGORYWISE ANALYSIS

One of the reasons for poor comparative advantage or declining RCA values for past few years could be due to mismatch between India's prime export markets versus global markets where import demand is increasing. Hence a shift from old traditional destinations to newer emerging markets could help Indian exporters pick up the products in this category. Suggestions towards new possible markets product wise is listed below:



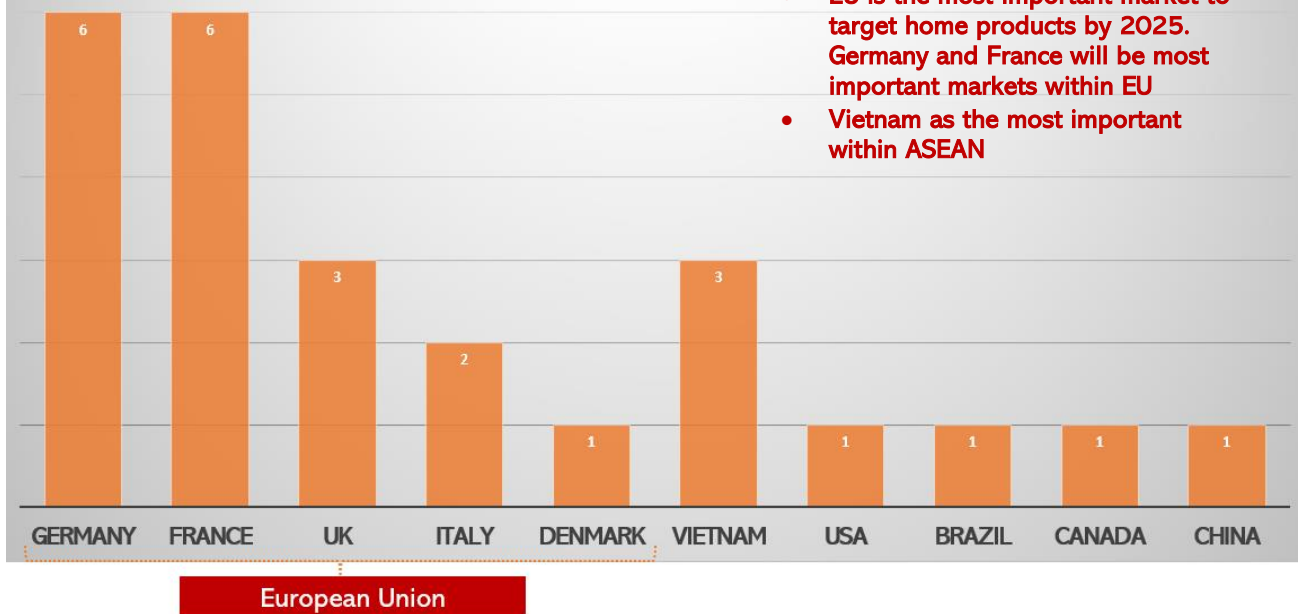
CATEGORY-FURNITURE: FOCUS COUNTRIES FOR 2025

EU (France and Germany); Asia Pacific (Japan) and Canada should be focus area for Furniture exports.

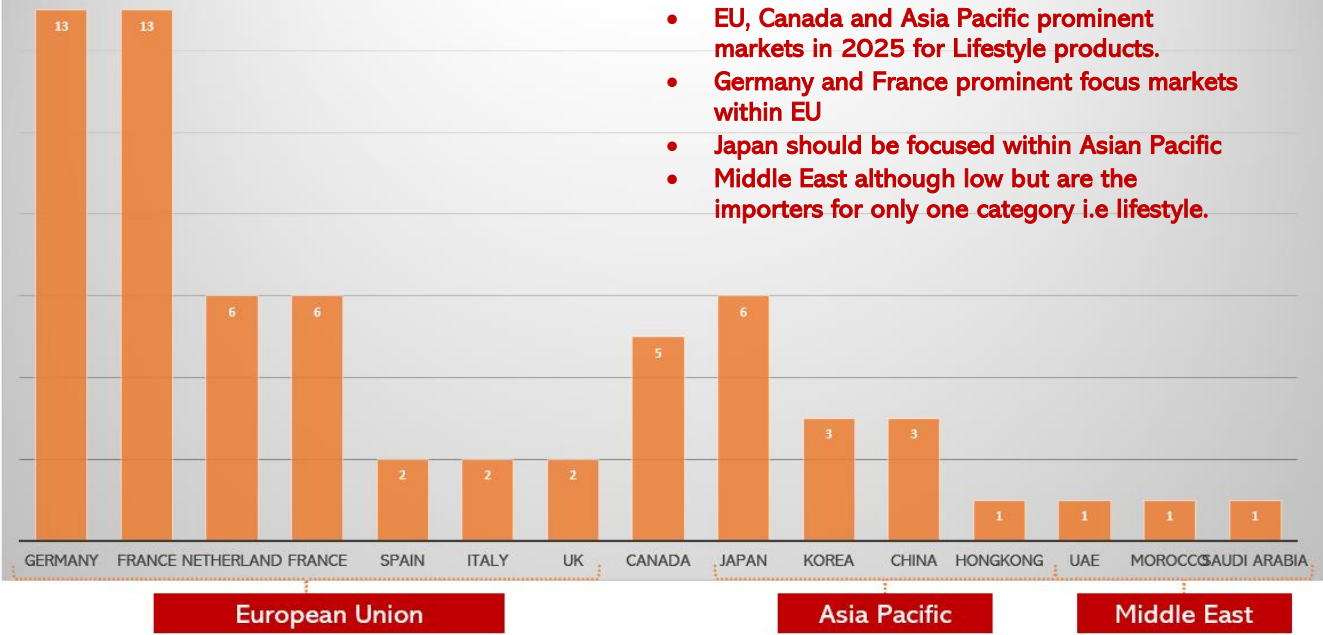


CATEGORY-HOME: FOCUS COUNTRIES FOR 2025

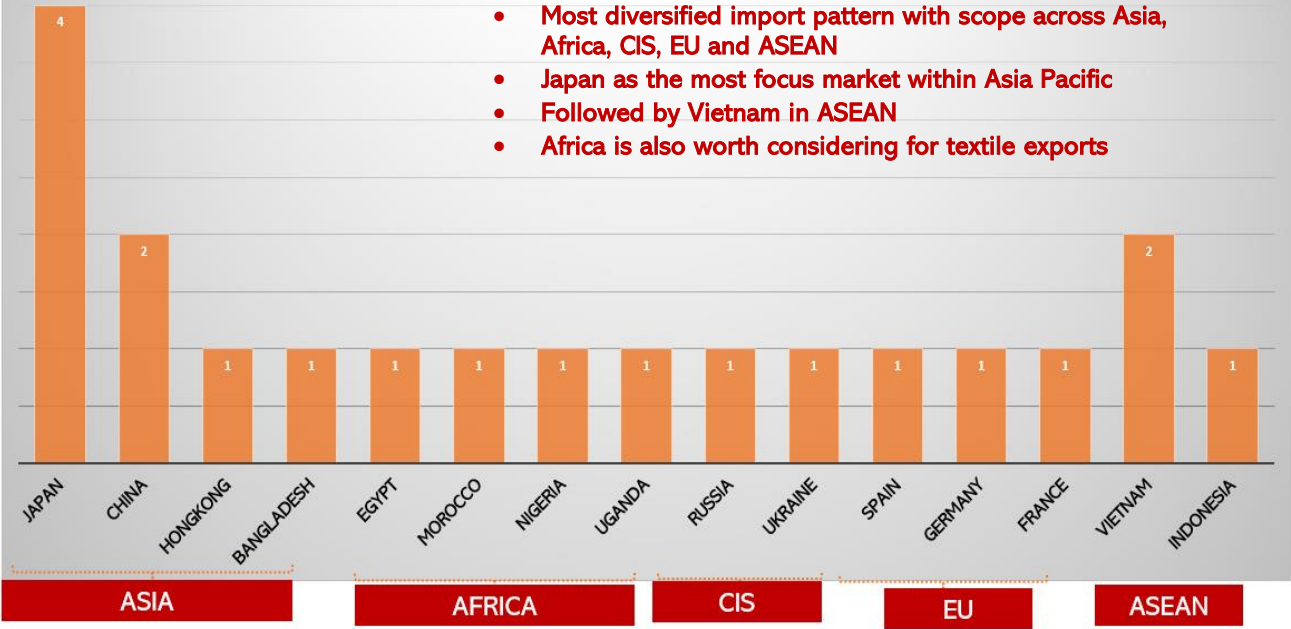
- EU is the most important market to target home products by 2025. Germany and France will be most important markets within EU
- Vietnam as the most important within ASEAN



CATEGORY-LIFESTYLE: FOCUS COUNTRIES FOR 2025



CATEGORY-TEXTILES: FOCUS COUNTRIES FOR 2025



PENETRATION RATIO-INDIA

While it is important to know the category wise import patterns into these countries in question, it is equally important to analyse the extent of India's presence in these markets. This gap analysis of country's import versus India's export would help policy makers and handicraft exporters to prioritise their exports in short run and initiate suitable policy intervention in long run to tap the potential of these importing countries where penetration ratio is low for India in high import countries.

PENETRATION RATIO-ASEAN (Demand/Supply projections for 2025)

REGION Country	Fashion		Furniture		Home		Lifestyle		Textiles		
	Global	Ind(%)	Global	Ind(%)	Global	Ind(%)	Global	Ind(%)	Global	Ind(%)	
ASEAN	Brunie	3709	1.64	5623	0.01	1782	0.68	14537	0.32	1177	0.07
	Cambodia	113846	0.00	37232	0.00	51243	0.00	212565	0.02	69881	0.00
	Indonesia	291607	0.38	144293	0.00	113677	0.65	966634	1.67	175772	0.23
	Malaysia	577541	2.41	433605	0.39	278850	0.99	1090946	1.79	76558	0.87
	Phillipines	168559	1.32	270541	0.04	151362	0.15	950274	0.92	44874	0.08
	Singapore	1300262	0.64	352856	0.04	144708	0.41	2452940	0.88	79915	1.21
	Thailand	635534	0.58	191086	0.05	323520	0.38	1286931	1.70	149665	0.16
	Vietnam	568906	0.35	80	3.30	402400	0.05	998657	1.13	638770	0.06

HOW FAR IS INDIA'S EXPORT IN SYNC WITH ASEAN IMPORT TREND?

Category	(i)ASEAN import trend	India's Penetration in (i)	India's focus
Fashion	Singapore is the best market for Fashion amongst ASEAN in 2025 followed by Thailand and Vietnam	India's penetration is minimalistic in these three major markets	Instead, India's focus max on exporting to Malaysia, Brunei and Phillipines
Furniture	Malaysia will be the most important import destination by 2025 followed by Singapore	India is hardly present in any of these markets	Instead, the most important export market that Indian furniture industry is targeting in ASEAN is Vietnam where the import demand is the least
Home	Most important market is Vietnam followed by Thailand and Malaysia	Vietnam is the least penetrated market by India.	India's export market is rightly focused on Malaysia. However, the other market Brunei which India is targeting is expected to witness hardly any imports by 2025.
Lifestyle	Singapore most imp market for Lifestyle products by 2025 followed by Thailand and Malaysia	Moderate penetration for India in Singapore but Malaysia and Thailand decently targeted	India's export markets in sync with ASEAN imports.
Textiles	Vietnam most imp market followed by meagre growth in Indonesia	Least focused market for Indian textile is Vietnam	India most imp target market is Singapore and Malaysia where imports are not very significant.

PENETRATION RATIO-CIS (Demand/Supply projections for 2025)

REGION Country	Fashion		Furniture		Home		Lifestyle		Textiles	
	Global	Ind(%)	Global	Ind(%)	Global	Ind(%)	Global	Ind(%)	Global	Ind(%)
Armenia	12530	0.37	18098	0.03	15324	0.49	40769	1.81	2862	0.03
Azerbaijan	25898	0.35	83477	0.07	47246	0.36	117334	1.06	10418	0.10
Belarus	106822	0.06	99289	0.02	55776	0.47	358806	0.47	50537	0.13
Georgia	82563	0.73	49548	0.01	27690	0.58	157277	0.36	6771	0.34
Kazakhstan	105219	0.02	154079	0.00	91860	0.08	411565	0.07	53451	0.00
Kyrgyzstan	31106	0.03	12078	0.00	23456	0.00	51648	0.01	10275	0.00
Moldova	12201	1.15	17452	0.03	8945	0.28	58592	0.70	9879	0.02
Russia	1092352	0.29	551188	0.08	361690	1.94	3147861	1.92	129136	1.15

HOW FAR IS INDIA'S EXPORT IN SYNC WITH CIS IMPORT TREND?

Category	(i) CIS import trend	India's Penetration in (i)	India's focus
Fashion	Russia is the most promising market with maximum imports. Belarus and Kazakhstan moderately growing	India's presence is least in Russia and Belarus	Instead, Indian fashion exports targeted to least promising markets of CIS including Moldova and Georgia
Furniture	Russia most promising followed by Azerbaijan	Although penetration of India max in Russia amongst CIS but share is too low	India's export focus in sync with growing CIS countries.
Home	Russia most promising followed by Kazakhstan	India decently present in Russia	Georgia which is another focus market for India is also a decent choice
Lifestyle	Russia again most promising market followed by Kazakhstan	India's penetration is not much	Still Russia is the most imp market for India. However, focus from Armenia should be shifted to Kazakhstan.
Textiles	Russia, Belarus and Kazakhstan promising	India completely absent in Kazakhstan and very bleak penetration in Belarus	Instead, Indian textiles are focusing on Georgia which one of the least important market.

PENETRATION RATIO-EU (Demand/Supply projections for 2025)

REGION Country	Fashion		Furniture		Home		Lifestyle		Textiles	
	Global	Ind(%)	Global	Ind(%)	Global	Ind(%)	Global	Ind(%)	Global	Ind(%)
Austria	891191	0.73	1084439	0.08	344504	0.47	2442912	1.13	210750	0.43
Belgium	739510	0.77	906723	0.08	319390	0.60	3831506	1.23	209460	1.03
Bulgaria	86262	0.04	104855	0.01	44136	0.17	514044	0.52	44543	0.21
Denmark	323969	1.18	607848	0.11	188684	0.33	1490703	2.80	128518	0.32
France	2745115	0.87	3117652	0.10	800876	0.13	9745790	0.81	514378	0.49
Germany	5145243	0.85	2908836	0.17	716456	1.03	7670144	3.19	584345	0.96
Greece	240384	0.20	158856	0.05	80414	0.58	731516	0.82	55472	0.19
Hungary	117560	0.11	155704	0.00	68690	0.26	713049	0.47	64602	0.10
Ireland	421211	0.82	298878	0.05	84205	0.35	1146063	0.72	58670	0.69
Italy	1816196	1.80	981973	0.03	568677	0.32	4715525	0.91	979582	0.63
Netherlands	1385593	0.54	2042943	0.32	652782	0.54	6868485	1.65	395470	0.48
Poland	1140761	0.83	851388	0.06	391738	0.83	4576684	1.54	304385	0.30
Portugal	283161	0.74	280861	0.05	102746	0.54	972800	0.49	207883	0.36
Romania	555754	0.09	469169	0.01	144183	0.45	1335652	0.39	301974	0.07
Spain	1191143	1.00	994736	0.10	442351	0.85	4150025	1.39	463196	0.59
Sweden	471268	1.22	939682	0.07	222165	0.82	1636350	1.71	217057	0.73

HOW FAR IS INDIA'S EXPORT IN SYNC WITH EU IMPORT TREND?

Category	(i) EU import trend	India's Penetration in (i)	India's focus
Fashion	France and Germany most promising markets followed by Italy and Netherlands	India's overall penetration is too poor although Italy is targeted	India should shift its focus from Denmark and Sweden to France and Germany
Furniture	France, Germany, Netherlands are the markets for 2025	Although India's share is meagre, but except for Netherland, India's focus not in sync with growing markets	Indian exporters should shift focus from Denmark and increase rigor to France
Home	France, Germany followed by Italy and Netherlands promising markets	Hardly any penetration from India. Out of all the import markets, Germany is most important for Indian exports with highest penetration.	France should also be the next focus instead of Poland, Sweden and Spain.
Lifestyle	France, Germany followed by Netherlands promising markets	Decent presence in Germany. Should make efforts to strengthen our hold.	Indian exporters should shift focus from Denmark and increase rigor to France
Textiles	Italy highly promising. France and Germany also growing	Germany is tapped and should further have policy focus to strengthen it	India is focusing on not so promising markets of Belgium, Sweden and Ireland. Instead should shift its focus on France and Germany.

PENETRATION RATIO-LAC (Demand/Supply projections for 2025)

REGION	Fashion		Furniture		Home		Lifestyle		Textiles		
	Country	Global	Ind(%)	Global	Ind(%)	Global	Ind(%)	Global	Ind(%)	Global	Ind(%)
LAC	Argentina	97737	0.63	21691	0.10	55617	2.01	494088	2.51	91040	1.21
	Brazil	182126	0.89	29808	0.16	141734	2.91	889731	4.80	119422	1.16
	Chile	179521	0.76	150220	0.09	120187	0.89	788214	2.27	82730	1.02
	Paraguay	10069	0.17	22350	0.07	21687	0.27	151137	0.66	8427	0.03
	Peru	110150	0.90	87752	0.08	124866	3.08	669752	2.28	61433	0.27
	Uruguay	25576	0.62	40834	0.08	16354	1.00	110633	1.13	10063	0.42

HOW FAR IS INDIA'S EXPORT IN SYNC WITH LAC IMPORT TREND?

Category	(i) LAC import trend	India's Penetration in (i)	India's focus
Fashion	Brazil and Chile most promising markets	India's presence is meagre but focused on Brazil and Chile	Focus on Peru is max which is also decently growing
Furniture	Chile most promising followed by Peru	Very poor presence across LAC	India focusing on Brazil which is not so promising import destination
Home	Brazil, Chile Peru great markets	Brazil and Peru already in focus. Need to strengthen it	Huge focus currently on Argentina..need to shift to Chile where India's exports are hardly targeted.
Lifestyle	Brazil, Chile Peru great markets	Amongst all categories, India's presence in LAC is highest in Lifestyle category focusing on Argentina, Brazil and Chile	Can continue with existing markets since our lifestyle exports in LAC in sync with growing markets
Textiles	Brazil and Argentina promising import markets	India focus in sync	Can continue with existing markets since our textile exports in LAC in sync with growing markets

REGION		Fashion		Furniture		Home		Lifestyle		Textiles	
Country		Global	Ind(%)	Global	Ind(%)	Global	Ind(%)	Global	Ind(%)	Global	Ind(%)
Indep	Australia	2189511	1.00	1352509	0.11	355447	1.43	4208421	2.90	373455	0.66
	Japan	4140720	0.89	2183816	0.01	627720	0.14	8787275	0.49	1425503	0.12
	USA	17769542	1.20	21087537	0.16	4575011	1.16	73977694	3.28	4740256	0.81

HOW FAR IS INDIA IN SYNC WITH IMPORT TREND IN TRADITIONAL MARKETS?

Category	(i)	Import trend	India's Penetration in (i)	India's focus
Fashion	USA is very promising market as compared to Australia. Japan is moderately promising in all the five categories.		Amongst the three destination India is focusing on USA. Should continue.	India should leverage Indo Japan CEPA to strengthen its presence in Japan.
Furniture			India's presence is too poor	
Home			Giving more focus to Australia as compared to the USA	While Australia focus is fine, USA needs to be focused more
Lifestyle			Amongst all the categories India's presence in the USA is strongest in Lifestyle.	India should leverage Indo Japan CEPA to strengthen its presence in Japan.
Textiles			Very meagre presence across all the three markets.	

4.2.2 COUNTRY-HSCODEWISE ANALYSIS

Reality Check: Indian export markets versus Prime global importers (HS code wise analysis)

Category Fashion

HS code	Product	India's export destination not so promising	Top Global importers
581100	HAND EMBROIDERED GARMENTS - 58110010	USA, Nepal, Bhutan, France, Australia	Egypt, Morocco, Viet Nam, China, Russian Federation
610431	JACKETS OF WOOL OR FINE ANIMAL HAIR - 61043100	USA, France, Germany, Colombia, Italy	South Korea, Germany, Hongkong, Italy, USA
611710	PASHMINA SHAWLS & STOLES - 61171020	UAE, Saudi Arabia, USA, Gambia	USA, Germany, Singapore, France
630790	PRINTED FABRICS - 63079020	UAE, USA, UK, Nigeria, Togo	USA, Germany, France, Japan, UK
650400	HATS & CAPS - 65040000	UK, Australia, USA, Denmark	USA, Japan, Germany, France
650500	KNITTED OR CROCHETED HAT - 65050090	USA, Germany, UK, Nigeria	USA, Germany, Japan, France
670100	FEATHER DUSTERS - 67010010	UAE, USA, Kenya, Germany	UAE, USA, China, UK
711711	JEWELLERY- METAL - 71171100	USA, Sri Lanka, Nigeria, UK, France	Saudi Arabia, UK, China, Germany, USA
711719	JEWELLERY- SILVER - 71171920	UAE, USA, Nigeria, Iran, Afghanistan	USA, France, Germany, China, Japan
830890	IMITATION ZARI SPANGLES - 83089020	USA, Bangladesh, Hong Kong, Sri Lanka	France, Hongkong, Romania, Italy, Germany
960110	ARTICLES OF IVORY - 96011000	USA, Spain, Australia, Nepal	Belgium, France, Japan, USA, Singapore

Category: Furniture

HS code	Product	India's export destination not so promising	Top Global importers
460211	ECO-FRIENDLY PRODUCTS - 46021100	Maldives, USA, Denmark, Israel, France	USA, Germany, UK, Japan, France
460212	RATTAN BASKET - 46021200	USA, Netherlands, UAE, Japan, Brazil	USA, Germany, Netherlands, UK, Japan
940330	CABINETWARE - 94033010	USA, Netherlands, Germany, France, Australia	USA, Germany, France, UK, Netherlands
940350	BEDROOM FURNITURE - 94035090	USA, Canada, Germany, Australia, UK	USA, Germany, UK, Canada, France
940360	CHILDREN'S FURNITURE - 94036000	USA, Germany, Netherlands, France, UK	USA, Germany, UK, France, Japan
940382	BAMBOO FURNITURE - 94038200	USA, UAE, Spain, Portugal, Netherland, Sweden	USA, Germany, Canada, France, UK, Australia
940389	LEATHER FURNITURE - 94038900	USA, Netherlands, France, Germany, UK, Spain	USA, Canada, Korea, France, Germany, China
940390	FURNITURE - 94039000	USA, Netherland, Germany, UK, Sweden	USA, Germany, France, UK, Canada, Japan
950300	TOYS-WOODEN - 95030010	USA, UK, Germany, Netherlands, Poland	USA, Germany, UK, France, Japan, Canada

Category: Home

HS code	Product	India's export destination not so promising	Top Global importers
691110	TABLEWARE-PORCELAIN - 69111011	Brazil, UK, Germany, USA	Vietnam, USA, Germany, Iraq
691190	TOILETRIES - 69119010	USA, Nepal, UK, Germany	Italy, UK, Saudi Arabia, USA
691200	TERRACOTTA - 69120010	Brazil, USA, UK, UAE	USA, Germany, France, UK
701328	GLASS FOR TABLES - 70132800	Nepal, Korea, USA, Japan, Netherlands	USA, Germany, Netherlands, France, UK
701337	GLASS FOR TABLES - 70133700	USA, Bangladesh, Nepal, Maldives, Bhutan	USA, Germany, Vietnam, UK, France
701341	GLASS-DECORATIVE - 70134100	Curacao, Germany, Hong Kong, Malaysia	UK, USA, Brazil, France, Italy
701349	GLASSWARE - 70134900	USA, Brazil, UK, Kenya, Sri Lanka	USA, Germany, Russia, France, Canada, Vietnam
970400	PHILAT - 97040090	USA, Bahrain, Zambia, South Africa	Switzerland, Germany, USA, Denmark, China
970500	ANIMAL FIGURES - 97050010	Bahrain, USA, Canada, UK, Belgium	USA, UK, France, Germany, Belgium

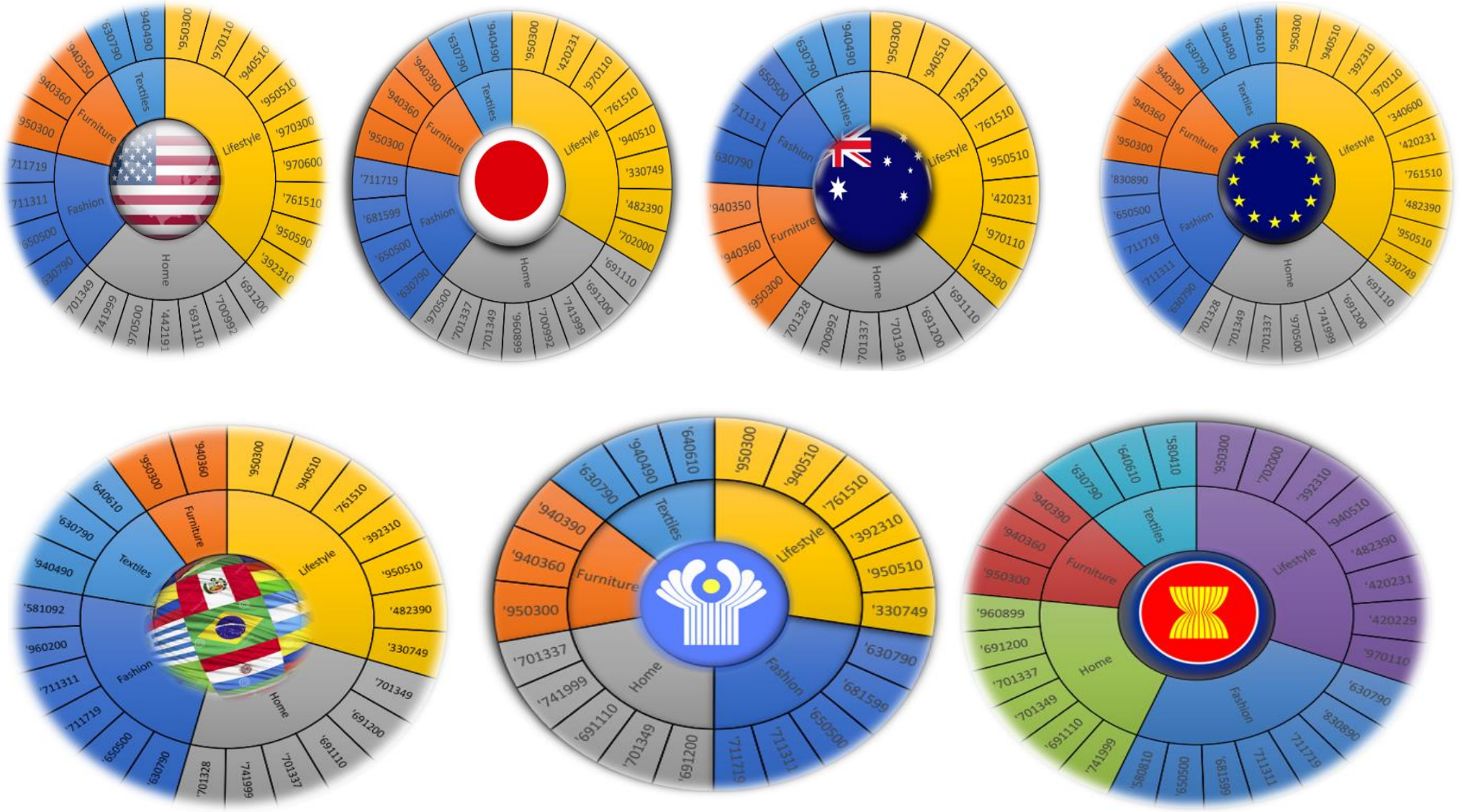
Category: Textiles

HS code	Product	India's export destination not so promising	Top Global importers, India should target
580410	TULLES - 58041090	UAE, Israel, USA, Australia, South Korea	Viet Nam, Indonesia, China, Hongkong, Bangladesh
581100	HAND EMBROIDERED GARMENTS - 58110010	USA, Nepal, Bhutan, France, Australia	Egypt, Morocco, Viet Nam, China, Russian Federation
630411	BEDSPREADS - 63041100	Israel, Nepal, Yemen, USA	Nigeria, USA, Ukraine, Poland
630491	FURNISHING ARTICLES, KNITTED/CROCHETED - 63049190	USA, Ghana, Congo, Ethiopia	USA, Spain, Uganda, Japan
630790	TABLE TOP - 63079020	UAE, USA, UK, Nigeria	USA, Germany, France, Japan
940490	EYE PILLOWS - 94049099	USA, France, UK, Australia, Netherlands, Germany	USA, Japan, Germany, UK, Canada, France

Category: Lifestyle

HS Code		India's export destination not so promising	Top Global Importers
330749	Loban - 33074900	USA, United Kingdom, Australia, UAE	USA, United Kingdom, Japan, Germany, Netherlands
392310	BOXES - GIFT - 39231020	United Kingdom, USA, UAE, Australia, Nepal	Mexico, USA, Germany, France, Netherlands
420229	HANDBAGS - 42022910	USA, Italy, Spain, France, United Kingdom, Germany	Korea, Thailand, Singapore, United Kingdom, Philippines
420239	JEWEL CASES/BOXES/PADS - 42023910	USA, UAE, France, Japan, Bahrain,	Korea, Germany, UK, USA, Canada
442010	SANDLEWOOD ARTICLES - 44201000	USA, UK, France, Malaysia, Netherlands	USA, Germany, Netherlands, France, Japan
460129	AGRI MATS - 46012900	UAE, Oman, USA, Bahrain, Switzerland	Japan, Spain, France, Germany, Netherlands
482370	PAPIER MACHE - 48237030	UAE, USA, Hong Kong, Oman, UK	USA, Germany, France, Italy, Canada
660200	WALKING STICKS - 66020000	USA, Malawi, Oman, Kenya	USA, Germany, Japan, France
691310	CEREMONIAL ITEMS - 69131000	Argentina, USA, Spain, Seychelles	USA, Vietnam, Germany, UAE
691390	STATUETTE - 69139000	USA, Switzerland, UK, Germany	USA, Germany, Netherlands, UK
701391	GLASSWARE OF LEAD CRYSTAL - 70139100	USA, Saudi Arabia, Ireland, Brazil, United Kingdom	USA, Japan, UK, France, China
701890	GLASS BEADS - 70189010	UAE, Denmark, Austria, USA, Nepal	USA, UAE, Italy, Japan, UK
830629	CANDLES & CANDLE HOLDERS - 83062990	USA, Germany, UK, Nigeria, Australia	USA, Germany, Netherlands, UK, France
920290	STRING MUSICAL INSTRUMENTS - 92029000	Nepal, Germany, USA, Bangladesh, Japan	USA, Germany, Japan, UK, France
920590	WIND MUSICAL INSTRUMENTS - 92059090	USA, Germany, Canada, Australia, France	USA, Germany, Japan, Korea, France
940510	CHANDLIERS - 94051010	USA, Germany, Netherlands, UK, France, Hungary	USA, Germany, France, Canada, UK, Austria, Netherland
940530	CHRISTMAS LIGHT - 94053000	USA, Netherland, UK, Spain, Nepal, Maldives	USA, Germany, UK, Netherland, Italy, France
940550	LANTERNS & GARDEN LIGHTING - 94055010	USA, UK, Bangladesh, Kenya Netherlands	USA, Germany, UK, Netherlands, Canada
950300	TOYS - 95030010	USA, UK, Germany, Netherlands, Poland	USA, Germany, UK, France, Japan, Canada
950590	Festive,Carnival - 95059010	USA, UK, Canada, Denmark, Chile	USA, UK, Netherland, Canada, Germany
960622	HORN BONE BUTTONS FOR TEXTILES - 96062200	Bangladesh, Sri Lanka, USA, Germany, Kenya	Bangladesh, Vietnam, Hongkong, China, Morocco
961400	SMOKING ACCESSORIES - 96140000	Germany, USA, Netherlands, Australia, Canada	Germany, USA, Spain, Saudi Arabia, France
970110	ORIENTAL PAINTINGS - 97011090	USA, UK, Japan, Hong Kong (China), Singapore	USA, Hong Kong (China), UK, Switzerland, Germany
970400	PHILAT - 97040090	USA, Bahrain, Zambia, French Polynesia, South Africa	Switzerland, Germany, USA, Denmark, China
970500	ANIMAL FIGURES - 97050010	Bahrain, USA, Canada, UK, Belgium	USA, UK, France, Germany, Belgium

4.2.3 GLOBAL REGIONAL ANALYSIS: FOCUS PRODUCTS FOR 2025



Home		Lifestyle		Fashion		Furniture		Textiles	
HS code	Product	HS code	Product	HS code	Product	HS code	Product	HS code	Product
USA									
691200	TERRACOTTA - 69120010	392310	BOXES - GIFT - 39231020	711719	JEWELLERY- SILVER - 71171920	940350	BEDROOM FURNITURE - 94035090	940490	EYE PILLOWS - 94049099
700992	GLASS MIRRORS - 70099200	950590	Festive,Carnival - 95059010	711311	SILVER FILLIGREE WORK - 71131110	940360	CHILDREN'S FURNITURE - 94036000	630790	TABLE TOP - 63079020
691110	TABLEWARE- PORCELAIN - 69111011	761510	WOODEN CHEST WITH CERAMIC DARAJ - 76151090	650500	KNITTED OR CROCHETED HAT - 65050090	950300	TOYS-WOODEN - 95030010		
442191	HOUSEHOLD PRODUCTS- DECORATIVE - 44219160	970600	ANTIQUE FURNITURE - 97060000	630790	PRINTED FABRICS - 63079020				
970500	ANIMAL FIGURES - 97050010	970300	SCULPTURES - 97030010						
741999	ARTICLES OF BRASS - 74199930	950510	CHRISTMAS TREE DECORATION & ORNAMENTS - 95051000						
701349	GLASSWARE - 70134900	940510	CHANDLIERS - 94051010						
		970110	ORIENTAL PAINTINGS - 97011090						
		950300	TOYS-WOODEN - 95030010						

JAPAN

Home		Lifestyle		Fashion		Furniture		Textiles	
HS code	Product	HS code	Product	HS code	Product	HS code	Product	HS code	Product
691110	TABLEWARE-PORCELAIN - 69111011	330749	Loban - 33074900	630790	PRINTED FABRICS - 63079020	940390	FURNITURE - 94039000	940490	EYE PILLOWS - 94049099
691200	TERRACOTTA - 69120010	950510	CHRISTMAS TREE DECORATION & ORNAMENTS - 95051000	650500	KNITTED OR CROCHETED HAT - 65050090	940360	CHILDREN'S FURNITURE - 94036000	630790	TABLE TOP - 63079020
741999	ARTICLES OF BRASS - 74199930	482390	PAPER BOARD - 48239018	681599	MARBLE & STONE FIGURINES - 68159990	950300	TOYS-WOODEN - 95030010		
700992	GLASS MIRRORS - 70099200	761510	WOODEN CHEST WITH CERAMIC DARAJ - 76151090	711719	JEWELLERY-SILVER - 71171920				
960899	HOLDERS - 96089910	420231	JEWELLERY BOXES - 42023110						
701349	GLASSWARE - 70134900	340600	CANDLES - 34060010						
701337	GLASS FOR TABLES - 70133700	970110	ORIENTAL PAINTINGS - 97011090						
970500	ANIMAL FIGURES - 97050010	392310	BOXES - GIFT - 39231020						
		940510	CHANDLIERS - 94051010						
		950300	TOYS-WOODEN - 95030010						

AUSTRALIA									
701328	GLASS FOR TABLES - 70132800	950300	TOYS-WOODEN - 95030010	630790	PRINTED FABRICS - 63079020	950300	TOYS-WOODEN - 95030010	630790	TABLE TOP - 63079020
700992	GLASS MIRRORS - 70099200	940510	CHRISTMAS TREE DECORATION & ORNAMENTS - 95051000	711311	SILVER FILLIGREE WORK - 71131110	940360	CHILDREN'S FURNITURE - 94036000	940490	EYE PILLOWS - 94049099
701337	GLASS FOR TABLES - 70133700	392310	BOXES - GIFT - 39231020	650500	KNITTED OR CROCHETED HAT - 65050090	940350	BEDROOM FURNITURE - 94035090		
701349	GLASSWARE - 70134900	761510	WOODEN CHEST WITH CERAMIC DARAJ - 76151090						
691200	TERRACOTTA - 69120010	950510	CHRISTMAS TREE DECORATION & ORNAMENTS - 95051000						
691110	TABLEWARE- PORCELAIN - 69111011	420231	JEWELLERY BOXES - 42023110						
		970110	ORIENTAL PAINTINGS - 97011090						
		482390	PAPER BOARD - 48239018						

EU									
691110	TABLEWARE-PORCELAIN - 69111011	702000	GLASS SHELLS & GLOBES - 70200090	830890	IMITATION ZARI SPANGLES - 83089020	940390	FURNITURE - 94039000	640610	EMBROIDERED UPPERS - 64061010
691200	TERRACOTTA - 69120010	482390	PAPER BOARD - 48239018	650500	KNITTED OR CROCHETED HAT - 65050090	940360	CHILDREN'S FURNITURE - 94036000	940490	EYE PILLOWS - 94049099
741999	ARTICLES OF BRASS - 74199930	330749	Loban - 33074900	711719	JEWELLERY-SILVER - 71171920	950300	TOYS-WOODEN - 95030010	630790	TABLE TOP - 63079020
970500	ANIMAL FIGURES - 97050010	940510	CHANDLIERS - 94051010	711311	SILVER FILLIGREE WORK - 71131110				
701337	GLASS FOR TABLES - 70133700	761510	WOODEN CHEST WITH CERAMIC DARAJ - 76151090	630790	PRINTED FABRICS - 63079020				
701349	GLASSWARE - 70134900	970110	ORIENTAL PAINTINGS - 97011090						
701328	GLASS FOR TABLES - 70132800	420231	JEWELLERY BOXES - 42023110						
		950300	TOYS-WOODEN - 95030010						
LATIN AMERICA									
701328	GLASS FOR TABLES - 70132800	330749	Loban - 33074900	630790	PRINTED FABRICS - 63079020	940360	CHILDREN'S FURNITURE - 94036000	640610	EMBROIDERED UPPERS - 64061010
741999	ARTICLES OF BRASS - 74199930	482390	PAPER BOARD - 48239018	650500	KNITTED OR CROCHETED HAT - 65050090	950300	TOYS-WOODEN - 95030010	630790	TABLE TOP - 63079020
701337	GLASS FOR TABLES - 70133700	950510	CHRISTMAS TREE DECORATION & ORNAMENTS - 95051000	711719	JEWELLERY-SILVER - 71171920			940490	EYE PILLOWS - 94049099
691110	TABLEWARE-PORCELAIN - 69111011	392310	BOXES - GIFT - 39231020	711311	SILVER FILLIGREE WORK - 71131110				

691200	TERRACOTTA - 69120010	761510	WOODEN CHEST WITH CERAMIC DARAJ - 76151090	960200	WORKED ARTICLE - 96020020				
701349	GLASSWARE - 70134900	940510	CHANDLIERS - 94051010	581092	BADGES & EMBLEMS - 58109210				
		950300	TOYS-WOODEN - 95030010						

CIS									
701337	GLASS FOR TABLES - 70133700	950300	TOYS-WOODEN - 95030010	630790	PRINTED FABRICS - 63079020	950300	TOYS-WOODEN - 95030010	640610	EMBROIDERED UPPERS - 64061010
741999	ARTICLES OF BRASS - 74199930	940510	CHANDLIERS - 94051010	681599	MARBLE & STONE FIGURINES - 68159990	940360	CHILDREN'S FURNITURE - 94036000	940490	EYE PILLOWS - 94049099
691110	TABLEWARE- PORCELAIN - 69111011	761510	WOODEN CHEST WITH CERAMIC DARAJ - 76151090	650500	KNITTED OR CROCHETED HAT - 65050090	940390	FURNITURE - 94039000	630790	TABLE TOP - 63079020
701349	GLASSWARE - 70134900	392310	BOXES - GIFT - 39231020	711311	SILVER FILLIGREE WORK - 71131110				
691200	TERRACOTTA - 69120010	950510	CHRISTMAS TREE DECORATION & ORNAMENTS - 95051000	711719	JEWELLERY- SILVER - 71171920				
		330749	Loban - 33074900						
ASEAN									
741999	ARTICLES OF BRASS - 74199930	950300	TOYS-WOODEN - 95030010	630790	PRINTED FABRICS - 63079020	950300	TOYS-WOODEN - 95030010	580410	TULLES - 58041090
691110	TABLEWARE- PORCELAIN - 69111011	702000	GLASS SHELLS & GLOBES - 70200090	830890	IMITATION ZARI SPANGLES - 83089020	940360	CHILDREN'S FURNITURE - 94036000	640610	EMBROIDERED UPPERS - 64061010
701349	GLASSWARE - 70134900	392310	BOXES - GIFT - 39231020	711719	JEWELLERY- SILVER - 71171920	940390	FURNITURE - 94039000	630790	TABLE TOP - 63079020

701337	GLASS FOR TABLES - 70133700	940510	CHANDLIERS - 94051010	711311	SILVER FILLIGREE WORK - 71131110				
691200	TERRACOTTA - 69120010	482390	PAPER BOARD - 48239018	681599	MARBLE & STONE FIGURINES - 68159990				
960899	HOLDERS - 96089910	420231	JEWELLERY BOXES - 42023110	650500	KNITTED OR CROCHETED HAT - 65050090				
		420229	HANDBAGS - 42022910	580810	BRAIDS - 58081090				
		970110	ORIENTAL PAINTINGS - 97011090						

Above charts depict the region wise preference of the specific products that would constitute approximately 80% of the total the region's imports. Analysis includes individual countries including USA, Australia and Japan and regions including EU, LAC, ASEAN and CIS.

Further detailed country analysis has also been conducted using forecasting technique through linest method to understand the import demand patterns by 2025. The table below gives a detailed analysis of country-wise products that are expected to be in huge demand in each of these individual countries falling within the region. Using this methodology, all 108 HS codes across 40 countries have been divided into three slabs:



Table below list down the products in high and moderate importance which Indian exporters should focus while targeting global markets. While the ones with less than 1 percent contribution in total imports (detailed out in the Annexure III) are not found promising and hence should not be focused both from policy incentives, trade fair participation and trade negotiations as well as exporters buyer search for these products in the respective export destinations.

4.2.4 COUNTRYWISE ANALYSIS FOCUS PRODUCTS FOR 2025

(Details in Annexure IV)

Country	High import demand in 2025	Moderate import demand in 2025
Australia	'950300, '950300, '630790, '630790 '940360, '940510	'940350, '940490, '940390, '711311, '392310, '761510, '650500, '950510, '420231
USA	'950300, '950300, '970110, '940360	'940510, '630790, '630790, '940350, '940390, '940490, '950510, '650500, '711311 '970300, '970600, '761510, '950590, '392310, '691200, '940389, '940330
Japan	'950300, '950300, '630790, '630790 '940360, '940490	'420231, '940390, '970110, '650500, '761510, '940510, '681599, '940350 '711719, '330749, '482390, '702000, '392310, '441990, '711311
ASEAN		
Brunei	'950300, '950300, '940360, '392310 '940350	'330749, '940510, '681599, '420229, '482390, '940490, '940389, '940330 '611710, '691200, '640320, '630790, '630790, '940390, '691110
Indonesia	'950300, '950300, '392310, '830890	'640610, '940360, '940510, '761510, '580410, '420229, '630790, '630790 '330190, '711719, '702000, '940350, '940490, '482390, '741999, '701349 '940389, '960622, '581092, '940330, '691110, '650500, '681599
Malaysia	'630790, '950300, '950300, '940360 '940390, '702000	'482390, '741999, '940510, '392310, '940490, '701349, '940330, '330749 '420229, '711719, '330741, '761510, '940350, '970600, '420231, '691110 '711311, '650500
Philippines	'392310, '950300, '950300, '940360	'940510, '630790, '630790, '741999, '420229, '940330, '940350, '482390 '330749, '702000, '830890, '940490, '940389, '940390, '691110, '701349 '691200, '761510, '950510
Singapore	'702000, '630790, '630790, '420231 '970110, '950300, '950300	'711719, '940360, '392310, '420229, '482390, '970300, '940390, '940510 '940490, '711790
Thailand	'392310, '741999, '711311, '950300 '950300	'420229, '630790, '630790, '940510, '482390, '940360, '702000, '940490 '711719, '940390, '640610, '681599, '701810, '330749, '830890
Vietnam	'640610, '741999, '580410, '830890 '702000, '392310, '940510	'482390, '950300, '960622, '580810, '670100, '630790, '630790, '701337 '940490, '420229
CIS		
Armenia	'950300, '950300, '940360, '940510 '940350, '691200	'701349, '711311, '940390, '330749, '761510, '950510, '711719, '701328 '392310, '630790, '630790, '701337, '691110, '650500, '940490
Azerbaijan	'940360, '940510, '940350, '950300 '950300	'691200, '940390, '702000, '691110, '701349, '761510, '701337, '940330 '392310, '711311, '630790, '630790, '940389, '650500, '580410, '940490
Belarus	'950300, '940510, '940360, '940390	'630790, '630790, '681599, '392310, '761510, '580410, '330749, '940490 '640610, '950510, '650500, '701349, '482390, '741999, '940350, '691200 '691110, '702000
Georgia	'970600, '630790, '630790, '950300 '950300, '940360, '940510	'940350, '691200, '940390, '392310, '761510, '950510, '701349, '940490 '701337, '691110
Kazakhstan	'950300, '950300, '940360, '940510	'940350, '940490, '630790, '630790, '691200, '741999, '940390, '392310 '761510, '640610, '940330, '681599, '691110, '330749, '701349, '650500 '701337
Moldova	'950300, '950300, '940360, '392310 '940510	'940350, '830890, '940390, '640610, '691200, '630790, '630790, '701349 '940490, '761510, '580410, '482390, '330749, '691110, '581100, '581100 '950510, '702000, '701337
Russia	'950300, '950300, '630790, '630790 '940510	'940360, '681599, '940390, '761510, '650500, '711311, '392310, '950510 '691200, '691110, '701349, '741999
Latin America		
Brazil	'950300, '940510, '940490	'701349, '630790, '630790, '761510, '950510, '711311, '640610, '650500, '392310, '581092, '702000, '960200, '920290, '701328, '691200, '701337, '691110, '711719
Chile	'950300, '940490, '940360	'940510, '761510, '630790, '630790, '940350, '392310, '711311, '330749, '950510, '650500, '691110, '691200, '482390, '711719, '701349, '701337, '940390, '741999
Paraguay	'950300, '940510	'940350, '940360, '761510, '691200, '940490, '392310, '340600, '691110, '701349, '701337, '330749, '940390, '940330, '950510
Peru	'950300, '940510	'940490, '940350, '940360, '691200, '630790, '761510, '691110, '950510, '392310, '701337, '701349, '711719, '482390, '741999, '650500
Uruguay	'950300, '940350, '940360, '940510	'392310, '940490, '330749, '630790, '761510, '940390, '701337, '650500, '691200, '711311, '482390, '711719, '940330, '701349

EU		
Austria	'950300, '950300, '940360, '940510 '711719	'940390, '940350, '940490, '970110, '630790, '392310, '340600, '691110 '650500, '711311, '702000, '940330, '741999
Belgium	'950300, '940360, '392310	'940510, '940390, '630790, '940490, '940350, '650500, '340600, '761510 '970110, '330749, '711719, '482390, '711311, '691200, '691110
Bulgaria	'950300, '940510, '940360	'392310, '830890, '940390, '940350, '940490, '330749, '640610, '630790 '630790, '761510, '741999, '482390, '691110
Denmark	'950300, '940360, '940390, '940510 '392310	'940490, '630790, '630790, '940350, '340600, '711311, '691110, '650500 '691200, '940330, '482390
France	'950300, '940360, '940510, '940390	'392310, '630790, '630790, '970110, '711719, '420231, '940350, '940490 '711311, '650500, '830890, '940330
Germany	'630790, '950300, '940360, '940390	'940510, '940350, '392310, '940490, '711311, '970110, '340600, '650500 '711719
Greece	'950300, '940360, '630790	'940510, '392310, '940490, '950510, '761510, '940390, '691110, '711311 '940350, '650500, '482390, '711790, '950590, '711719, '940530, '340600
Hungary	'950300, '940360, '940390	'940510, '392310, '741999, '640610, '630790, '950510, '761510, '940490 '940350, '482390, '830890, '950590, '650500, '940530, '340600
Ireland	'950300, '630790, '940360	'392310, '940510, '940390, '940330, '940490, '940350, '340600, '702000 '950510, '711311, '650500, '691110, '711719
Italy	'950300, '640610	'711311, '940510, '940360, '420231, '940390, '630790, '392310, '711719 '940490, '691110, '650500, '830890, '761510, '940350, '950510, '970110
Netherlands	'950300, '940360, '392310	'940510, '940390, '630790, '630790, '940350, '940490, '340600, '970500 '650500, '482390, '950510, '330749, '940330, '691200, '950590, '420231
Poland	'950300, '940510, '940390	'630790, '940360, '392310, '940490, '650500, '482390, '761510, '711311 '940350, '691200, '330749, '691110
Portugal	'950300, '640610, '940360, '940510	'392310, '940390, '711719, '940490, '711311, '630790, '630790, '330749 '940350, '691110, '650500, '950510, '711790, '340600, '830890, '761510 '482390, '702000
Romania	'950300, '940360, '830890, '640610	'940510, '630790, '392310, '940390, '940350, '940490, '330749, '741999 '340600, '761510
Spain	'950300, '940360, '940510	'392310, '940390, '630790, '711719, '940490, '630491, '711311, '761510 '650500, '940350, '702000, '691110
Sweden	'940360, '940390, '950300, '940510 '940490	'392310, '630790, '630790, '340600, '940350, '650500, '691110, '482390 '940330, '711719, '691200

Source: Author's compilation based on intracen.org

List of exact HS codes of least importance across these individual listed countries is detailed out in Annexure III.

CHAPTER V

INDIA'S TRADE AGREEMENT

EX-POST ANALYSIS & WAY FORWARD FOR INDIAN HANDICRAFTS

The above section highlights regionwise/categorywise poor penetration ratios for India in prime export destinations of handicrafts. It is important to note that many regions/countries included in the analysis are the ones with which India has either signed a trade agreement already or the country is planning to sign a trade agreement in near future. This section therefore provides a deep insight on how and what extent the trade agreements have been beneficial for Indian handicrafts analyzing all 108 HS codes at 6 digit across all five categories of fashion, lifestyle, home, furniture and textiles.

The background

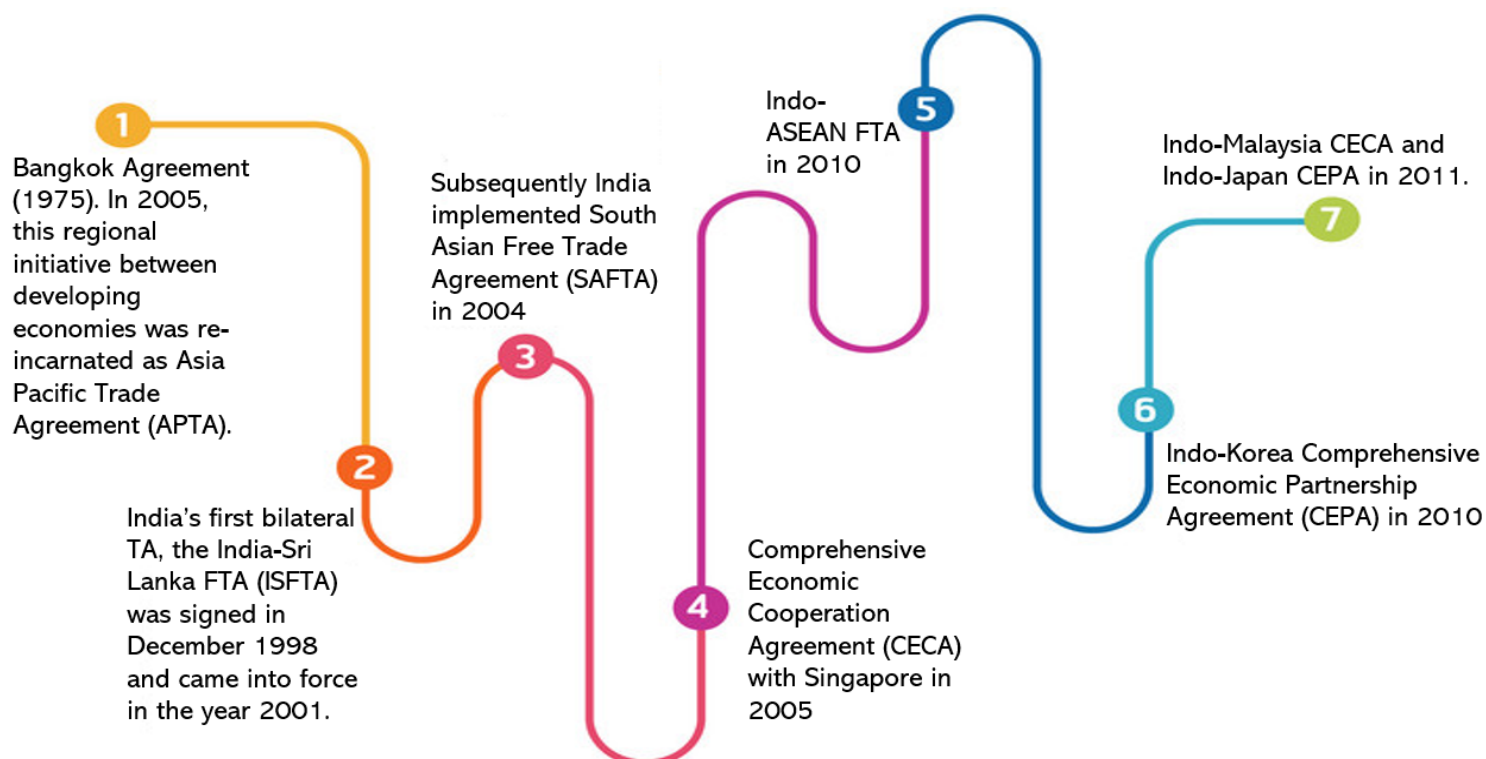
The current environment of stalled multilateral negotiations has led to a spurt in regional trade agreements. The WTO permits three types of trade agreements. These are:

- Custom unions and free trade agreements sanctioned under Article XXIV;
- Agreements between developing countries formed under the Enabling Clause that allows partial preferential treatment; and
- Agreements under the Generalised System of Preferences (GSP) that allow developed countries to grant preferential treatment to developing countries.

Trade agreements vary in degree of spread and depth, depending upon the nature of markets engaged in negotiations and their respective priorities. While Preferential Trade Agreements (PTAs) could be limited to 'margin of preference', i.e. partial exemption of duties on certain tariff lines, comprehensive agreements go deep into tariff concessions providing almost full exemption of customs duties on majority of tariff lines, in addition to touching upon a host of other areas such as sanitary and phytosanitary measures, technical barriers to trade, quantitative restrictions, import licensing, intellectual property rights, trade facilitation, trade remedies, trade in services, investments etc.

India too has molded its foreign trade policy to remain in sync with the changing realities. India has entered into bilateral and regional trading agreements over the years.

TRADE AGREEMENT COVERAGE FOR INDIA



In the past decade India's trade policy has seen a marked shift towards regionalism. India has preferential access, economic cooperation and FTAs with about 54 individual countries. India has signed bilateral trade deals in the form of CEPA/ CECA/ FTA/ Preferential Trade Agreements (PTAs) with around 18 groups/countries. The preferential arrangement/ plans under which India was receiving tariff preferences are the Generalised System of Preferences (GSP) and the Global System of Trade Preferences (GSTP). Presently, there are 43-member countries of the GSTP and India has exchanged tariff concessions with 12 countries on a limited number of products. India and several Asian countries have signed a CECA, which is an integrated package of agreements encompassing trade in goods, services, investments and economic co-operations in education, science and technology, air services and intellectual property. These agreements prescribe rules of origin that must be fulfilled for exports to be eligible for tariff preference. Table below provides a broad overview of India's major trade agreements.

Major Bilateral and Regional Trade Agreements of India					
S. No.	Acronym	Groupings	Member Countries		FTAs/PTAs
			No.	Names	
1	APTA	Asia Pacific Trade Agreement	6	Bangladesh, China, India, Laos, Republic of Korea, Sri Lanka	Partial Scope Agreement (PSA) and Economic Integration Agreement (EIA)
2	India ASEAN TIG	India ASEAN Trade in Goods Agreement	11	Brunei, Cambodia, India, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam	FTA and EIA
3	BIMSTEC	Bangladesh, India, Myanmar, Sri Lanka, Thailand Economic Cooperation	7	Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand	Under Negotiation
4	GSTP	Global System of Trade Preferences	43	Algeria, Argentina, Bangladesh, Benin, Bolivia, Brazil, Cameroon, Chile, Columbia, Cuba, Democratic People's Republic of Korea, Ecuador, Egypt, Ghana, Guinea, Guyana, India, Indonesia, Iran Iraq, Libya, Malaysia, Mexico. Morocco, Mozambique, Myanmar, Nicaragua, Nigeria, Pakistan, Peru, Philippines, Republic of Korea, Romania, Singapore, Sri Lanka, Sudan, Thailand, Trinidad and Tobago, Tunisia, Tanzania, Venezuela, Vietnam, Zimbabwe.	PSA
5	MERCOSUR India	Southern Common Market India	5	Argentina, Brazil, Paraguay, Uruguay and India	PSA
6	SAFTA	South Asia Free Trade Agreement	8	Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka	FTA
7	ISLFTA	Indo Sri Lanka FTA	2	India and Sri Lanka,	FTA
8	IMCECA	Indo Malaysia CECA	2	India and Malaysia	FTA and EIA
9	ISCECA	India Singapore CECA	2	India and Singapore	FTA and EIA
10	JICEPA	Japan India CEPA	2	India and Japan	FTA and EIA
11	IKCEPA	India Korea CEPA	2	India and South Korea	FTA

Source: Ministry of Commerce, Government of India.
World Trade Organisation.

In addition to this India also plans to sign trade agreements with UK, EU, Australia, New Zealand, Israel, Canada, GCC and SACU which also might be instrumental in deciding the fate of India's handicraft exports into these countries.

On one hand while India's trade agreements would be decisive factor to help Indian exports penetrate these trading partners much more efficiently as compared to other competitive suppliers; it is also appreciated that similar arrangement signed between the importing country and other competing suppliers; would be detrimental for India. Hence, an in-depth look at the global trade agreements would also be necessary to help India negotiate the future trade agreements.

FACTS&FIGURES

Regional Trade Agreements



1 JULY 2020 – 1 JANUARY 2021

In the context of a deteriorating trade environment fuelled by the COVID-19 pandemic and continuing trade restrictions taken by some WTO Members, RTAs nevertheless continued to be notified to and considered at the WTO. Hybrid meeting formats (presential + virtual) were used by WTO Members to continue their monitoring work.



RTAs notified

RTAs notified to the WTO and in force on 1 January 2021. Separate notifications on Goods and Services for the same RTA are counted as one.

Trade in Goods Trade in Services



- + 0 Early announcement (voluntary)
- + 0 Notification of changes
- 0 EOI report circulated
EOI: End of Implementation
- ▶ 145 EOI reports due

- EU – Viet Nam
- US-Mexico-Canada Agreement (USMCA)
- EU-Pacific States, Accession of Samoa
- EU-Pacific States, Accession of Solomon Islands

+ 32 RTAs between the UK and the following partners, as a result of "Brexit":
Antigua and Barbuda, Bahamas, Barbados, Belize, Cameroon, Canada, Chile, Colombia, Costa Rica, Côte d'Ivoire, Dominica, Dominican Republic, Ecuador, Egypt, El Salvador, Faeroe Islands, Fiji, Georgia, Grenada, Guyana, Haiti, Honduras, Iceland, Israel, Jamaica, Japan, Kenya, Korea, Lebanon, Lichtenstein, Mauritius, Moldova, Morocco, Nicaragua, North Macedonia, Norway, Palestine, Panama, Papua New Guinea, Peru, St Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Samoa, Seychelles, Singapore, Solomon Islands, Suriname, Switzerland, Trinidad and Tobago, Tunisia, Turkey, Ukraine, Kosovo*, Viet Nam, and Zimbabwe.

*Reference to Kosovo shall be understood to be in the context of the United Nations Security Council resolution 1244 (1999).

Total number of RTAs notified

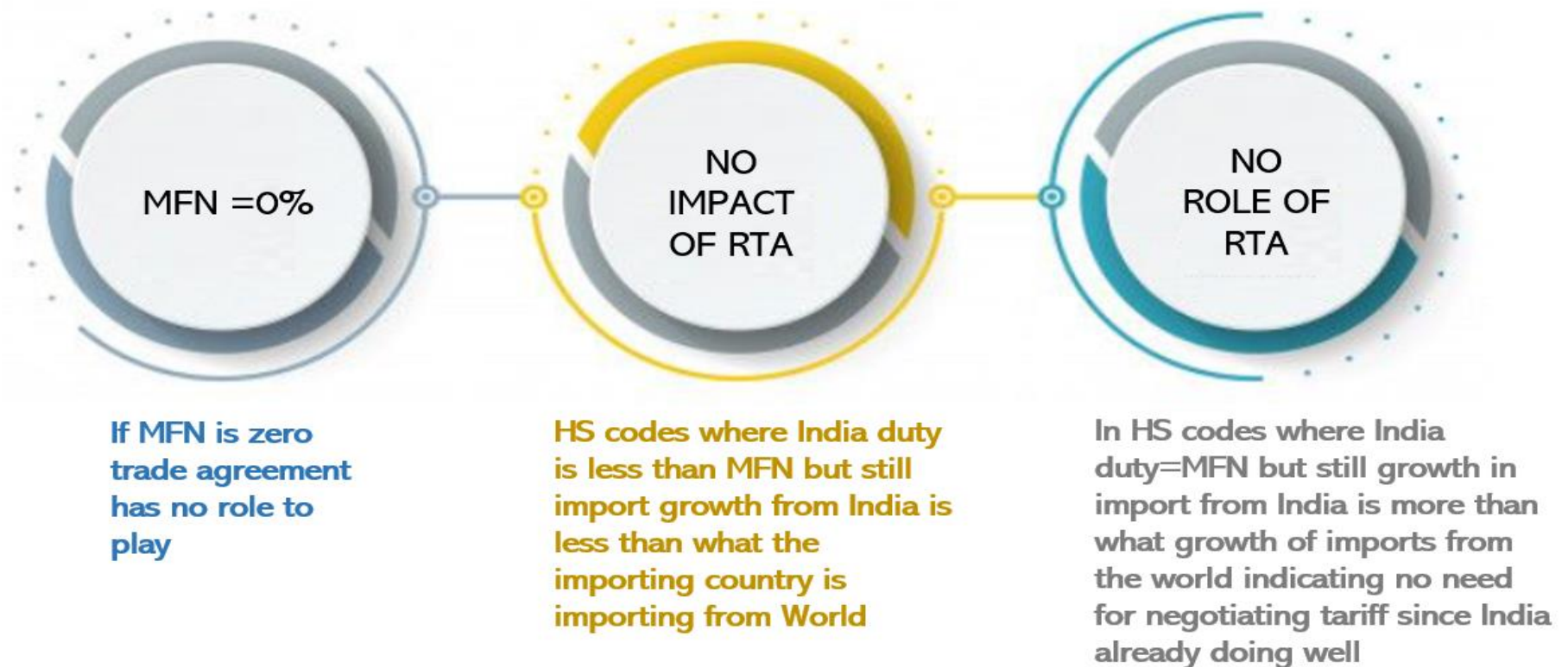
335

541 (if counting separately all the notifications on goods, services, and accessions)

Following methodological approach and rationale was used to analyse ex post analysis for existing trade agreements and deciding future negotiating strategy for all the upcoming agreements for all the 108 HS codes across five categories.

5.1 RATIONALE TOWARDS ANALYSING THE IMPACT OF EXISTING TRADE AGREEMENTS OF INDIA

RTA HAS NOT BEEN USEFUL





HS codes where India duty is less than MFN and import growth from India is more than what the importing country is importing from World hence import duty reduction has paid

Given an opportunity to renegotiate the existing trade agreements in future, India should negotiate for tariff reduction on the HS codes with following rationale

- **Import demand is high in 2025 in that country**
- **MFN rate is high**
- **India duty is either equal to MFN or diff between India duty and MFN is low**

Since higher is the MFN and lower is the difference between MFN and existing rate applied for India, negotiating tariff will give competitive advantage against competing suppliers.

5.2 REGIONWISE ANALYSIS OF EXISTING TRADE AGREEMENTS

5.2.1 COUNTRYWISE/HS CODES WHERE RTAS HAVE BEEN SUCCESSFUL

ASEAN

Brunei

Home	Lifestyle	Furniture	Fashion	Textiles
Articles Of Copper Alloys Electroplated – (74199920), Incense Sticks & Gift Sets – (33074100), Articles Of Brass – (74181021), Glassware – (70134900), Glass Mirrors – (70099200)	Loban – (33074900), Boxes - Gift – (39231020), Chandeliers – (94051010), Toys- Wooden – (95030010), Handbags – (42022910), Jewellery Boxes – (42023110), Plaiting Materials - Bamboo Articles – (46019900), Glass Shells & Globes – (70200090)	Children's Furniture – (94036000), Leather Furniture – (94038900), Toys- Wooden – (95030010)	Pashmina Shawls & Stoles – (61171020), Printed Fabrics – (63079020), Silver Jewellery Set With Gems – (71131120)	Eye Pillows – (94049099), Printed Fabrics – (63079020), Furnishing Articles Knitted/Crocheted – (63049190), Embroidered Uppers – (64061010), Flower Wooden – (67029090), Bedspreads – (63041100), Tullies – (58041090), Tapestries Of Jute – (58050020), Hand Embroidered Garments – (58110010)

Cambodia

Home	Lifestyle	Furniture	Fashion	Textiles
	Decorative Paper – (48239019), Handbags – (42022910), Potpourri – (96020010)		Printed Fabrics – (63079020), Potpourri – (96020010)	Printed Fabrics – (63079020)

Indonesia

Home	Lifestyle	Furniture	Fashion	Textiles
Incense Sticks & Gift Sets – (33074100), Glass Mirrors – (70099200), Picture Frame – (83063000)	Aromatics Incense & Oils – (33019031), Boxes - Gift – (39231020), Potpourri – (96020010), Decorative Paper – (48239019), Toys- Wooden – (95030010), Glass Shells & Globes – (70200090), Wooden Chest With Ceramic Daraj – (76151090), Handbags – (42022910), Candles – (34060010), Horn Bone Buttons For Textiles – (96062200), Loban – (33074900), Sandalwood Articles – (44201000), Palm Leaf Items – (46021919), Sculptures – (97030010), Bells Gongs – (83061000), Glass Beads – (70189010), Christmas Tree Decoration & Ornaments – (95051000), Statuette – (69139000)	Toys- Wooden – (95030010), Bamboo Article – (46021100)	Braids – (58081010), Badges & Emblems – (58109210), Pashmina Shawls & Stoles – (61171020), Knitted Or Crocheted Hat – (65050090), Silver Jewellery Set With Gems – (71131120), Jewellery Set With Imitation Pearls – (71179010), Imitation Zari Spangles – (83089002), Shells – (96019010), Potpourri – (96020010)	Eye Pillows – (94049099), Hand Made Lace – (58043000), Tullies – (58041090)

Malaysia

Home	Lifestyle	Furniture	Fashion	Textiles
Incense Sticks & Gift Sets – (33074100), Articles Of Brass – (74181021), Glass Mirrors – (70099200), Terracotta – (69120010), Picture Frame – (83063000)	Decorative Paper – (48239019), Jewellery Boxes – (42023110), Aromatics Incense & Oils – (33019031), Antique Furniture – (97060000), Loban – (33074900), Sculptures – (97030010), Chandeliers – (94051010), Boxes - Gift – (39231020), Festive Carnival – (95059010), Toys-Wooden – (95030010), Wooden Picture Frame – (44140000), Handbags – (42022910), Candles – (34060010), Oriental Paintings – (97011090), Glass Shells & Globes – (70200090), Candles & Candle Holders – (83062990), Jewel Cases/Boxes/Pads – (42023910), Papier Mache – (48237030), Statuette – (69139000), Musical Instruments – (92060000), Wind Musical Instruments – (92059090)	Cabinetware – (94033010), Children's Furniture – (94036000), Toys- Wooden – (95030010), Furniture – (94039000), Leather Furniture – (94038900), Wood Marquetry – (44209010), Bedroom Furniture – (94035090)	Braids – (58081010), Zari Borders – (58090010), Hand Embroidered Garments – (58110010), Pashmina Shawls & Stoles – (61171020), Printed Fabrics – (63079020), Kolapuri Chappals – (64032040), Knitted Or Crocheted Hat – (65050090), Marble & Stone Figurines – (68159990), Bangles – (70181010), Silver Jewellery Set With Gems – (71131120), Jewellery - Metal – (71171100), Jewellery- Silver – (71171920), Jewellery Set With Imitation Pearls – (71179010), Imitation Zari Spangles – (83089002)	Eye Pillows – (94049099), Printed Fabrics – (63079020), Furnishing Artcles Knited/Crocheted – (63049190), Flower Wooden – (67029090), Hand Embroidered Garments – (58110010)

Philippines

Home	Lifestyle	Furniture	Fashion	Textiles
Glassware – (70134900), Articles Of Brass – (74181021), Articles Of Copper Alloys Electroplated – (74199920), Picture Frame – (83063000)	Aromatics Incense & Oils – (33019031), Potpourri – (96020010), Boxes - Gift – (39231020), Decorative Paper – (48239019), Jewellery Boxes – (42023110), Handbags – (42022910), Wooden Picture Frame – (44140000), Candles & Candle Holders – (83062990), Jewel Cases/Boxes/Pads – (42023910), Christmas Tree Decoration & Ornaments – (95051000)	Furniture – (94039000), Children's Furniture – (94036000), Leather Furniture – (94038900)	Marble & Stone Figurines – (68159990), Jewellery- Silver – (71171920), Jewellery Set With Imitation Pearls – (71179010), Shells – (96019010), Potpourri – (96020010)	Embroidered Uppers – (64061010)

Singapore

Home	Lifestyle	Furniture	Fashion	Textiles
Articles Of Copper Alloys Electroplated – (74199920), Incense Sticks & Gift Sets – (33074100), Articles Of Brass – (74181021), Glassware – (70134900), Glass Mirrors – (70099200), Tableware-Porcelain – (69111011), Toiletries – (69119010), Terracotta – (69120010), Glass For Tables – (70132800), Glass For Tables – (70133700), Glass- Decorative – (70134100), Picture Frame – (83063000), Brooms And Brushes – (96031000), Holders –	Decorative Paper – (48239019), Jewellery Boxes – (42023110), Aromatics Incense & Oils – (33019031), Oriental Paintings – (97011090), Chandeliers – (94051010), Handbags – (42022910), Wooden Chest With Ceramic Daraj – (76151090), Festive Carnival – (95059010), Toys-Wooden – (95030010), Antique Furniture – (97060000), Jewel Cases/Boxes/Pads – (42023910), Boxes - Gift – (39231020), Christmas Tree Decoration & Ornaments – (95051000), Candles & Candle Holders – (83062990), Glass Shells & Globes – (70200090), Sandlewood Articles – (44201000), Potpourri – (96020010), Sculptures – (97030010), Knick Nack Trays – (97019092), Lanterns & Garden Lighting – (94055010), Palm Leaf Items – (46021919), Loban – (33074900), Hand Made Paper (48021010), Candles – (34060010), Statuettes – (83062110), Christmas Light – (94053000), Animal Figures – (97050010), Ceremonial Items –	Children's Furniture – (94036000), Toys-Wooden – (95030010), Wood Marquetry – (44209010), Leather Furniture – (94038900), Furniture – (94039000), Cabinetware – (94033010), Bedroom Furniture – (94035090)	Zari Borders – (58090010), Embroidered Dress – 58101000, Badges & Emblems – (58109210), Hand Embroidered Garments – (58110010), Pashmina Shawls & Stoles – (61171020), Printed Fabrics – (63079020), Kolapuri Chappals – (64032040), Hats & Caps – (65040000), Knitted Or Crocheted Hat – (65050090), Marble & Stone Figurines – (68159990), Bangles – (70181010), Silver Jewellery Set With Gems – (71131120), Jewellery - Metal – (71171100), Jewellery- Silver – (71171920), Jewellery Set With Imitation Pearls – (71179010), Imitation Zari Spangles – (83089002), Shells – (96019010), Potpourri – (96020010)	Embroidered Uppers – (64061010), Printed Fabrics – (63079020), Eye Pillows – (94049099), Furnishing Artcles Knited/Crocheted – (63049190), Flower Wooden – (67029090), Hand Embroidered Garments – (58110010), Bedspreads – (63041100)

(96089910), Animal Figures – (97050010)	(69131000), Plaiting Materials - Bamboo Articles – (46019900), Wooden Picture Frame – (44140000), Glass Beads – (70189010), Leather Carving – (97020000), Bells Gongs – (83061000), String Musical Instruments – (92029000), Agri Mats – (46012900), Glassware Of Lead Crystal – (70139100), Statuette – (69139000), Wind Musical Instruments – (92059090), Musical Instruments – (92060000)			
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Thailand

Home	Lifestyle	Furniture	Fashion	Textiles
Incence Sticks & Gift Sets – (33074100), Tableware-Porcelain – (69111011), Terracotta – (69120010), Glass For Tables – (70133700), Picture Frame – (83063000), Holders – (96089910)		Children's Furniture – (94036000), Furniture – (94039000), Wood Marquetry – (44209010), Leather Furniture – (94038900), Bedroom Furniture – (94035090), Cabinetware – (94033010)	Imitation Zari Thread – (56050020), Braids – (58081010), Printed Fabrics – (63079020), Kolapuri Chappals – (64032040), Hats & Caps – (65040000), Bangles – (70181010), Silver Jewellery Set With Gems – (71131120), Jewellery - Metal – (71171100), Jewellery Set With Imitation Pearls – (71179010), Potpourri – (96020010)	Eye Pillows – (94049099), Tullies – (58041090), Furnishing Articals Knited/Crocheted – (63049190), Flower Wooden – (67029090)

Vietnam

Home	Lifestyle	Furniture	Fashion	Textiles
Glassware – (70134900), Articles Of Copper Alloys Electroplated – (74199920), Picture Frame – (83063000)	Aromatics Incense & Oils – (33019031), Decorative Paper – (48239019), Potpourri – (96020010), Toys-Wooden – (95030010), Glass Shells & Globes – (70200090), Jewellery Boxes – (42023110), Handbags – (42022910), Jewel Cases/Boxes/Pads – (42023910), Sandalwood Articles – (44201000), Wooden Chest With Ceramic Daraj – (76151090)	Toys-Wooden – (95030010), Leather Furniture – (94038900), Cabinetware – (94033010)	Braids – (58081010), Pashmina Shawls & Stoles – (61171020), Jewellery- Silver – (71171920), Jewellery Set With Imitation Pearls – (71179010), Potpourri – (96020010)	Furnishing Articals Knited/Crocheted – (63049190), Tapestries Of Jute – (58050020)

MERCOSUR

Brazil

Home	Lifestyle	Furniture	Fashion	Textiles
	Aromatics Incense & Oils – (33019031), Toys-Wooden – (95030010), Jewellery Boxes – (42023110), Handbags – (42022910), Wooden Picture Frame – (44140000), Christmas Tree Decoration & Ornaments – (95051000), Walking Sticks – 66020000, Jewel Cases/Boxes/Pads – (42023910)	Toys-Wooden – (95030010), Children's Furniture – (94036000), Wood Marquetry – (44209010), Bedroom Furniture – (94035090), Furniture – (94039000), Rattan Basket – (46021200)	Imitation Zari Thread – (56050020), Embroidered Dress – (58101000), Badges & Emblems – (58109210), Hand Embroidered Garments – (58110010), Printed Fabrics – (63079020), Knitted Or Crocheted Hat – (65050090), Marble & Stone Figurines – (68159990), Silver Jewellery Set With Gems – (71131120), Jewellery- Silver – (71171920), Jewellery Set With Imitation Pearls – (71179010), Imitation Zari Spangles – (83089002), Shells – (96019010), Potpourri – (96020010)	

Argentina

Home	Lifestyle	Furniture	Fashion	Textiles
330741, 700992, 701337, 701349, 741810, 741999, 830630	Toys-Wooden – (95030010), Chandliers – (94051010), Aromatics Incense & Oils – (33019031), Candles & Candle Holders – (83062990), Potpourri – (96020010), Jewellery Boxes – (42023110), Christmas Tree Decoration & Ornaments – (95051000), Lanterns & Garden Lighting – (94055010), Glass Shells & Globes – (70200090), Loban – (33074900), Sandalwood Articles – (44201000), Decorative Paper – (48239019), Bells Gongs – (83061000), Wooden Picture Frame – (44140000), Boxes - Gift – (39231020)	Toys-Wooden – (95030010), Children's Furniture – (94036000), Wood Marquetry – (44209010), Furniture – (94039000)	Badges & Emblems – (58109210), Printed Fabrics – (63079020), Knitted Or Crocheted Hat – (65050090), Jewellery- Silver – (71171920), Jewellery Set With Imitation Pearls – (71179010), Imitation Zari Spangles – (83089002), Potpourri – (96020010)	Embroidered Uppers – (64061010), Printed Fabrics – (63079020)

Peru

Home	Lifestyle	Furniture	Fashion	Textiles
Incense Sticks & Gift Sets – (33074100), Tableware- Porcelain – (69111011), Terracotta – (69120010), Glass Mirrors – (70099200), Glass-Decorative – (70134100), Glassware – (70134900), Articles Of Brass – (74181021), Articles Of Copper Alloys Electroplated – (74199920), Picture Frame – (83063000), Holders – (96089910)	Potpourri – (96020010) Toys- Wooden – (95030010), Jewellery Boxes – (42023110), Wooden Chest With Ceramic Daraj – (76151090), Aromatics Incense & Oils – (33019031), Candles & Candle Holders – (83062990), Lanterns & Garden Lighting – (94055010), Chandliers – (94051010), Sandalwood Articles – (44201000), Decorative Paper – (48239019), Candles – (34060010), Christmas Tree Decoration & Ornaments – (95051000), Statuettes – (83062110), Palm Leaf Items – (46021919), Boxes - Gift – (39231020), Wooden Picture Frame – (44140000), Handbags – (42022910), Loban – (33074900) Papier Mache – (48237030), Glass Shells & Globes – (70200090), Ceremonial Items – (69131000)	Toys-Wooden – (95030010), Children's Furniture – (94036000), Leather Furniture – (94038900), Wood Marquetry – (44209010), Bedroom Furniture – (94035090), Furniture – (94039000), Bamboo Article – (46021100)	Printed Fabrics – (63079020), Knitted Or Crocheted Hat – (65050090), Marble & Stone Figurines – (68159990), Jewellery- Silver – (71171920), Jewellery Set With Imitation Pearls – (71179010), Shells – (96019010), Potpourri – (96020010)	Eye Pillows – (94049099), Embroidered Uppers – (64061010), Printed Fabrics – (63079020), Furnishing Articals Knited/Crocheted – (63049190), Flower Wooden – (67029090), Statuette – (69139000), Musical Instruments – (92060000)

Chile

Home	Lifestyle	Furniture	Fashion	Textiles
Tableware-Porcelain – (69111011), Terracotta – (69120010), Glass Mirrors – (70099200), Glass For Tables – (70132800), Glassware – (70134900), Articles Of Brass – (74181021), Articles Of Copper Alloys Electroplated – (74199920), Picture Frame – (83063000)	Jewellery Boxes – (42023110), Toys- Wooden – (95030010), Candles & Candle Holders – (83062990), Candles & Candle Holders – (83062990), Christmas Tree Decoration & Ornaments – (95051000), Potpourri – (96020010), Candles – (34060010), Glass Shells & Globes – (70200090), Statuettes – (83062110), Handbags – (42022910), Bells Gongs – (83061000), Palm Leaf Items – (46021919), Chandliers – (94051010), Jewel Cases/Boxes/Pads – (42023910), Boxes - Gift – (39231020), Pipe Bowls – (61400000), Decorative Paper – (48239019), Wooden Picture Frame – (44140000), Papier Mache – (48237030), Ceremonial Items – (69131000), Sculptures – (97030010)	Children's Furniture – (94036000), Toys-Wooden – (95030010), Cabinetware – (94033010), Bedroom Furniture – (94035090), Leather Furniture – (94038900), Furniture – (94039000), Rattan Basket - (46021200)	Jackets Of Wool Or Fine Animal Hair – (61043100), Knitted Or Crocheted Hat – (65050090), Marble & Stone Figurines – (68159990), Bangles – (70181010), Jewellery - Metal – (71171100), Jewellery Set With Imitation Pearls – (71179010), Imitation Zari Spangles – (83089002), Shells – (96019010)	Flower Wooden – (67029090), Bedspreads – (63041100), Tapestries Of Jute – (58050020)

Paraguay

Home	Lifestyle	Furniture	Fashion	Textiles
Glass Mirrors – (70099200), Glassware – (70134900), Articles Of Copper Alloys Electroplated – (74199920)	Statuettes – (83062110) Chandeliers – (94051010), Sandalwood Articles – (44201000), Jewellery Boxes – (42023110), Aromatics Incense & Oils – (33019031), Candles & Candle Holders – (83062990)	Children's Furniture – (94036000)	Badges & Emblems – (58109210), Knitted Or Crocheted Hat – (65050090), Jewellery-Silver – (71171920)	Eye Pillows – (94049099)

Uruguay

Home	Lifestyle	Furniture	Fashion	Textiles
Incense Sticks & Gift Sets – (33074100), Terracotta – (69120010), Glass Mirrors – (70099200), Glassware – (70134900), Articles Of Copper Alloys Electroplated – (74199920), Picture Frame – (83063000)	Sandalwood Articles – (44201000), Loban – (33074900), Jewellery Boxes – (42023110), Lanterns & Garden Lighting – (94055010), Aromatics Incense & Oils – (33019031), Candles – (34060010), Christmas Tree Decoration & Ornaments – (95051000), Handbags – (42022910), Toys-Wooden – (95030010), Wooden Picture Frame – (44140000), Chandeliers – (94051010), Decorative Paper – (48239019), Boxes - Gift – (39231020), Statuette – (69139000)	Children's Furniture – (94036000), Wood Marquetry – (44209010), Toys-Wooden – (95030010), Cabinetware – (94033010), Bedroom Furniture – (94035090), Furniture – (94039000)	Badges & Emblems – (58109210), Pashmina Shawls & Stoles – (61171020), Printed Fabrics – (63079020), Knitted Or Crocheted Hat – (65050090), Marble & Stone Figurines – (68159990), Jewellery-Silver – (71171920), Jewellery Set With Imitation Pearls – (71179010)	Eye Pillows – (94049099), Printed Fabrics – (63079020), Flower Wooden – (67029090), Tullies – (58041090) Bedspreads – (63041100), Furnishing Articles Knitted/Crocheted – (63049190),

Japan

Home	Lifestyle	Furniture	Fashion	Textiles
Articles Of Copper Alloys Electroplated – (74199920), Incense Sticks & Gift Sets – (33074100), Articles Of Brass – (74181021), Glass Mirrors – (70099200), Tableware-Porcelain – (69111011), Terracotta – (69120010), Animal Figures – (97050010)	Aromatics Incense & Oils – (33019031), Chandeliers – (94051010), Toys-Wooden – (95030010), Oriental Paintings – (97011090), Animal Figures – (97050010), Wooden Picture Frame – (44140000), Antique Furniture – (97060000), Musical Instruments – (92060000), Palm Leaf Items – (46021919), Loban – (33074900), Decorative Paper – (48239019), Lanterns & Garden Lighting – (94055010), Bells Gongs – (83061000), Glass Shells & Globes – (70200090), Plaiting Materials - Bamboo Articles – (46019900), Statuettes – (83062110), String Musical Instruments – (92029000), Hand Made Paper (48021010), Wind Musical Instruments – (92059090)	Children's Furniture – (94036000), Toys-Wooden – (95030010), Leather Furniture – (94038900), Cabinetware – (94033010), Furniture – (94039000), Bedroom Furniture – (94035090), Rattan Basket – (46021200)	Imitation Zari Thread – (56050020), Embroidered Dress – 58101000, Badges & Emblems – (58109210), Hats & Caps – (65040000), Knitted Or Crocheted Hat – (65050090), Marble & Stone Figurines – (68159990), Bangles – (70181010), Silver Jewellery Set With Gems – (71131120)	Embroidered Uppers – (64061010), Eye Pillows – (94049099), Furnishing Articles Knitted/Crocheted – (63049190), Flower Wooden – (67029090)

5.2.2 COUNTRYWISE/HS CODES WHERE RTAS SHOULD FURTHER BE NEGOTIATED

Brunei

Country	Home	Lifestyle	Furniture	Fashion	Textiles
Brunei		Chandliers – (94051010)		Kolapuri Chappals – (64032040)	Eye Pillows – (94049099)
Indonesia	Articles Of Copper Alloys Electroplated – (74199920), Tableware- Porcelain – (69111011)	Toys-Wooden – (95030010), Boxes - Gift – (39231020), Chandliers – (94051010), Wooden Chest With Ceramic Daraj – (76151090), Handbags – (42022910), Aromatics Incense & Oils – (33019031), Glass Shells & Globes – (70200090), Decorative Paper – (48239019), Horn Bone Buttons For Textiles – (96062200)	Childern's Furniture – (94036000), Bedroom Furniture – (94035090), Leather Furniture – (94038900)	Imitation Zari Spangles – (83089002), Printed Fabrics – (63079020), Jewellery- Silver – (71171920), Badges & Emblems – (58109210)	Tulles – (58041090), Eye Pillows – (94049099)
Philippines	Articles Of Copper Alloys Electroplated – (74199920), Tableware- Porcelain – (69111011), Glassware – (70134900), Terracotta – (69120010)	Boxes - Gift – (39231020), Toys- Wooden – (95030010), Chandliers – (94051010), Handbags – (42022910), Decorative Paper – (48239019), Glass Shells & Globes – (70200090), Wooden Chest With Ceramic Daraj – (76151090), Christmas Tree Decoration & Ornaments – (95051000)	Childern's Furniture – (94036000), Cabinetware – (94033010), Bedroom Furniture – (94035090), Leather Furniture – (94038900), Furniture – (94039000)	Printed Fabrics – (63079020), Imitation Zari Spangles – (83089002)	Eye Pillows – (94049099)
Vietnam	Glass For Tables – (70133700)	Glass Shells & Globes – (70200090), Horn Bone Buttons For Textiles – (96062200), Handbags – (42022910)		Imitation Zari Spangles – (83089002)	Tulles – (58041090)

Country	Home	Lifestyle	Furniture	Fashion	Textiles
Japan		Jewellery Boxes – (42023110)		Silver Jewellery Set With Gems – (71131120)	
Brazil	Glassware – (70134900), Glass For Tables – (70132800), Terracotta – (69120010), Glass For Tables – (70133700), Tableware- Porcelain – (69111011)	Toys-Wooden – (95030010), Chandliers – (94051010), Wooden Chest With Ceramic Daraj – (76151090), Christmas Tree Decoration & Ornaments – (95051000), Boxes - Gift – (39231020), Glass Shells & Globes – (70200090), Potpourri – (96020010), String Musical Instruments – (92029000)		Printed Fabrics – (63079020), Silver Jewellery Set With Gems – (71131120), Knitted Or Crocheted Hat – (65050090), Badges & Emblems – (58109210), Jewellery- Silver – (71171920)	Eye Pillows – (94049099), Embroidered Uppers – (64061010)
Argentina			Childern's Furniture – (94036000)		Eye Pillows – (94049099), Embroidered Uppers – (64061010)
Peru				Table Top – (63079020)	

Paraguay			Bedroom Furniture – (94035090), Children's Furniture – (94036000), Furniture – (94039000), Cabinetware – (94033010)	Loban – (33074900), Toys-Wooden – (95030010), Perfumes - (33074900)	Eye Pillows – (94049099)
Uruguay		Toys-Wooden – (95030010), Chandliers – (94051010), Boxes - Gift – (39231020), Loban – (33074900) Wooden Chest With Ceramic Daraj – (76151090)	Bedroom Furniture – (94035090), Children's Furniture – (94036000), Furniture – (94039000), Cabinetware – (94033010)	Knitted Or Crocheted Hat – (65050090), Silver Jewellery Set With Gems – (71131120), Jewellery- Silver – (71171920)	Eye Pillows – (94049099)

5.2.3 COUNTRYWISE/HS CODES WHERE RTAS DID NOT HELP

	Since WTO MFN rate is 0% already RTA does play any role	Despite signing RTA exports have not picked up	Exports have been picking up despite absence of RTA
Brunei			
Sector	Product	Product	Product
Home	Incense Sticks & Gift Sets – (33074100), Glassware – (70134900), Glass Mirrors – (70099200), Tableware-Porcelain – (69111011), Toiletries – (69119010), Terracotta – (69120010), Glass For Tables – (70132800), Bar Accessories – (70133300), Glass-Decorative – (70134100), Picture Frames – (83063000), Brooms And Brushes – (96031000), Pen Holders – (96089910), Philat – (97040090), Animal Figures – (97050010)		
Lifestyle	Loban – (33074900), Boxes - Gift – (39231020), Handbags – (42022910), Jewellery Boxes – (42023110), Candles & Candle Holders – (83062990), Aromatics Incense & Oils – (33019031), Candles – (34060010), Jewel Cases/Boxes/Pads – (42023910), Wooden Picture Frame – (44140000), Sandalwood Articles – (44201000), Palm Leaf Items – (46021919), Hand Made Paper (48021010), Papier Mache – (48237030), Decorative Paper – (48239019), Walking Sticks – (66020000), Glass Beads – (70189010), Bells Gongs – (83061000), Statuettes – (83062110), Lanterns & Garden Lighting – (94055010), Potpourri – (96020010), Horn Bone Buttons For Textiles – (96062200), Smoking Accessories – (96140000), Oriental Paintings – (97011090), Knick Nack Trays – (97019092), Sculptures – (97030010), Antique Furniture – (97060000), Statuette – (69139000)		
Furniture	Toys – (95030010), Eco-Friendly Products – (46021100), Wood Marquetry – (44209010)		
Fashion	Imitation Zari Thread – (56050020), Braids – (58081010), Zari Borders – (58090010), Badges & Emblems – (58109210), Hand Embroidered Garments – (58110010), Pashmina Shawls & Stoles – (61171020), Printed Fabrics – (63079020), Hats & Caps – (65040000), Knitted Or Crocheted Hat – (65050090), Feather Dusters – (67010010), Marble & Stone Figurines – (68159990), Bangles – (70181010), Silver Jewellery Set With Gems – (71131120), Jewellery - Metal – (71171100), Jewellery- Silver – (71171920), Jewellery Set With Imitation Pearls – (71179010), Imitation Zari Spangles – (83089002), Shells – (96019010), Potpourri – (96020010)		
Textiles	Handprinted Dress – (63079012), Furnishing Artcils,Knited/Crocheted – (63049190),Embroidered Uppers – (64061010), Flower Wooden – (67029090), Tapestries Of Jute – (58050020), Hand Embroidered Garments –		Embroidered Uppers – (64061010), Tapestries Of Jute – (58050020)

	(58110010), Hand Made Lace – (58043000), Tullies – (58041090)		
Cambodia			
Home	Holders – (96089910), Philat – (97040090), Animal Figures – (97050010)	Articles Of Copper Alloys Electroplated – (74199920)	
Lifestyle			Handbags – (42022910), Potpourri – (96020010), Jewellery Boxes – (42023110)
Furniture			
Fashion			Braids – (58081010), Embroidered Dress – 58101000, Table Top – (63079020), Potpourri – (96020010)
Textiles	Eye Pillows - (94049099)		
Indonesia			
	Since WTO MFN rate is 0% already RTA does play any role	Despite signing RTA exports have not picked up	Exports have been picking up despite absence of RTA
Home	Philat – (97040090)	Articles Of Copper Alloys Electroplated – (74199920), Articles Of Brass – (74181021), Glassware – (70134900), Glass For Tables – (70133700), Holders – (96089910)	
Lifestyle		Jewellery Boxes – (42023110), Chandliers – (94051010), Candles & Candle Holders – (83062990), Lanterns & Garden Lighting – (94055010), Oriental Paintings – (97011090), Jewel Cases/Boxes/Pads – (42023910), Wooden Picture Frame – (44140000)	Sculptures – (97030010)
Furniture		Children's Furniture – (94036000), Bedroom Furniture – (94035090), Wood Marquetry – (44209010), Leather Furniture – (94038900)	
Fashion		Imitation Zari Thread – (56050020), Printed Fabrics – (63079020), Marble & Stone Figurines – (68159990), Bangles – (70181010), Jewellery - Metal – (71171100), Jewellery- Silver – (71171920)	
Textiles		Embroidered Uppers – (64061010), Table Top – (63079020)	

Malaysia			
	Since WTO MFN rate is 0% already RTA does play any role	Despite signing RTA exports have not picked up	Exports have been picking up despite absence of RTA
Home	Incense Sticks & Gift Sets – (33074100), Philat – (97040090), Animal Figures – (97050010)	Articles Of Copper Alloys Electroplated – (74199920), Toiletries – (69119010), Terracotta – (69120010) Brooms And Brushes – (96031000), Holders – (96089910)	Glass Mirrors – (70099200)
Lifestyle	Jewellery Boxes – (42023110), Aromatics, Incense & Oils – (33019031), Antique Furniture – (97060000), Sculptures – (97030010), Festive, Carnival – (95059010), Oriental Paintings – (97011090), Jewel Cases/Boxes/Pads – (42023910), Wind Musical Instruments – (92059090), Loban – (33074900), Toys – (95030010), Handbags – (42022910), Musical Instruments – (92060000)	Lanterns & Garden Lighting – (94055010), Wooden Chest With Ceramic Daraj – (76151090), Potpourri – (96020010), Sandalwood Articles – (44201000), Bells Gongs – (83061000)	Statuette – (69139000)
Furniture	Cabinetware – (94033010), Children's Furniture – (94036000), Toys – (95030010), Furniture – (94039000), Leather Furniture – (94038900), Bedroom Furniture – (94035090)		
Fashion	Imitation Zari Thread – (56050020), Jackets Of Wool Or	Potpourri – (96020010)	

	Fine Animal Hair – (61043100), Knitted Or Crocheted Hat – (65050090), Marble & Stone Figurines – (68159990), Silver Filligree Work - (71131110), Jewellery- Metal – (71171100), Jewellery- Silver – (71171920), Imitation Zari Spangles – (83089020), Zari Borders – (58090010), Pashmina Shawls & Stoles – (61171020), Kolapuri Chappals – (64032040), Hats & Caps – (65040000), Precious Metal – (70181020), Jewellery Set With Imitation Pearls – (71179010)		
Textiles	Eye Pillows – (94049099), Table Top – (63079020), Hand Embroidered Garments – (58110010), Flower Wooden – (67029090)	Embroidered Uppers – (64061010)	Furnishing Artcls Knited/Crocheted – (63049190)
Philippines			
	Since WTO MFN rate is 0% already RTA does play any role	Despite signing RTA exports have not picked up	Exports have been picking up despite absence of RTA
Home		Incese Sticks & Gift Sets – (33074100), Toiletries – (69119010, Glass Mirrors – (70099200)	
Lifestyle		Toys-Wooden – (95030010), Chandliers – (94051010), Glass Shells & Globes – (70200090), Lanterns & Garden Lighting – (94055010), Wooden Chest With Ceramic Daraj – (76151090), Candles – (34060010), Hand Made Paper (48021010), Horn Bone Buttons For Textiles – (96062200)	
Furniture		Toys-Wooden – (95030010), Cabinetware – (94033010), Wood Marquetry – (44209010)	
Fashion		Imitation Zari Thread – (56050020), Printed Fabrics – (63079020), Bangles – (70181010), Imitation Zari Spangles – (83089002)	
Textiles		Eye Pillows – (94049099), Table Top – (63079020), Furnishing Artcls Knited/Crocheted – (63049190)	

Singapore			
	Since WTO MFN rate is 0% already RTA does play any role	Despite signing RTA exports have not picked up	Exports have been picking up despite absence of RTA
Home	Articles Of Copper Alloys Electroplated – (74199920), Incense Sticks & Gift Sets – (33074100), Articles Of Brass – (74181021), Glassware – (70134900), Glass Mirrors – (70099200), Toiletries – (69119010) Terracotta – (69120010), Glass For Tables – (70132800), Glass For Tables – (70133700), Picture Frame – (83063000), Brooms And Brushes – (96031000), Holders – (96089910), Animal Figures – (97050010), Tableware-Porcelain – (69111011), Glass-Decorative – (70134100)		
Lifestyle	Decorative Paper – (48239019), Jewellery Boxes – (42023110), Aromatics, Incense & Oils – (33019031), Oriental Paintings – (97011090), Chandliers – (94051010), Handbags – (42022910), Wooden Chest With Ceramic Daraj – (76151090), Festive,Carnival – (95059010), Toys-Wooden – (95030010), Antique Furniture – (97060000), Jewel Cases/Boxes/Pads – (42023910), Boxes - Gift – (39231020), Christmas Tree Decoration & Ornaments – (95051000), Candles & Candle Holders – (83062990), Glass Shells & Globes – (70200090), Sandlewood Articles – (44201000), Potpourri – (96020010), Sculptures – (97030010), Knick Nack Trays – (97019092), Lanterns & Garden Lighting – (94055010), Palm Leaf Items – (46021919), Loban – (33074900), Hand Made Paper (48021010), Candles – (34060010), Statuettes – (83062110), Christmas Light – 94053000, Animal Figures – (97050010), Ceremonial Items – (69131000), Plaiting Materials - Bamboo Articles – (46019900), Wooden Picture Frame – (44140000), Glass Beads – (70189010), Leather Carving		

	- (97020000), Bells Gongs – (83061000), String Musical Instruments – (92029000), Agri Mats – (46012900), Glassware Of Lead Crystal – (70139100), Statuette – (69139000), Wind Musical Instruments – (92059090), Musical Instruments – (92060000)		
Furniture	Children's Furniture – (94036000), Toys-Wooden – (95030010), Wood Marquetry – (44209010), Leather Furniture – (94038900), Cabinetware – (94033010), Bedroom Furniture – (94035090)		
Fashion	Zari Borders – (58090010), Braids – (58081010), Badges & Emblems – (58109210), Hand Embroidered Garments – (58110010), Printed Fabrics – (63079020), Kolapuri Chappals – (64032040), Hats & Caps – (65040000), Knitted Or Crocheted Hat – (65050090), Marble & Stone Figurines – (68159990), Silver Jewellery Set With Gems – (71131120), Jewellery - Metal – (71171100), Jewellery- Silver – (71171920), Jewellery Set With Imitation Pearls – (71179010), Imitation Zari Spangles – (83089002), Shells – (96019010), Potpourri – (96020010), Pashmina Shawls & Stoles – (61171020), Bangles – (70181010)		
Textiles	Embroidered Uppers – (64061010), Table Top – (63079020), Eye Pillows – (94049099), Flower Wooden – (67029090), Hand Embroidered Garments – (58110010), Bedspreads – (63041100), Furnishing Artcles Knited/Crocheted – (63049190)		

Thailand

	Since WTO MFN rate is 0% already RTA does play any role	Despite signing RTA exports have not picked up	Exports have been picking up despite absence of RTA
Home		Articles Of Copper Alloys Electroplated – (74199920), Articles Of Brass – (74181021), Glassware – (70134900), Glass Mirrors – (70099200), Toiletries – (69119010), Glass For Tables – (70132800), Bar Accessories – (70133300), Glass-Decorative – (70134100)	
Lifestyle			
Furniture		Toys-Wooden – (95030010)	
Fashion		Zari Borders – (58090010), Embroidered Dress – 58101000, Badges & Emblems – (58109210), Pashmina Shawls & Stoles – (61171020), Knitted Or Crocheted Hat – (65050090), Marble & Stone Figurines – (68159990), Jewellery- Silver – (71171920), Imitation Zari Spangles – (83089002), Shells – (96019010)	Kolapuri Chappals – (64032040)
Textiles	Eye Pillows – (94049099)	Embroidered Uppers – (64061010), Table Top – (63079020)	Furnishing Artcles Knited/Crocheted – (63049190)

Vietnam

	Since WTO MFN rate is 0% already RTA does play any role	Despite signing RTA exports have not picked up	Exports have been picking up despite absence of RTA
Home		Incense Sticks & Gift Sets – (33074100), Articles Of Brass – (74181021)	
Lifestyle		Boxes - Gift – (39231020), Candles & Candle Holders – (83062990), Chandeliers – (94051010), Christmas Tree Decoration & Ornaments – (95051000), Loban – (33074900)	
Furniture		Wood Marquetry – (44209010), Furniture – (94039000)	
Fashion		Badges & Emblems – (58109210), Table Top – (63079020), Marble & Stone Figurines – (68159990)	Jewellery Set With Imitation Pearls – (71179010)
Textiles		Eye Pillows – (94049099), Tullies – (58041090), Table Top – (63079020)	

Japan

	Since WTO MFN rate is 0% already RTA does play any role	Despite signing RTA exports have not picked up	Exports have been picking up despite absence of RTA
Home	Articles Of Copper Alloys Electroplated – (74199920), Articles Of Brass – (74181021), Glass Mirrors – (70099200), Philat – (97040090), Animal Figures – (97050010)	Glassware – (70134900), Glass For Tables – (70133700), Picture Frame – (83063000)	
Lifestyle	Aromatics Incense & Oils – (33019031), Boxes - Gift – (39231020), Chandeliers – (94051010), Toys-Wooden – (95030010), Oriental Paintings – (97011090), Animal Figures – (97050010), Antique Furniture –	Christmas Tree Decoration & Ornaments – (95051000), Festive Carnival – (95059010), Handbags –	

	(97060000), Sandlewood Articles – (44201000), Wooden Chest With Ceramic Daraj – (76151090), Decorative Paper – (48239019), Lanterns & Garden Lighting – (94055010), Bells Gongs – (83061000), Glass Shells & Globes – (70200090), String Musical Instruments – (92029000), Papier Mache – (48237030), Leather Carving – (97020000), Hand Made Paper (48021010), Christmas Light – 94053000, Wind Musical Instruments – (92059090), Candles – (34060010), Knick Nack Trays – (97019092), Sculptures – (97030010), Philat – (97040090)	(42022910), Glass Beads – (70189010), Statuette – (69139000), Potpourri – (96020010), Pipe Bowls – 6140000, Walking Sticks – 66020000, Agri Mats – (46012900), Jewel Cases/Boxes/Pads – (42023910)	
Furniture	Children's Furniture – (94036000), Toys-Wooden – (95030010), Leather Furniture – (94038900), Cabinetware – (94033010), Furniture – (94039000), Bedroom Furniture – (94035090)	Wood Marquetry – (44209010), Bamboo Article – (46021100)	
Fashion	Embroidered Dress – 58101000, Badges & Emblems – (58109210), Marble & Stone Figurines – (68159990)	Zari Borders – (58090010) Printed Fabrics – (63079020), Pashmina Shawls & Stoles – (61171020), Table Top – (63079020), Kolapuri Chappals – (64032040), Jewellery- Silver – (71171920), Jewellery Set With Imitation Pearls – (71179010), Imitation Zari Spangles – (83089002), Shells – (96019010), Potpourri – (96020010)	
Textiles	Eye Pillows – (94049099), Flower Wooden – (67029090)	Table Top – (63079020), Printed Fabrics – (63079020)	

Brazil			
	Since WTO MFN rate is 0% already RTA does play any role	Despite signing RTA exports have not picked up	Exports have been picking up despite absence of RTA
Home			Tableware-Porcelain – (69111011), Toiletries – (69119010), Terracotta – (69120010), Glass For Tables – (70132800), Glassware – (70134900), Articles Of Brass – (74181021), Articles Of Copper Alloys Electroplated – (74199920), Picture Frame – (83063000), Philat – (97040090)
Lifestyle			Glass Shells & Globes – (70200090), Sandlewood Articles – (44201000), Boxes - Gift – (39231020), Toys-Wooden – (95030010), Lanterns & Garden Lighting – (94055010), Jewellery Boxes – (42023110), Handbags – (42022910), Wooden Chest With Ceramic Daraj – (76151090), Wooden Picture Frame – (44140000), Decorative Paper – (48239019), Candles – (34060010), Bells Gongs – (83061000), Palm Leaf Items – (46021919), Papier Mache – (48237030), Sculptures – (97030010), Pipe Bowls – (6140000), Christmas Tree Decoration & Ornaments – (95051000), Plaiting Materials - Bamboo Articles – (46019900), Hand Made Paper (48021010), Glass Beads – (70189010), String Musical Instruments – (92029000), Horn Bone Buttons For Textiles – (96062200), Oriental Paintings – (97011090), Leather Carving – (97020000), Philat – (97040090), Antique Furniture – (97060000)
Furniture			Toys-Wooden – (95030010), Children's Furniture – (94036000), Wood Marquetry – (44209010), Rattan Basket – (46021200), Bamboo Article - 46021100
Fashion		Bangles – (70181010)	Braids – (58081010), Embroidered Dress – (58101000), Jackets Of Wool Or Fine Animal Hair – (61043100), Pashmina Shawls & Stoles – (61171020), Kolapuri Chappals – (64032040), Hats & Caps – (65040000), Knitted Or Crocheted Hat – (65050090), Marble & Stone Figurines – (68159990), Silver Jewellery Set With Gems – (71131120), Jewellery - Metal – (71171100), Jewellery Set With Imitation Pearls – (71179010), Shells – (96019010)
Textiles			Bedspreads – (63041100), Tapestries Of Jute – (58050020), Hand Made Lace – (58043000)
Argentina			
Home			Glass Mirrors – (70099200), Glass For Tables – (70133700), Glassware – (70134900), Articles Of Brass – (74181021), Articles Of Copper Alloys Electroplated – (74199920)
Lifestyle			Chandeliers – (94051010), Potpourri – (96020010), Christmas Tree Decoration & Ornaments – (95051000), Lanterns & Garden Lighting – (94055010), Loban – (33074900), Sandalwood Articles – (44201000), Decorative Paper – (48239019), Bells Gongs – (83061000), Wooden Picture Frame – (44140000)
Furniture			
Fashion			Badges & Emblems – (58109210), Imitation Zari Spangles – (83089002), Potpourri – (96020010)
Textiles			Embroidered Uppers – (64061010)
Peru			
Home			Incense Sticks & Gift Sets – (33074100), Tableware-Porcelain – (69111011), Terracotta – (69120010), Glass Mirrors – (70099200), Glass-Decorative – (70134100), Holders – (96089910)
Lifestyle	Wooden Chest With Ceramic Daraj – (76151090), Aromatics Incense & Oils – (33019031), Glass Beads – (70189010), Hand Made Paper (48021010), Bells Gongs – (83061000), Horn Bone Buttons For Textiles – (96062200)		Toys-Wooden – (95030010), Jewelry Boxes – (42023110), Chandeliers – (94051010), Sandalwood Articles – (44201000), Decorative Paper – (48239019), Candles – (34060010), Statuettes – (83062110), Palm Leaf Items – (46021919), Handbags – (42022910), Papier Mache – (48237030), Statuette – (69139000), Musical Instruments – (92060000)
Furniture			Toys-Wooden – (95030010), Children's Furniture – (94036000), Leather Furniture – (94038900), Furniture – (94039000), Rattan Basket – (46021200)
Fashion	Braids – (58081010), Zari Borders – (58090010), Embroidered Dress – 58101000, Feather Dusters – (67010010), Marble & Stone		

	Figurines – (68159990)		
Textiles	Tulles – (58041090)		Furnishing Articl Knited/Crocheted – (63049190)
Chile			
Home		Incense Sticks & Gift Sets – (33074100)	Terracotta – (69120010), Glass Mirrors – (70099200), Glassware – (70134900), Articles Of Brass – (74181021), Articles Of Copper Alloys Electroplated – (74199920)
Lifestyle		Lanterns & Garden Lighting – (94055010), Sandalwood Articles – (44201000), Loban – (33074900) Wooden Chest With Ceramic Daraj – (76151090)	Toys-Wooden – (95030010), Aromatics Incense & Oils – (33019031), Glass Shells & Globes – (70200090), Handbags – (42022910), Bells Gongs – (83061000), Chandeliers – (94051010), Jewel Cases/Boxes/Pads – (42023910), Pipe Bowls –(6140000), Decorative Paper – (48239019), Papier Mache – (48237030) Musical Instruments – (92060000)
Furniture		Wood Marquetry – (44209010)	Toys-Wooden – (95030010), Cabinet ware – (94033010), Bedroom Furniture – (94035090), Leather Furniture – (94038900), Rattan Basket – (46021200)
Fashion		Pashmina Shawls & Stoles – (61171020), Table Top – (63079020), Silver Jewellery Set With Gems – (71131120), Jewellery- Silver – (71171920)	Bangles – (70181010), Jewellery - Metal – (71171100)
Textiles		Table Top – (63079020), Furnishing Articl Knited/Crocheted – (63049190)	
Paraguay			
Home			Glass Mirrors – (70099200)
Lifestyle			Chandeliers – (94051010), Sandalwood Articles – (44201000), Jewelry Boxes – (42023110)
Furniture			Children's Furniture – (94036000)
Fashion			Badges & Emblems – (58109210), Knitted Or Crocheted Hat – (65050090), Jewelry- Silver – (71171920)
Textiles			Eye Pillows – (94049099)
Uruguay			
Home			Terracotta – (69120010), Glass Mirrors – (70099200)
Lifestyle		Candles & Candle Holders – (83062990)	Sandalwood Articles – (44201000), Loban – (33074900), Jewellery Boxes – (42023110), Lanterns & Garden Lighting – (94055010), Aromatics Incense & Oils – (33019031), Candles – (34060010), Christmas Tree Decoration & Ornaments – (95051000), Handbags – (42022910), Toys-Wooden – (95030010), Decorative Paper – (48239019), Boxes - Gift – (39231020)
Furniture			Children's Furniture – (94036000), Wood Marquetry – (44209010), Toys-Wooden – (95030010)
Fashion			Knitted Or Crocheted Hat – (65050090)
Textiles			Eye Pillows – (94049099), Flower Wooden – (67029090)

5.2.4 NEGOTIATION FOR FUTURE UPCOMING TRADE NEGOTIATIONS

Country	Home	Lifestyle	Furniture	Fashion	Textiles
	Product	Product	Product	Product	Product
EU-GSP/FTA					
Germany		CHANDLIERS - 94051010	None	PRINTED FABRICS - 63079020	None
	None	TOYS-WOODEN - 95030010	None	SILVER FILLIGREE WORK - 71131110	None
	None	None	None	JEWELLERY- SILVER - 71171920	None
France	None	TOYS-WOODEN - 95030010	None	PRINTED FABRICS - 63079020	None
	None	CHANDLIERS - 94051010	None		None
Italy	None	TOYS-WOODEN - 95030010	None	SILVER FILLIGREE WORK - 71131110	None
	None	CHANDLIERS - 94051010	None	PRINTED FABRICS - 63079020	None
	None	WOODEN CHEST WITH CERAMIC DARAJ - 76151090	None	PRINTED FABRICS - 63079020	None
	None		None	JEWELLERY- SILVER - 71171920	None
	None		None	IMITATION ZARI SPANGLES - 83089020	None
Spain		TOYS-WOODEN - 95030010		PRINTED FABRICS - 63079020	FURNISHING ARTICLES, KNITTED/CROCHETED - 63049190
		CHANDLIERS - 94051010		JEWELLERY- SILVER - 71171920	
		WOODEN CHEST WITH CERAMIC DARAJ - 76151090		SILVER FILLIGREE WORK - 71131110	
		GLASS SHELLS & GLOBES - 70200090			
Poland		TOYS-WOODEN - 95030010		SILVER FILLIGREE WORK - 71131110	
		CHANDLIERS - 94051010		PRINTED FABRICS - 63079020	
		WOODEN CHEST WITH CERAMIC DARAJ - 76151090			
Romania			TOYS-WOODEN - 95030010	PRINTED FABRICS - 63079020	
				IMITATION ZARI SPANGLES - 83089020	
Netherlands		CHANDLIERS - 94051010		PRINTED FABRICS - 63079020	
		TOYS-WOODEN - 95030010			
Belgium		CHANDLIERS - 94051010		PRINTED FABRICS - 63079020	
		TOYS-WOODEN - 95030010		PRINTED FABRICS - 63079020	
		WOODEN CHEST WITH CERAMIC DARAJ - 76151090		JEWELLERY- SILVER - 71171920	

				SILVER FILLIGREE WORK - 71131110	
Sweden		CHANDLIERS - 94051010		JEWELLERY- SILVER - 71171920	
		TOYS-WOODEN - 95030010		PRINTED FABRICS - 63079020	
Austria		CHANDLIERS - 94051010		PRINTED FABRICS - 63079020	
		TOYS-WOODEN - 95030010		JEWELLERY- SILVER - 71171920	
		GLASS SHELLS & GLOBES - 70200090		PRINTED FABRICS - 63079020	
				SILVER FILLIGREE WORK - 71131110	
Bulgaria		CHANDLIERS - 94051010		PRINTED FABRICS - 63079020	
		TOYS-WOODEN - 95030010		IMITATION ZARI SPANGLES - 83089020	
		WOODEN CHEST WITH CERAMIC DARAJ - 76151090		PRINTED FABRICS - 63079020	
Denmark		CHANDLIERS - 94051010		PRINTED FABRICS - 63079020	
		TOYS-WOODEN - 95030010		PRINTED FABRICS - 63079020	
				SILVER FILLIGREE WORK - 71131110	
Georgia		BOXES - GIFT - 39231020			

5.2.5 RTA ANALYSIS IN PRIME IMPORTING COUNTRIES

Appreciating the fact that trade agreements aim at reducing the import duty rates and hence are expected to make country's export more price competitive as against other competing suppliers in the importing country. This section hence compiles a comparative chart between the prime export markets for India versus the top 5 prime global importers in the same HS code. This would give us a reality check of India's future course of policy focus from old traditional destinations to new destination as emerging markets.

At the same time a feasibility analysis is done to check the existing status of India's export in prime importing country in each of the 80 HS codes where India does not seem to have a great comparative advantage (RCA less than 1 as in earlier section). Feasibility analysis has been done to check the acceptability of India's exports in the importing country as against competing suppliers and various factors associated with it as described later in this section.

Reality Check: Indian export markets versus Prime global importers (HS code wise analysis)

Category Fashion

HS code	India's export destination not so promising	Top Global importers
581100	USA, Nepal, Bhutan, France, Australia	Egypt, Morocco, Viet Nam, China, Russian Federation
610431	USA, France, Germany, Colombia, Italy	South Korea, Germany, Hongkong, Italy, USA
611710	UAE, Saudi Arabia, USA, Gambia	USA, Germany, Singapore, France
630790	UAE, USA, UK, Nigeria, Togo	USA, Germany, France, Japan, UK
650400	UK, Australia, USA, Denmark	USA, Japan, Germany, France
650500	USA, Germany, UK, Nigeria	USA, Germany, Japan, France
670100	UAE, USA, Kenya, Germany	UAE, USA, China, UK
711711	USA, Sri Lanka, Nigeria, UK, France	Saudi Arabia, UK, China, Germany, USA
711719	UAE, USA, Nigeria, Iran, Afghanistan	USA, France, Germany, China, Japan
830890	USA, Bangladesh, Hong Kong, Sri Lanka	France, Hongkong, Romania, Italy, Germany
960110	USA, Spain, Australia, Nepal	Belgium, France, Japan, USA, Singapore

Category: Furniture

HS code	India's export destination not so promising	Top Global importers
460211	Maldives, USA, Denmark, Israel, France	USA, Germany, UK, Japan, France
460212	USA, Netherlands, UAE, Japan, Brazil	USA, Germany, Netherlands, UK, Japan
940330	USA, Netherlands, Germany, France, Australia	USA, Germany, France, UK, Netherlands
940350	USA, Canada, Germany, Australia, UK	USA, Germany, UK, Canada, France
940360	USA, Germany, Netherlands, France, UK	USA, Germany, UK, France, Japan
940382	USA, UAE, Spain, Portugal, Netherland, Sweden	USA, Germany, Canada, France, UK, Australia
940389	USA, Netherlands, France, Germany, UK, Spain	USA, Canada, Korea, France, Germany, China
940390	USA, Netherland, Germany, UK, Sweden	USA, Germany, France, UK, Canada, Japan
950300	USA, UK, Germany, Netherlands, Poland	USA, Germany, UK, France, Japan, Canada

Category: Home

HS code	India's export destination not so promising	Top Global importers
691110	Brazil, UK, Germany, USA	Vietnam, USA, Germany, Iraq
691190	USA, Nepal, UK, Germany	Italy, UK, Saudi Arabia, USA
691200	Brazil, USA, UK, UAE	USA, Germany, France, UK
701328	Nepal, Korea, USA, Japan, Netherlands	USA, Germany, Netherlands, France, UK
701337	USA, Bangladesh, Nepal, Maldives, Bhutan	USA, Germany, Vietnam, UK, France
701341	Curacao, Germany, Hong Kong, Malaysia	UK, USA, Brazil, France, Italy
701349	USA, Brazil, UK, Kenya, Sri Lanka	USA, Germany, Russia, France, Canada, Vietnam
970400	USA, Bahrain, Zambia, South Africa	Switzerland, Germany, USA, Denmark, China
970500	Bahrain, USA, Canada, UK, Belgium	USA, UK, France, Germany, Belgium

Category: Textiles

HS code	India's export destination not so promising	Top Global importers, India should target
580410	UAE, Israel, USA, Australia, South Korea	Viet Nam, Indonesia, China, Hongkong, Bangladesh
581100	USA, Nepal, Bhutan, France, Australia	Egypt, Morocco, Viet Nam, China, Russian Federation
630411	Israel, Nepal, Yemen, USA	Nigeria, USA, Ukraine, Poland
630491	USA, Ghana, Congo, Ethiopia	USA, Spain, Uganda, Japan
630790	UAE, USA, UK, Nigeria	USA, Germany, France, Japan
940490	USA, France, UK, Australia, Netherlands, Germany	USA, Japan, Germany, UK, Canada, France

Category: Lifestyle

HS Code	India's export destination not so promising	Top Global Importers
330749	USA, United Kingdom, Australia, UAE	USA, United Kingdom, Japan, Germany, Netherlands
392310	United Kingdom, USA, UAE, Australia, Nepal	Mexico, USA, Germany, France, Netherlands
420229	USA, Italy, Spain, France, United Kingdom, Germany	Korea, Thailand, Singapore, United Kingdom, Philippines
420239	USA, UAE, France, Japan, Bahrain,	Korea, Germany, UK, USA, Canada
442010	USA, UK, France, Malaysia, Netherlands	USA, Germany, Netherlands, France, Japan
460129	UAE, Oman, USA, Bahrain, Switzerland	Japan, Spain, France, Germany, Netherlands
482370	UAE, USA, Hong Kong, Oman, UK	USA, Germany, France, Italy, Canada
660200	USA, Malawi, Oman, Kenya	USA, Germany, Japan, France
691310	Argentina, USA, Spain, Seychelles	USA, Vietnam, Germany, UAE
691390	USA, Switzerland, UK, Germany	USA, Germany, Netherlands, UK
701391	USA, Saudi Arabia, Ireland, Brazil, United Kingdom	USA, Japan, UK, France, China
701890	UAE, Denmark, Austria, USA, Nepal	USA, UAE, Italy, Japan, UK
830629	USA, Germany, UK, Nigeria, Australia	USA, Germany, Netherlands, UK, France
920290	Nepal, Germany, USA, Bangladesh, Japan	USA, Germany, Japan, UK, France
920590	USA, Germany, Canada, Australia, France	USA, Germany, Japan, Korea, France
940510	USA, Germany, Netherlands, UK, France, Hungary	USA, Germany, France, Canada, UK, Austria, Netherland
940530	USA, Netherland, UK, Spain, Nepal, Maldives	USA, Germany, UK, Netherland, Italy, France
940550	USA, UK, Bangladesh, Kenya Netherlands	USA, Germany, UK, Netherlands, Canada
950300	USA, UK, Germany, Netherlands, Poland	USA, Germany, UK, France, Japan, Canada
950590	USA, UK, Canada, Denmark, Chile	USA, UK, Netherland, Canada, Germany
960622	Bangladesh, Sri Lanka, USA, Germany, Kenya	Bangladesh, Vietnam, Hongkong, China, Morocco
961400	Germany, USA, Netherlands, Australia, Canada	Germany, USA, Spain, Saudi Arabia, France
970110	USA, UK, Japan, Hong Kong (China), Singapore	USA, Hong Kong (China), UK, Switzerland, Germany
970400	USA, Bahrain, Zambia, French Polynesia, South Africa	Switzerland, Germany, USA, Denmark, China
970500	Bahrain, USA, Canada, UK, Belgium	USA, UK, France, Germany, Belgium

Global importers marked in red against each product are the ones that Indian handicraft exporters should aim to shift to from its traditional export destinations considering high import demand of these products in these markets. While these markets should be the focus areas both for Indian Govt. as well as handicraft exporters; it is equally important to analyze the feasibility of Indian exporters to enter these new markets.

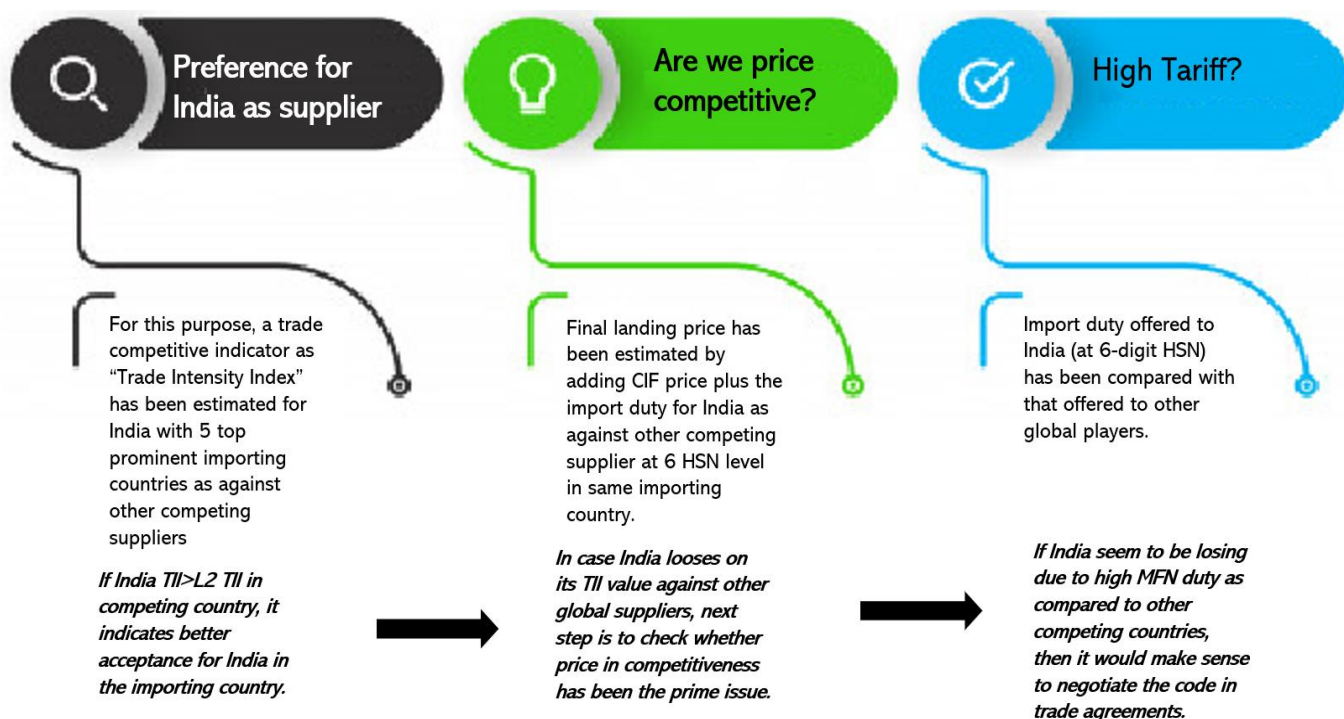
Feasibility of Indian exports in new export markets: HS code wise analysis

To check if it was ever possible for Indian exporters to target these import destinations; following six prime parameters has been cross checked which includes price competitiveness analysis inclusive of comparative import duty/tariff structures between India and global competitors, selling preference of Indian exporter as well as buying preference of importing country traders, RTA negotiations and possibilities of strengthening policy focus on instruments like MSME design clinic schemes and innovations via startups.



Based on the above 6 questions, an indepth analysis has been done for each of the 80 HS codes in prime import destinations suggested as focus markets for India to check the following:

FEASIBILITY ANALYSIS FOR INDIAN HANDICRAFTS IN PRIME IMPORTING COUNTRIES



Responses to these three questions enabled identification of the strategic interventions to be undertaken by Indian policy makers in order to exploit the growing import demand in identified markets.

Table below summarizes these strategic interventions at following levels:

- In which of the HS codes where India does not have great RCA i.e comparative advantage, fall of China can be exploited with suitable policy focus?
- Whether Indian Government should sign trade agreement with importing country towards negotiating the identified HS code?
- Will strategizing production level subsidies, cluster development, handicraft parks, ODOP scheme promoting price competitiveness work towards increasing Indian exports?
- In which products (HS code) should EPCH venture into design intervention by strengthening MSME Design Clinic Scheme?

CATEGORY: HOME

HS code	Importing Country	Signing RTA beneficial	Non Price Factors more prevalent	Price Sensitivity	Major Competitors	Fall of China Impact
691190	Italy	No	Yes	Yes	China/ France	Positive
	Saudi Arabia	Not Much	Unknown	Yes	UAE	Positive
691200	Germany	Not Much	Yes	No	China	Positive
	France	Yes	Yes	No	UK	Positive
701328	Germany	Yes	No	Yes	Czech / Slovakia	Negative
	France	No	Yes	Yes	China / Slovakia / Germany	Positive
	UK	Yes	Yes	Yes	China / Germany	Positive
701337	Germany	No	Unknown	Yes	China	Positive
	Vietnam	Yes	Yes	No	China	Positive
	UK	No	Unknown	Yes	China/ Germany	Positive
	France	No	Unknown	Yes	China/ Germany	Positive
701341	Italy	No	Yes	No	Turkey / China	Positive
	Brazil	No	Unknown	Yes	China (93.1%)	Positive
	UK	Yes	Unknown	Yes	China	Positive
	USA	Yes	Unknown	Yes	China	Positive
	France	No	Yes	No	China / Spain	Positive
701349	Germany	Yes	Unknown	Yes	China / Czech	Positive
	Russia	No	Unknown	Yes	China	Positive
	France	Yes	Unknown	Yes	Spain	Positive
	Vietnam	Yes	Yes	Yes	China (89%)	Positive
970400	Germany	No	Yes	No	Switzerland	Negative
	Denmark	No	Yes	No	Norway	Negative
	China	No	Yes	No	Macao	Negative
970500	France	No	Yes	No	USA	Negative
	Germany	No	Yes	No	USA / Brazil	Negative

CATEGORY: FASHION

HS code	Importing Country	Signing RTA beneficial	Non Price Factors more prevalent	Price Sensitivity	Major Competitors	Fall of China Impact
581100	Egypt	No	No	Yes	China	Positive
	Morocco	Yes	Unknown	No	Spain / China	Positive
	Vietnam	Yes	Unknown	Yes	China / Japan	Negative
	China	No	Unknown	No	Japan / Korea	NA
	Russia	Yes	Unknown	Yes	China / Turkey	Positive
610431	South Korea	No	Unknown	No	Italy	Positive
	Germany	Yes	Unknown	No	China	Positive
	Hong Kong	No	Unknown	No	China	Positive
611710	Germany	Yes	Unknown	Yes	Bangladesh / Netherlands	Positive
	France	Yes	Unknown	Yes	Netherlands	Positive

	China	No	Yes	No	Japan / Korea	NA
	Russia	No	Yes	No	China / Turkey / Belarus	Positive
630790	Germany	Yes	Unknown	Yes	China / Vietnam / Hong Kong	Positive
	France	Yes	Unknown	Yes	China / Vietnam / Hong Kong	Positive
	Japan	No	Yes	No	Vietnam / China	Positive
650400	Germany	No	No	Yes	Poland / France	Positive
	France	No	Unknown	Yes	China / Netherlands / Vietnam	Positive
	Japan	No	Unknown	Yes	China / Italy / Thailand	Positive
650500	France	No	Unknown	Yes	Italy / Netherlands	Positive
	Japan	No	Unknown	Yes	China / Vietnam / Thailand	Positive
670100	China	No	Yes	No	NA	Negative
	UK	No	Yes	No	Germany / China	Positive
711711	Saudi Arabia	Yes	Yes	No	France / Switzerland	Positive
	China	No	Yes	No	Italy / France	NA
	Germany	Not Much	Yes	No	Italy / China	Positive
711719	France	Yes	Yes	No	Italy / China	Positive
	Germany	Yes	Yes	No	Austria / France / Thailand	Positive
	China	No	Yes	No	Italy / France	NA
	Japan	No	Yes	No	Korea	Positive
830890	France	Yes	Yes	No	China	Positive
	Hong Kong	No	Unknown	No	China	Positive
	Italy	Yes	Yes	No	USA	Negative
	Germany	Yes	Yes	No	China	Positive

CATEGORY: FURNITURE

HS code	Importing Country	Signing RTA beneficial	Non Price Factors more prevalent	Price Sensitivity	Major Competitors	Fall of China Impact
460211	Germany	No	Yes	Yes	Poland	Positive
	UK	No	Yes	No	Spain / France	Positive
	Japan	No	Yes	Yes	Thailand/Bangladesh	Positive
460212	Germany	No	Unknown	Yes	Poland	Positive
	UK	No	Yes	No	Germany/Myanmar	Positive
	Japan	No	Yes	No	Italy	Positive
940350	France	No	Unknown	Yes	India / Italy	Positive
940360	Japan	No	Unknown	No	China/Vietnam/Indonesia	Positive
940389	Canada	No	Yes	No	USA/Vietnam	Positive
	China	No	Unknown	Yes	France/USA	Positive
	Korea	No	Yes	No	USA	Positive

CATEGORY: LIFESTYLE

HS code	Importing Country	Signing RTA beneficial	Non Price Factors more prevalent	Price Sensitivity	Major Competitors	Fall of China Impact
330749	JAPAN	No	Yes	Yes	Netherlands / Italy	Positive
	GERMANY	No	Unknown	No	China/Italy/Netherlands	Negative
	NETHERLANDS	No	Unknown	Yes	USA/Portugal	Negative
420229	KOREA	No	Yes	Yes	Italy/France/UK	Negative
	THAILAND	Yes	Unknown	No	Italy	Positive
	SINGAPORE	No	Unknown	Yes	France	Negative
	PHILIPPINES	Yes	Yes	No	Hong Kong	Positive
420239	KOREA	No	Yes	No	Italy/UK/France	Negative
	GERMANY	No	Yes	Yes	France/Netherland/ Italy	Negative
	CANADA	Yes	Yes	Yes		Positive
442010	GERMANY	No	Yes	No	Russia	Positive
	JAPAN	No	Yes	Yes	Indonesia	Positive
460129	JAPAN	Yes	Yes	Yes	Vietnam/Bangladesh	Positive
	FRANCE	No	Yes	No	China/Netherlands	Negative
	GERMANY	No	Unknown	Yes	Vietnam/Netherlands	Positive
	NETHERLANDS	No	Unknown	Yes	China/Germany	Negative
	SPAIN	No	Yes	Yes	Bangladesh/Vietnam	Positive
482370	GERMANY	No	Unknown	Yes	China	Negative
	FRANCE	No	Unknown	No	China	Negative
	ITALY	No	Unknown	Yes	Czech Republic	Negative
	CANADA	No	Unknown	Yes	USA/Finland	Positive
691310	VIETNAM	No	Yes	No	China	Positive
	GERMANY	Yes	Yes	Yes		Negative
	UAE	No	Yes	Yes	Netherlands	Negative
691390	NETHERLANDS	No	Yes	No	Vietnam/Germany/Portugal	Positive
701391	JAPAN	No	Yes	Yes	Germany/China	Positive
	FRANCE	No	Unknown	Yes	China	Positive
	CHINA	Yes	Unknown	Yes	France	Negative
701890	ITALY	Yes	Unknown	Yes	China	Positive
	JAPAN	Yes	Yes	Yes		Positive
	UK	Yes	Unknown	Yes	Austria	Positive
8300629	NETHERLANDS	No	Yes	Yes	China/Vietnam	Positive
	FRANCE	No	Yes	Yes	China/Netherlands	Positive
920290	UK	No	Yes	Yes	China	Negative
	FRANCE	No	Yes	Yes		Negative
940510	CANADA	Yes	Yes	Yes	Mexico/China	Positive
	AUSTRIA	No	Unknown	Yes		Negative
940530	GERMANY	No	Yes	Yes	Belgium/China/Netherlands	Positive
	FRANCE	No	Unknown	Yes	Germany	Negative
950590	GERMANY	No	Yes	Yes	China/Netherlands	Positive
	NETHERLANDS	No	Unknown	Yes	China/Turkey/Portugal	Negative
960622	VIETNAM	No	Yes	Yes	China	Positive
	HONG KONG	No	Yes	Yes	China	Positive
	CHINA	No	Unknown	Yes	Korea/Chine Taipei	Negative
	MOROCCO	No	Unknown	Yes	China	Negative
961400	FRANCE	No	Unknown	Yes	China/Belgium	Negative
	SAUDI ARABIA	Yes	Unknown	Yes	China/Egypt/Jordan	Negative
	SPAIN	No	Unknown	Yes	Germany	Negative

970110	GERMANY	No	Yes	No		Negative
	SWITZERLAND	No	Yes	No		Negative
970400	SWITZERLAND	No	Unknown	No		Negative
	GERMANY	No	Unknown	No		Negative
	DENMARK	No	Unknown	No		Negative
	CHINA	No	Unknown	No		Negative
970500	FRANCE	No	Yes	Yes	Japan/Canada/USA	Negative
	GERMANY	No	Yes	Yes	USA/Brazil	Negative

Table below gives a detailed breakup of the above summarized table with comprehensive indicators on prices of Indian products (FLP1), India's share, it's acceptance, tariff structure and final landing price in the imported country versus that of other competing countries. It also simulates a situation in which prices for Indian products have been estimated with 0% tariff (FLP2) while keeping the tariff structures same for other competing suppliers. This has been done in order to analyse the relevance of India focusing on negotiating tariff rates on identified codes in the importing country. The assumption is that if price competitiveness of Indian good becomes better off than other competing suppliers after simulating the import duty as 0%, it makes sense for India to go ahead with tariff negotiation in case of existing RTA or an upcoming ones; else Indian Govt, policy makers as well as exporters should work on reducing manufacturing cost, enhancing production subsidies via SEZ, handicraft parks etc with a focus on enhancing price competitiveness.

CATEGORY: FASHION

581100 Quilted textile products Egypt, Morocco, Viet Nam, China, Russian Federation

	Value imported	% Share	CIF price	Import Duty (actual)	Import Duty (If India signs RTA)	FLP 1	FLP 2	TII	Remarks
Egypt									
China	60809	99.7	4209	10	10	4630	4 630	0.05	No scope to combat China due to very high price. Even RTA would not help. But after Chinese fall can compete with others.
Turkey	79	0.1	11286	10	10	12415	12415	0.00	
Spain	52	0.1	13000	10	10	14300	14300	0.00	
Thailand	51	0.1	12750	10	10	14025	14025	0.00	
India	14	0	14000	10	0	15400	14000	0.00	
Morocco									
Spain	12572	67.8	12411	0	0	12411	12411	0.33	Import duty is 2.5% as against 0% for L2. Stiff competition from Spain.
China	2631	14.2	4513	2.5	2.5	4626	4626	0.08	
Turkey	1438	7.8	5706	0	0	5706	5706	0.01	
Portugal	616	3.3	7333	0	0	7333	7333	0.04	
India	5	0	0	2.5	0	0	0	0	
Vietnam									
China	9402	58.7	7357	12	12	8240	8240	1.09	Even if China falls, stiff competition from Japan in Vietnam facing 1% tariff as against 8% for India. Should negotiate for RTA in India ASEAN FTA.
Japan	3215	20.1	13285	1	1	13418	13418	4 .66	
Hong Kong, China	761	4.7	16911	12	12	18940	18940	0.30	
Korea, Republic of	704	4.4	13283	0	0	13283	13283		
India	0	0	0	8	0	0	0	0	
China									
Japan	6178	39.3	18171	8	8	19625	19625	0.79	No Scope in China due to stiff competition from Japan and Korea.
Korea, Republic of	5063	32.2	9571	1.6	1.6	9724	9724		
United States of America	1943	12.4	17991	8	8	19430	19430	0.00	
India	0	0	0	7.5	0	0	0	0	
Russian Federation									
China	8666	57.9	3581	13	13	4046.5	4046.5	0.4	Despite huge import share of China and Turkey, TII value not that great. India can take the chance using MEIS FMS for CIS.
Turkey	4043	27	4376	13	13	4944.9	4944.9	0.0	
Italy	850	5.7	6159	13	13	6959.7	6959.7	0.1	
Belarus	442	3	3007	0	0	3007.0	3007.0	0.3	
India	0	0	0	13	0	0	0	0	

For 581100, enhancement of the TII should be major focus. Non-price factors like quality, innovation would be important. Price sensitivity would play a key role with the fall of China.

610431	Women's or girls' jackets of wool	South Korea, Germany, Hongkong, Italy, USA
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	Value imported	% Share	CIF price	Import Duty (actual)	Import Duty (If India signs RTA)	FLP 1	FLP 2	TII	Remarks
South Korea									
China	10,848	22.2	180,800	7.8	7.8	194902	194902	2.60	India needs to gear up with Italy if we need to enter the market.
Italy	1,453	18.8	181,625	0	0	181625	181625	1.97	
UK	309	1.5	154,500	0	0	154500	154500	5.41	
Mexico	53			13	13			1.61	
India									
Germany									
Italy	2,304	21.7	153,600	0	0	153600	153600	4.79	Significant benefit by RTA. In terms of price, India is close to China, hence if China falls, India can potentially take up the market. Other European competitors would be difficult due to high TII
China	1,890	17.8	65,172	12	12	72993	72993	0.85	
Austria	1,211	11.4	201,833	0	0	201833	201833	19.45	
Romania	1,080	10.2	108,000	0	0	108000	108000	15.88	
India	84	0.8	84,000	9.6	0	92064	84000	0.21	
Hong Kong									
China	4,165	40.2	109,605	0	0	109,605	109,605	0.70	FTA or RTA won't make a difference. If India can be price competitive, maybe proximity can play in favor of import if China falls
Italy	2526	24.4	109,826	0	0	109,826	109,826	2.00	
France	660	6.4	110,000	0	0	110,000	110,000	1.27	
Japan	522	5	104,400	0	0	104,400	104,400	1.38	
India	3	0		0	0			0.05	

610431 is price sensitive set of products as deduced from the analysis. Hence, if India works on price competitiveness through FTA or RTA or manufacturing efficiency, it can capture a market if China falls

611710	Shawls, scarves, mufflers, knitted or crocheted	USA, Germany, Singapore, France
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	Value imported	% Share	CIF price	Import Duty (actual)	Import Duty (If India signs RTA)	FLP 1	FLP 2	TII	Remarks
Germany									
China	44338	48.6	21745	12	12	24354	24354.4	2.32	RTA or FTA can significantly benefit Imports. Price competitiveness is important to beat Bangladesh, Netherlands. If China falls, India needs to capture the market by price competitiveness
Italy	8814	9.7	89939	0	0	89939	89939	2.13	
Hungary	6015	6.6	207414	0	0	207414	207414	17.32	
Turkey	4787	5.2	26743	0	0	26743	26743	0.44	
Bangladesh	3226	3.5	30724	0	0	30724	30724	0.18	
Netherlands	2074	2.3	30500	0	0	30500	30500	0.79	
Poland	1913	2.1	79708	0	0	79708	79708	0.86	
India	1286	1.4	42867	9.6	0	46982	42867	0.37	
France									
China	24850	46.9	20970	12	12	23486.4	23486.4	1.90	RTA or FTA can significantly benefit Imports. Price competitiveness is important to beat Netherlands. If China falls, India needs to capture the market by price competitiveness
Italy	9348	17.7	74784	0	0	74784	74784	2.35	
United Kingdom	2956	5.6	70381	0	0	70381	70381	4.31	
Romania	2620	4.9	24717	0	0	24717	24717	5.39	
Turkey	1211	2.3	27523	0	0	27523	27523	0.31	
Netherlands	1058	2	29389	0	0	29389	29389	1.24	
India	386	0.7	38600	9.6	0	42305.6	38600	0.18	
China									
Japan	6178	39.3	18171	8	8	19625	19625	0.79	No Scope in China due to stiff competition from Japan and Korea.
Korea	5063	32.2	9571	1.6	1.6	9724	9724	1.29	
USA	1943	12.4	17991	8	8	19430	19430	0.00	
Taipei, Chinese	484	3.1	15125	8	8	16335	16335	0.18	
Viet Nam	441	2.8	9800	0	0	9800	9800	1.97	
India	0	0	0	7.5	0	0	0	0	
Russian Federation									
China	8666	57.9	3581	13	13	4046.5	4046.5	0.4	No Scope in Russian Federation due to stiff competition from China, Turkey and Belarus
Turkey	4043	27	4376	13	13	4944.9	4944.9	0.0	
Italy	850	5.7	6159	13	13	6959.7	6959.7	0.1	
Belarus	442	3	3007	0	0	3007.0	3007.0	0.3	
Romania	203	1.4	5639	13	13	6372.1	6372.1	0.0	
India	0	0	0	13	0	0	0	0	

For 611710, price sensitivity is a key factor and FTA or RTA with the European markets might prove to be fruitful in reducing the price

630790	Made-up articles of textile materials	USA, Germany, France, Japan, UK
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	Value imported	% Share	CIF price	Import Duty (actual)	Import Duty (If India signs RTA)	FLP 1	FLP 2	TII	Remarks
Germany									
China	6859770	85.5	5818	7.3	7.3	6243	6243	1.25	RTA or FTA might help is providing price competitiveness against other competitors. If China falls, it can be a great benefit in procuring the market against Poland, Hong Kong and Vietnam
Vietnam	181641	2.3	11630	5.8	5.8	12305	12305	1.19	
Hong Kong	108828	1.4	14782	7.3	7.3	15861	15861	1.39	
Poland	83796	1	17512	0	0	17512	17512	0.31	
India	20310	0.3	10074	5.8	0	10658	10074	0.12	
France									
China	5680110	82.4	8830	7.3	7.3	9475	9475	1.18	RTA or FTA might help is providing price competitiveness against other competitors. If China falls, it can be a great benefit in procuring the market against Vietnam, Tunisia,
Vietnam	228993	3.3	8829	5.8	5.8	9341	9341	1.19	
Tunisia	181895	2.6	8829	0	0	8829	8829	0.90	
Germany	85164	1.2	8830	0	0	8830	8830	0.66	
India	10677	0.2	8831	5.8	0	9343	8831	0.09	
Japan									
China	4606453	89.1	9010	5.3	5.3	9488	9488	1.08	RTA or FTA would not help. India is already price competitive, implying importance of other factors in the import. Fall of China might help significantly
Vietnam	228706	4.4	20504	0	0	20504	20504	0.51	
Korea	117363	2.3	51317	5.3	5.3	54037	54037	1.29	
Taipei	43089	0.8	19228	5.3	5.3	20247	20247	1.23	
India	5844	0.1	14537	0	0	14537	14537	0.18	

For 630790, European markets would largely be benefited with RTA or FTA since price sensitivity is a factor. Total dominance of the market by China can also be beneficial in allowing a major chunk of the market to come to India, in case China falls.

650400

Hats and other headgear,

Germany, France, Japan

	Value imported	% Share	CIF price	Import Duty (actual)	Import Duty (If India signs RTA)	FLP 1	FLP 2	TII	Remarks
Germany									
China	12683	60.4	23060	0	0	23060	23060	1.2415	FTA or RTA would not make a difference. If China falls, Italy is not a great competitor. India needs to be price competitive with Poland& France
Italy	4367	20.8	82396	0	0	82396	82396	2.4466	
Ecuador	1051	5	175167	0	0	175167	175167	25.415	
Poland	509	2.4	22130	0	0	22130	22130	0.3902	
France	359	1.7	39889	0	0	39889	39889	0.3863	
India	9	0	0	0	0	0	0	0.0635	
France									
China	8357	52	18287	0	0	18287	18287	1.0213	FTA or RTA would not make a difference. If China falls, India needs to be price competitive with Vietnam
Italy	3688	22.9	92200	0	0	92200	92200	2.9288	
Ecuador	902	5.6	180400	0	0	180400	180400	29.162	
Madagascar	434	2.7	24111	0	0	24111	24111	13.114	
Netherlands	407	2.5	13129	0	0	13129	13129	1.0769	
Viet Nam	385	2.4	12031	0	0	12031	12031	0.4834	
India	10	0.1	0	0	0	0	0	0.1901	
Japan									
China	20092	83.7	26264	4.4	4.4	27420	27420	1.2836	FTA or RTA would not make a difference. If China falls, India needs to be price competitive with Italy and Thailand
Italy	705	2.9	352500	0	0	352500	352500	0.8243	
Sri Lanka	705	2.9	352500	0	0	352500	352500	7.4512	
Thailand	643	2.7	107167	0	0	107167	107167	0.8716	
Ecuador	432	1.8	216000	0	0	216000	216000	15.64	
USA	376	1.6	125333	4.4	4.4	130848	130848	1.1828	
India	4	0	0	0	0	0	0	0.3419	

For 650400, price sensitivity is not there. Non-tariff barrier, innovation and quality are most important India does not need any trade agreements in this sector. More than the price it should be the non-price factors affecting the imports

650500	Hats and other Headgear, knitted or Crocheted	Japan, France
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	Value imported	% Share	CIF price	Import Duty (actual)	Import Duty (If India signs RTA)	FLP 1	FLP 2	TII	Remarks
France									
China	131606	54.4	23,657	3.5	3.5	24485	24485	1.0694	FTA or RTA will have no impact. Since TII is significantly high, price competitiveness and product diversity can help in growth of imports
Italy	23526	9.7	98,435	0	0	98435	98435	1.2423	
Netherlands	10110	4.2	45,541	0	0	45541	45541	1.7786	
Viet Nam	8512	3.5	39,226	0	0	39226	39226	0.7106	
India	1,626	0.7	49,273	0	0	49273	49273	2.0554	
Japan									
China	229,442	64	31400	4.9	4.9	32939	32939	0.9869	FTA or RTA will have no impact. Since TII is significantly high, price competitiveness and product diversity can help in growth of imports
Viet Nam	52,214	15	33971	0	0	33971	33971	1.1752	
Thailand	13,556	4	34582	0	0	34582	34582	1.2372	
Italy	13,250	4	576087	0	0	576087	576087	1.0430	
India	213	0.1	53250	0	0	53250	53250	1.2257	

For 650500, India already has a decent score of TII. FTA and RTA would not help in this aspect by price competitiveness and product diversity can increase the imports for this HS

670100	Skins and other parts of birds				China, United Kingdom				
	Value imported	% Share	CIF price	Import Duty (actual)	Import Duty (If India signs RTA)	FLP 1	FLP 2	TII	Remarks
China									
Viet Nam	4669	71.7	30318	0	0	30318	30318	39.79	India has a wide diversity of fauna. This HS is not price sensitive. Availability of the right product, preservation and transport would play a key role. FTA or RTA has no significance
Italy	807	12.4	134500	8	8	145260	145260	7.52	
Japan	161	2.5	17889	8	8	19320	19320	28.75	
France	150	2.3	No Data	8	8	0	0	25.95	
South Africa	117	1.8	117000	8	8	126360	126360	48.23	
India	2	0	1000	8	0	1080	1000	-	
United Kingdom									
Germany	4435	69.6	13239	0	0	13239	13239	0.12	India has a wide diversity of fauna. This HS is not price sensitive. Availability of the right product, preservation and transport would play a key role. FTA or RTA has no significance
China	1038	16.3	7310	2.7	2.7	7507	7507	0.19	
Italy	163	2.6	20375	0	0	20375	20375	3.60	
Netherlands	152	2.4	3234	0	0	3234	3234	1.12	
USA	148	2.3	49333	2.7	2.7	50665	50665	0.07	
India	0	0	No Data	0	0			-	

For 670100, India has a wide diversity of fauna. This HS is not price sensitive. Availability of the right product, preservation and transport would play a key role. FTA or RTA has no significance.

711711	Cuff links and studs, of base metal	Saudi Arabia, UK, China, Germany, USA
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	Value imported	% Share	CIF price	Import Duty (actual)	Import Duty (If India signs RTA)	FLP 1	FLP 2	TII	Remarks
Saudi Arabia									
China	7420	62.4	22901	5	5	24046	24046	6.16	This HIS is moderately price sensitive. Availability of the right product, quality and international demand would play a key role. FTA or RTA can assist imports
Switzerland	1006	8.5	503000	0	0	503000	503000	0.03	
France	651	5.5	651000	5	5	683550	683550	0.01	
India	155	1.3	11923	5	0	12519	11923	NA	
China									
Italy	1913	41.2	1913000	10	10	2104300	2104300	60.17	No major significance of FTA or RTA. Italy and France, with significantly high TII would be the major competitors
China	1083	23.4	60167	NA	NA	NA	NA	NA	
France	644	13.9	644000	10	10	708400	708400	8.91	
India	NA	NA	NA	10	0	NA	NA	0.35	
Germany									
China	2271	66.4	252333	4	4	262426	262426	11.39	China and France, with significantly high TII would be the major competitors. FTA or RTA can assist imports
Italy	360	10.5	360000	0	0	360000	360000	1.89	
France	214	6.3	NA	0	0	NA	NA	5.82	
India	18	0.5	NA	4	0	NA	NA	0.42	

This HS is moderately price sensitive. Availability of the right product, quality and international demand would play a key role. FTA or RTA can assist imports

711719	Imitation Jewellery, of base metal, whether or not plated with precious metal (excluding cuff links and studs)	France, Germany, China, japan
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	Value imported	% Share	CIF price	Import Duty (actual)	Import Duty (If India signs RTA)	FLP 1	FLP 2	TII	Remarks
France									
China	125491	36.4	90607	4	4	94231	94231	9.20	FTA or RTA can play a key role in price competitiveness, but other non-price factors are also crucial for imports. Fall of China can be a real boost
Italy	70750	20.5	575203	0	0	575203	575203	1.65	
Germany	60922	17.7	621653	0	0	621653	621653	2.23	
Thailand	26483	7.7	551729	4	4	573798	573798	2.07	
India	3735	1.1	86860	4	0	90334	86860	0.37	
Germany									
China	152002	47	79168	4	4	82335	82335	35.18	FTA or RTA can play a key role in price competitiveness, but other non-price factors are also crucial for imports. Fall of China can be a real boost
Austria	27530	8.5	917667	0	0	917667	917667	3.12	
France	22999	7.1	489340	0	0	489340	489340	2.61	
Thailand	18562	5.7	78653	4	4	81799	81799	2.43	
India	4284	1.3	93130	4	0	96855	93130	2.09	
China									
Thailand	65838	25.3	739753	0	0	739753	739753	24.04	FTA or RTA won't make a difference. Non-price factors are crucial
China	46886	18	446533	0	0	446533	446533	19.18	
Italy	42479	16.3	3267615	8	8	3529024	3529024	4.20	
France	34574	13.3	4321750	8	8	4667490	4667490	4.13	
India	1194	0.5	24367	5.2	0	25634	24367	0.11	
Japan									
China	180665	37	48293	3.7	3.7	50080	50080	27.69	FTA or RTA won't make a difference. Non-price factors are crucial to increase TII and hence impact the imports
Italy	66886	18	1301600	0	0	1301600	1301600	14.63	
Korea	32540	15.6	170345	3.7	3.7	176648	176648	2.135	
France	28107	11.6	1912818	0	0	1912818	1912818	5.36	
India	338	0.2	112667	0	0	112667	112667	0.08	

For the European markets, FTA or RTA can play a key role in price competitiveness, but other non-price factors are also crucial for imports. Fall of China can be a real boost. For the Asian Markets, FTA or RTA won't make a difference. Non-price factors are crucial to increase TII and hence impact the imports.

830890	Clasps, frames with clasps without locks				France, Hongkong, Italy, Germany				
	Value imported	% Share	CIF price	Import Duty (actual)	Import Duty (If India signs RTA)	FLP 1	FLP 2	TII	Remarks
France									
Italy	76118	33.6	50949	0	0	50949	50949	2.25	RTA or FTA might assist in the increase of imports but non-price factors play a more important role. Quality, innovation would contribute to a higher TII and can assist with the imports. Fall of China can help in boosting the imports in this sector
Switzerland	54766	24.2	805382	0	0	805382	805382	9.80	
china	38638	17.1	66503	2.7	2.7	68299	68299	1.10	
Portugal	33679	14.9	295430	0	0	295430	295430	5.02	
France	4617	2	54964	0	0	54964	54964	1.82	
Taipei, Chinese	2748	1.2	70462	2.7	2.7	72364	72364	1.41	
Poland	2609	1.2	22687	0	0	22687	22687	0.45	
India	439	0.2	62714	2.7	0	64407	62714	0.32	
Hong Kong									
China	130554	88.5	30165	0	0	30165	30165	1.17	RTA or FTA would make no difference. Quality, innovation would contribute to a higher TII and can assist with the imports
Italy	4161	2.8	96767	0	0	96767	96767	1.85	
Taipei, Chinese	2517	1,7	17979	0	0	17979	17979	0.65	
France	1613	1.7	73471	0	0	73471	73471	0.70	
USA	1613	1.1	107533	0	0	107533	107533	0.29	
Myanmar	1574	1.1	196750	0	0	196750	196750	4.48	
Japan	1394	0.9	39829	0	0	39829	39829	0.38	
India	24	0	12000	0	0	12000	12000	0.15	
Italy									
Japan	6178	39.3	18171	8	8	19625	19625	0.79	RTA or FTA might assist in the increase of imports but non-price factors play a more important role. Quality, innovation would contribute to a higher TII and can assist with the imports
Korea, Republic of	5063	32.2	9571	1.6	1.6	9724	9724		
USA	1943	12.4	17991	8	8	19430	19430	0.00	
Taipei, Chinese	484	3.1	15125	8	8	16335	16335	0.18	
Viet Nam	441	2.8	9800	0	0	9800	9800	1.97	
India	0	0	0	7.5	0	0	0	0	
Germany									
Romania	20062	16	22902	0	0	22902.0	22902	5.1	RTA or FTA might assist in the increase of imports but non-price factors play a more important role. Quality, innovation would contribute to a higher TII and can assist with the imports
Italy	19710	15.7	29418	0	0	29418.0	29418	2.0	
Czech Republic	18025	14.4	18815	0	0	18815.0	18815	1.2	
china	14066	11.2	9266	2.7	2.7	9516.0	9516	0.6	
Poland	13408	10.7	20439	0	0	20439.0	20439	1.2	
Hungary	12170	9.7	18810	0	0	18810	18810	4.63	
Taipei, Chinese	4104	3.3	11726	2.7	2.7	12042	12042	1.94	
India	919	0.7	2511	2.7	0	2579	2511	0.57	

For the EU markets, RTA or FTA might assist in the increase of imports but non-price factors play a more important role. Quality, innovation would contribute to a higher TII and can assist with the imports. Fall of China can help in boosting the imports in this sector. For the Asian markets, RTA or FTA would make no difference.

CATEGORY: HOME

691190	Household and toilet articles, of porcelain or china	Italy, UK, Saudi Arabia, USA
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	Value imported	% Share	CIF price	Import Duty (actual)	Import Duty (If India signs RTA)	FLP 1	FLP 2	TII	Remarks
Italy									
Denmark	21270	85	661	0	0	661	661	31.21	FTA or RTA would not make any difference. Focus should be on supreme quality to compete with China or France. TII of Denmark is too high to compete
China	1293	5.2	8031	12	12	8995	8995	0.32	
Spain	873	3.5	2807	0	0	2807	2807	0.27	
France	404	1.6	101000	0	0	101000	101000	0.27	
India	0	0	0	0	0	0	0	0.00	
Saudi Arabia									
China	7013	71.9	2807	5	5	2947	2947	3.19	FTA or RTA might only give India an edge over UAE but proximity might work against India. Fall of China might yield a new market but price competition would be important
UAE	699	7.2	5504	0	0	5504	5504	0.72	
Taipei	263	2.7	3247	5	5	3409	3409	17.59	
Turkey	247	2.5	3088	5	5	3242	3242	2.49	
India	15	0.2	5000	5	0	5250	5000	0.00	

FTA or RTA would not make a difference for HS 691190 in the EU markets but for the middle eastern market price competitiveness combined with FTA or RTA might bring about a positive change in the Import numbers

691200	Tableware, kitchenware, other household articles and toilet articles, of ceramics other than ...	Germany, France
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	Value imported	% Share	CIF price	Import Duty (actual)	Import Duty (if India signs RTA)	FLP 1	FLP 2	TII	Remarks
Germany									
China	100538	44	2838	6.3	6.3	3016.79	3016.79	0.577	FTA or RTA might reduce the price but the reduction is miniscule. It is difficult to compete with the EU competitors either due to price disadvantage or TII but can work on non-price factors to compete with China
Poland	26664	11.7	14740	0	0	14740	14740	1.526	
Portugal	20610	9	2667	0	0	2667	2667	6.261	
United Kingdom	9858	4.3	1220	0	0	1220	1220	2.478	
Romania	9826	4.3	1200	0	0	1200	1200	2.634	
India	1300	0.6	3790	2.8	0	3896.12	3790	0.299	
France									
China	82812	47.4	3245	6.3	6.3	3449.44	3449.44	0.419	FTA or RTA can reduce the price to be able to compete with UK, but TII of UK is significantly higher. Hence India should focus on non-price factors
Portugal	35042	20	1634	0	0	1634	1634	2.773	
Germany	7895	4.5	6241	0	0	6241	6241	0.738	
Netherlands	5523	3.2	3362	0	0	3362	3362	4.977	
United Kingdom	5459	3.1	7357	0	0	7357	7357	2.622	
India	185	0.1	7708	2.8	0	7923.82	7708	0.074	

FTA or RTA might give a slight advantage to the price in the EU markets but nothing significant. India needs to work on the price competitiveness of the products or work towards innovation to create international demand

701328	Drinking glasses, stemware (excluding of glass ceramics)	USA, Germany, Netherlands, France, UK
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	Value imported	% Share	CIF price	Import Duty (actual)	Import Duty (if India signs RTA)	FLP 1	FLP 2	TII	Remarks
Germany									
Slovakia	12068	22.2	4652	0	0	4652	4652	7.54	FTA or RTA might help in competing with Czech Republic for price competitiveness. TII is high for the others, hence improvement on that front is also essential
Netherlands	6495	12	3688	0	0	3688	3688	2.49	
Czech Republic	6452	11.9	4713	0	0	4713	4713	2.19	
France	6108	11.2	3759	0	0	3759	3759	1.23	
Italy	4848	8.9	3966	0	0	3966	3966	1.16	
India	32	0.1	4571	7.5	0	4914	4571	0.01	
France									
Italy	12957	25.5	1931	0	0	1931	1931	0.72	Indian products are already price competitive yet the export numbers are poor. Non-price factors should be checked and improved to compete in France
Germany	7528	14.8	6076	0	0	6076	6076	0.88	
Netherlands	6803	13.4	3478	0	0	3478	3478	2.72	
China	5832	11.5	6025	11	11	6688	6688	0.29	
Slovakia	4095	8.1	8077	0	0	8077	8077	0.38	
India	19	0	4750	7.5	0	5106.25	4750	0.00213	
UK									
France	11036	27.4	5754	0	0	5754	5754	2.26	RTA or FTA can bring a significant change to the price but India needs to be more price competitive to compete in the UK market. Fall of China will have a significant advantage
China	8129	20.2	5572	11	11	6185	6185	1.05	
Turkey	3890	9.6	2576	0	0	2576	2576	4.25	
Netherlands	3042	7.5	4150	0	0	4150	4150	4.978767	
Germany	2772	6.9	10229	0	0	10229	10229	0.802298	
India	217	0.5	7000	7.5	0	7525	7000	0.00204	

For 701328, European potential is significant, since there are no single dominant player, but India needs to work on its price competitiveness and other non-price factors to improve export numbers. RTA or FTA can significantly help in that endeavour

701337	Drinking glasses (excluding glasses of glass ceramics or of lead crystal and stemware)	Germany, Vietnam, UK, France
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	Value imported	% Share	CIF price	Import Duty (actual)	Import Duty (If India signs RTA)	FLP 1	FLP 2	TII	Remarks
Germany									
China	14684	14.1	2678	11	11	2973	2973	1.0762	Even a FTA or RTA would not prove to be beneficial in this market. India is way behind the competitors
Italy	14410	13.9	1801	0	0	1801	1801	2.3594	
Bulgaria	13507	13	1099	0	0	1099	1099	19.721	
Poland	12237	11.8	1934	0	0	1934	1934	1.2738	
France	9567	9.2	1608	0	0	1608	1608	1.247	
India	116	0.1	3625	7.5	0	3897	3625	0.1556	
Vietnam									
China	81916	86.8	2261	0	0	2261	2261	1.2672	35% is a significantly high Import Duty. India should negotiate that to get a RTA to open business channels. Fall of China can be very helpful
Thailand	10953	11.6	827	0	0	827	827	3.4836	
Czech Republic	196	0.2	3630	35	35	4900.5	4900.5	2.0087	
Bulgaria	165	0.2	1012	35	35	1366.2	1366.2	15.256	
France	154	0.2	3949	35	35	5331.2	5331.2	0.6747	
India	0	0	0	35	0	0	0	0	
UK									
France	13414	18.9	2521	0	0	2521	2521	1.7814	Even a FTA or RTA would not prove to be beneficial in this market. India is way behind the competitors
China	13074	18.4	3092	11	11	3432.1	3432.1	0.7458	
Turkey	8024	11.3	1649	0	0	1649	1649	2.5077	
Germany	5931	8.3	4233	0	0	4233	4233	0.6017	
Italy	5008	7	3632	0	0	3632	3632	1.5834	
India	189	0.3	6750	7.5	0	7256.3	6750	0.2876	
France									
Italy	11508	20	2571	0	0	2571	2571	1.5487	Even a FTA or RTA would not prove to be beneficial in this market. India is way behind the competitors
China	10811	18.8	3503	11	11	3888.3	3888.3	1.7691	
Czech Republic	5891	10.3	4433	0	0	4433	4433	3.0374	
Turkey	5407	9.4	1550	0	0	1550	1550	5.835	
Germany	4350	7.6	3955	0	0	3955	3955	0.4369	
India	13	0	6500	7.5	0	6987.5	6500	0.0298	

For the European markets, Even an FTA or RTA would not prove to be beneficial. India is way behind the competitors. India needs to work on its production price and innovation of products to get a bigger share of imports from these markets

701341	Glassware of lead crystal, of a kind used for table or kitchen purposes	Italy, Brazil, UK,USA, France
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	Value imported	% Share	CIF price	Import Duty (actual)	Import Duty (If India signs RTA)	FLP 1	FLP 2	TII	Remarks
Italy									
France	1858	69.0	4622	0	0.0	4622	4622	5.5751	India needs to work on price competitiveness to compete with China, but at the given point, a FTA or RTA will make no difference
China	327	12.1	1677	11	11.0	1868	1861	1.0574	
Turkey	166	6.2	3255	0	0.0	3255	3255	0.9618	
Slovenia	83	3.1	10375	0	0.0	10375	10375	1.5915	
Germany	70	2.6	14000	0	0.0	14000	14000	0.1593	
India	0	0.0	NA	7.5	0	NA	NA	0.0000	
Brazil									
China	3784	93.1	1125	18	18.0	1328	1328	2.6216	India needs to work on price competitiveness to compete with China or the European competitors, but at the given point, a FTA or RTA will make no difference
Czech Republic	203	5.0	5342	18	18.0	6304	6304	1.6533	
Slovakia	19	0.5	6333	18	18.0	7473	7473	4.1910	
Egypt	12	0.3	286	18	18.0	337	337	0.2975	
India	10	0.2	10000	18	0.0	11800	10000	0.0454	
United Kingdom									
France	3356	46.7	76273	0	0.0	76273	76273	4.4138	India needs to work on price competitiveness to compete with China or the European competitors, but at the given point, a FTA or RTA will make no difference
China	1607	22.4	3369	11	11.0	3753	3740	0.9078	
Ireland	652	9.1	22483	0	0.0	22483	22483	6.6412	
Portugal	473	6.6	39417	0	0.0	39417	39417	11.6005	
Slovenia	378	5.3	14000	0	0.0	14000	14000	23.6005	
India	20	0.3	10000	7.5	0	10750	10000	0.3014	
USA									
Slovenia	1775	27	25	11.4	11.4	28	28	121.34	India needs to work on price competitiveness to compete with China or the European competitors, but at the given point, a FTA or RTA will make a difference
France	1073	17	19	11.4	11.4	21	21	5.94	
China	994	15	3	11.4	11.4	3	3	0.45	
Czech Republic	726	11	12	11.4	11.4	13	13	16.40	
Poland	652	10	13	11.4	11.4	14	14	9.88	
Ireland	557	9	123	11.4	11.4	137	137	83.60	
India	77	1	9.41	7.3	0	10	9	0.53	
France									
Spain	678.0	20.2	30,818	0	0	30818	30818	1.93	FTA or RTA would make no difference. India needs to working on its non-price factors to improve the numbers
United Kingdom	583.0	17.4	145,750	0	0	145750	145750	8.16	
China	368.0	11.0	2,706	11	11	3004	3004	1.03	
Czech Republic	295.0	8.8	1,113	0	0	1113	1113	2.60	
Netherlands	282.0	8.4	11,750	0	0	11750	11750	2.48	
India	10.0	0.3	10,000	0	0	10000	10000	0.39	

701349		Glassware for table or kitchen purposes				USA, Germany, Russia, France, Canada, Vietnam			
	Value imported	% Share	CIF price	Import Duty (actual)	Import Duty (If India signs RTA)	FLP 1	FLP 2	TII	Remarks
Germany									
China	49304	39.5	2250	11	11	2498	2498	3.00	India can negotiate to sign a FTA or RTA. Czech is a potential competitor. If China falls, India would be benefited
France	22042	17.6	2116	0	0	2116	2116	2.39	
Poland	10911	8.7	3882	0	0	3882	3882	0.94	
Czech Republic	8474	6.8	6479	0	0	6479	6479	0.84	
India	758	0.6	5156	7.5	0	5543	5156	0.84	
Russia									
China	45607	57.9	1640	10	10	1804	1804	1.81	Market too competitive and difficult. FTA or RTA would make no difference unless innovation is brought
France	18900	24	1933	10	10	2126	2126	2.42	
UAE	3394	4.3	1787	10	10	1966	1966	5.69	
Turkey	3126	4	2067	10	10	2274	2274	0.79	
India	31	0	10333	10	0	11366	10333	0.03	
France									
China	37213	50.6	2410	11	11	2675	2675	4.76	Market too competitive and difficult. FTA or RTA would make no difference unless innovation is brought
Italy	7097	9.7	2676	0	0	2676	2676	0.75	
Spain	5453	7.4	5096	0	0	5096	5096	0.71	
Turkey	5251	7.1	1898	0	0	1898	1898	4.4309	
India	167	0.2	6185	7.5	0	6648.875	6185	0.2269	
Canada									
USA	28720	40.3	NOT GIVEN	0	0	0	0	0.67	Information nit enough to draw analysis
China	25856	36.3	NOT GIVEN	0	0	0	0	1.69	
Korea,	6088	8.5	NOT GIVEN	0	0	0	0	17.51	
France	2481	3.5	NOT GIVEN	0	0	0	0	2.66	
India	529	0.7	NOT GIVEN	0	0	0	0	1.77	
Vietnam									
China	41721	89.7	10111	20	20	12133.2	12133.2	1.3	China is the biggest competitor although they have one of the highest CIF prices. India needs to discuss FTA or RTA for better trade
Indonesia	1768	3.8	2737	0	0	2737.0	2737.0	2.5	
Thailand	598	1.3	308	0	0	308.0	308.0	0.4	
Korea,	577	1.2	173	35	35	233.6	233.6	0.1	
India	26	0.1	8667	35	0	11700.5	8667.0	0.1	

For this HS Code, majority of the European markets are too competitive due to dominance by China and European nations. FTA would only give a slight boost. India needs to focus on price competitiveness and Innovation. For the Vietnam market it should definitely try for RTA or FTA

	Value imported	% Share	CIF price	Import Duty (actual)	Import Duty (If India signs RTA)	FLP 1	FLP 2	TII	Remarks
Switzerland									
Germany	6561	47	234321	0	0	234321	234321	0.06	Insufficient data to perform analysis but major competitors are USA and Austria due to their relatively lower TII
UK	2701	19.4		0	0			0.07	
USA	2436	17.5		0	0			0.02	
Austria	494	3.5	247000	0	0	247000	247000	0.04	
India				0	0				
Germany									
Switzerland	4640	46.6	386667	0	0	386667	386667	3.27	Very competitive market. Philately collectibles items are often locally procured hence reducing the opportunity for a lucrative export market FTA or RTA won't help
USA	906	9.1	453000	0	0	453000	453000	0.12	
Netherlands	684	6.9	42750	0	0	42750	42750	63.77	
Singapore	505	5.1	505000	0	0	505000	505000	116.02	
India	22	0.2		0	0			11.48	
Denmark									
Germany	2356	34.1	294500	0	0	294500	294500	10.21	Very competitive market. Philately collectibles items are often locally procured hence reducing the opportunity for a lucrative export market. FTA or RTA won't help
Norway	975	14.1	121875	0	0	121875	121875	2.98	
France	686	9.9	343000	0	0	343000	343000	12.59	
Netherlands	668	9.7	334000	0	0	334000	334000	12.779	
India	5	0.1		0	0			0.693	
China									
Macao	2798	2	1399000	0	0	1399000	1399000	123.92	Very competitive market. Philately collectibles items are often locally procured hence reducing the opportunity for a lucrative export market. FTA or RTA won't help
Hongkong	1210	1	1210000	0	0	1210000	1210000	7.86	
France	828	0		5	5			1.69	
Germany	162	28	5786	5	5	6075	6075	0.56	
India				5	0				

Very competitive market. Philately collectibles items are often locally procured and culturally relevant hence reducing the opportunity for a lucrative export market. FTA or RTA won't help here.

970500	Collections and collector's pieces of zoological	USA, UK, France, Germany, Belgium
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	Value imported	% Share	CIF price	Import Duty (actual)	Import Duty (If India signs RTA)	FLP 1	FLP 2	TII	Remarks
France									
USA	87073	55.9	15829	0	0	15829	15829	0.09	This market is not price sensitive and requires extensive regulation to prevent smuggling. Very competitive for India
Switzerland	12402	8	689000	0	0	689000	689000	1.28	
Canada	8088	5.2	10463	0	0	10463	10463	3.26	
Italy	3430	2.2	1715000	0	0	1715000	1715000	1.81	
Japan	3420	2.2	14016	0	0	14016	14016	0.00	
India	278	0.2	278000	0	0	278000	278000	0.00	
Germany									
USA	86423	61.8	10814	0	0	10814	10814	0.42	This market is not price sensitive and requires extensive regulation to prevent smuggling. Very competitive for India
Switzerland	27828	19.9	18918	0	0	18918	18918	1.23	
United Kingdom	9758	7	101646	0	0	101646	101646	0.99	
Japan	2268	1.6	7902	0	0	7902	7902	0.29	
Brazil	1944	1.4	12226	0	0	12226	12226	0.00	
Canada	1901	1.4	6647	0	0	6647	6647	1.15 1765	
India	21	0	21000	0	0	21000	21000	0	

For this HS, this market is not price sensitive and requires extensive regulation to prevent smuggling. Very competitive for India

CATEGORY: FURNITURE

940390	Parts of furniture, n.e.s. (excluding of seats and medical, surgical)	USA, Germany, France, UK, Canada, Japan
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	Value imported	% Share	CIF price	Import Duty (actual)	Import Duty (If India signs RTA)	FLP 1	FLP 2	TII	Remarks
France									
Italy	253510	34.2	2994	0	0	2994	2994	2.57	India can only compete with China based on TII keeping the prices low and improving production efficiency.
Germany	123734	16.7	3129	0	0	3129	3129	1.50	
China	56080	7.6	3476	2.7	2.7	3570	3570	0.28	
Spain	46998	6.3	3006	0	0	3006	3006	1.08	
India	2522	0.3	2449	0	0	2449	2449	0.25	
Canada									
China	152177	30.5		0	0	0	0	0.74	Based on TII , India can take on China and USA but has to drastically improve non pricing factors
USA	130877	26.2		0	0	0	0	0.95	
Italy	45301	9.1		0	0	0	0	3.20	
Austria	23666	4.7		0	0	0	0	10.83	
India	2963	0.6		0	0	0	0	0.72	
Japan									
China	213183	43.1	2900	0	0	2900	2900	0.69	Market is not favourable, TII too low
Austria	83683	16.9	4233	0	0	4233	4233	15.66	
Viet Nam	37694	7.6	3794	0	0	3794	3794	0.64	
Taipei, Chinese	36251	7.3	3851	0	0	3851	3851	1.73	
India	66	0	11000	0	0	11000	11000	0.09	

950300	Tricycles, scooters, pedal cars and similar wheeled toys; dolls' carriages	USA, Germany, UK, France, Japan, Canada
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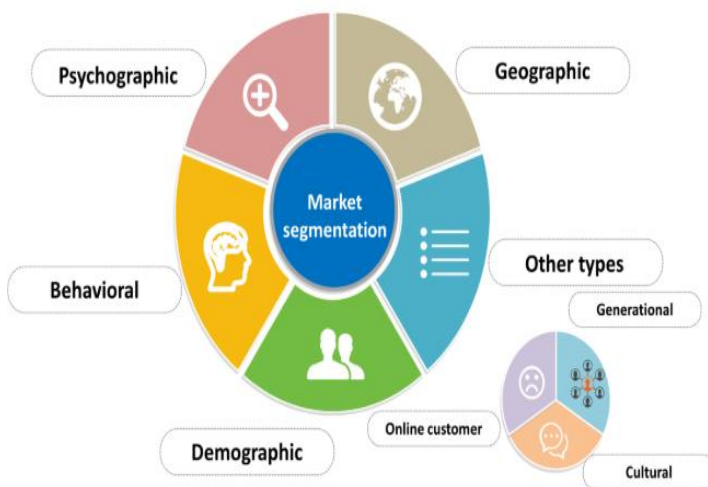
	Value imported	% Share	CIF price	Import Duty (actual)	Import Duty (If India signs RTA)	FLP 1	FLP 2	TII	Remarks
France									
China	1087578	50.3	10267	1.8	1.8	10452	10452	1.14	FTA/RTA can bring down prices but TII still very high for others. Pricing has to be the key or else market will not be favourable.
Czech Republic	216028	10	23607	0	0	23607	23607	2.16	
Germany	204519	9.5	17433	0	0	17433	17433	1.50	
India	6830	0.3	11346	0.4	0	11391	11346	0.51	
Japan									
China	1649764	80.5	16017	0	0	16017	16017	0.98	Based on TII, India can take on Thailand only if pricing can be competitive
Viet Nam	200029	9.8	16791	0	0	16791	16791	1.33	
Thailand	43779	2.1	14228	0	0	14228	14228	0.90	
India	823	0	14190	0	0	14190	14190	0.54	
Canada									
China	928314	66.6	NA	4	4	NA	NA	1.04	FTA/RTA will help lower prices, Can take on USA if other factors like production efficiency is aligned. Fall of China seems tough but will help in opening up the market but proactive approach needed to tackle Mexico.
Mexico	167032	12	NA	0	0	NA	NA	1.70	
USA	90435	6.5	NA	0	0	NA	NA	0.89	
India	5142	0.4	NA	4	0	NA	NA	1.13	

CHAPTER VI

GLOBAL CONSUMER BEHAVIOUR ANALYSIS

PRE AND POST COVID-19

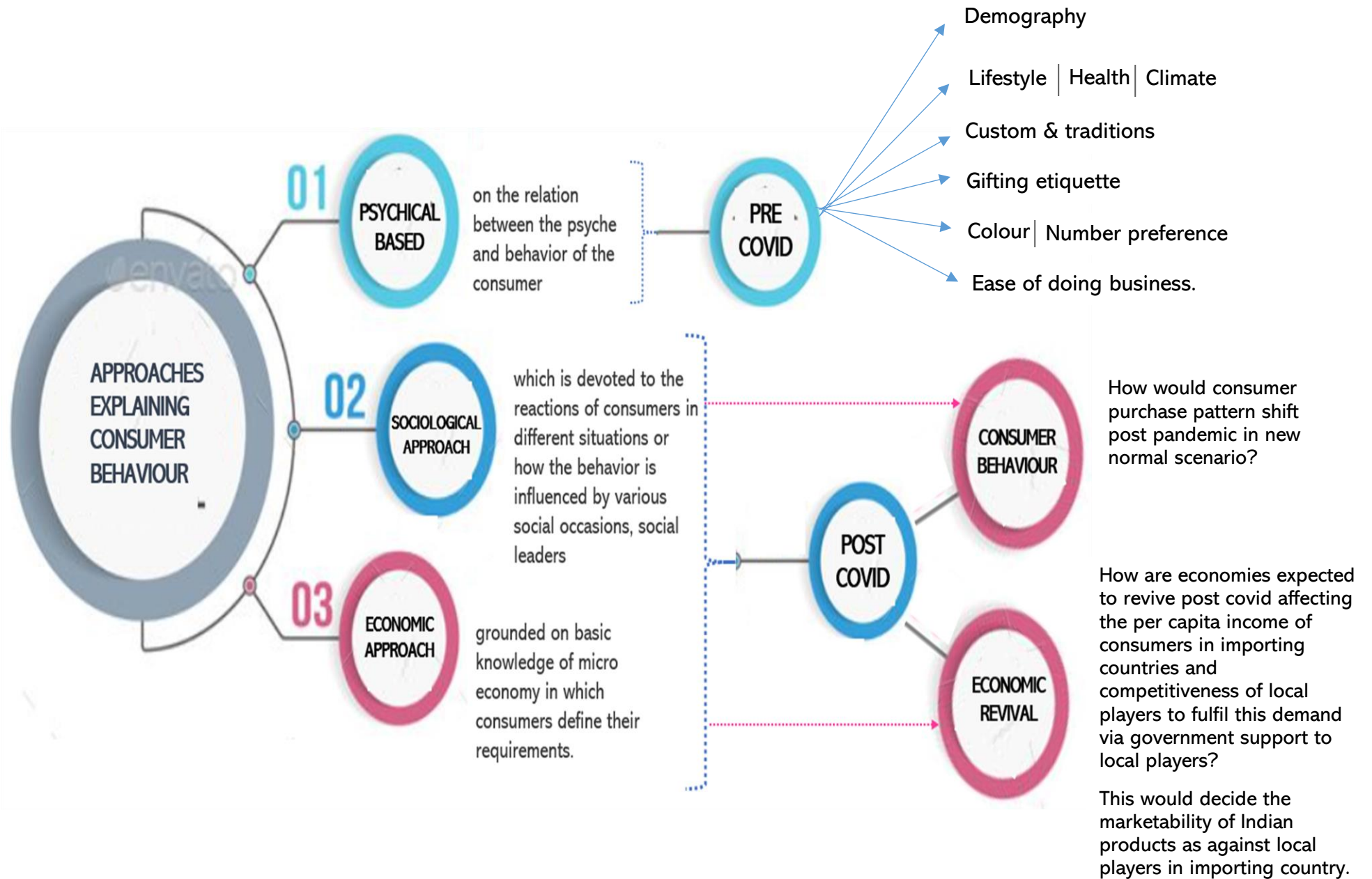
In every market, consumers are the drivers of the market competitiveness, growth and economic integration. As indicated in the section above, there have been incidences where Indian handicraft products have been reasonably priced as against other competing players including China, ASEAN and African countries in the traditional export destinations of the USA and EU; still share of Indian handicrafts was found meagre in these countries; highlighting the fact that while being price competitive was important to combat global competition there are other non-price factors which are much more important in certain developed markets. This highlights the importance of Indian handicrafts exporters to customize their products as per the consumer behavior, custom,

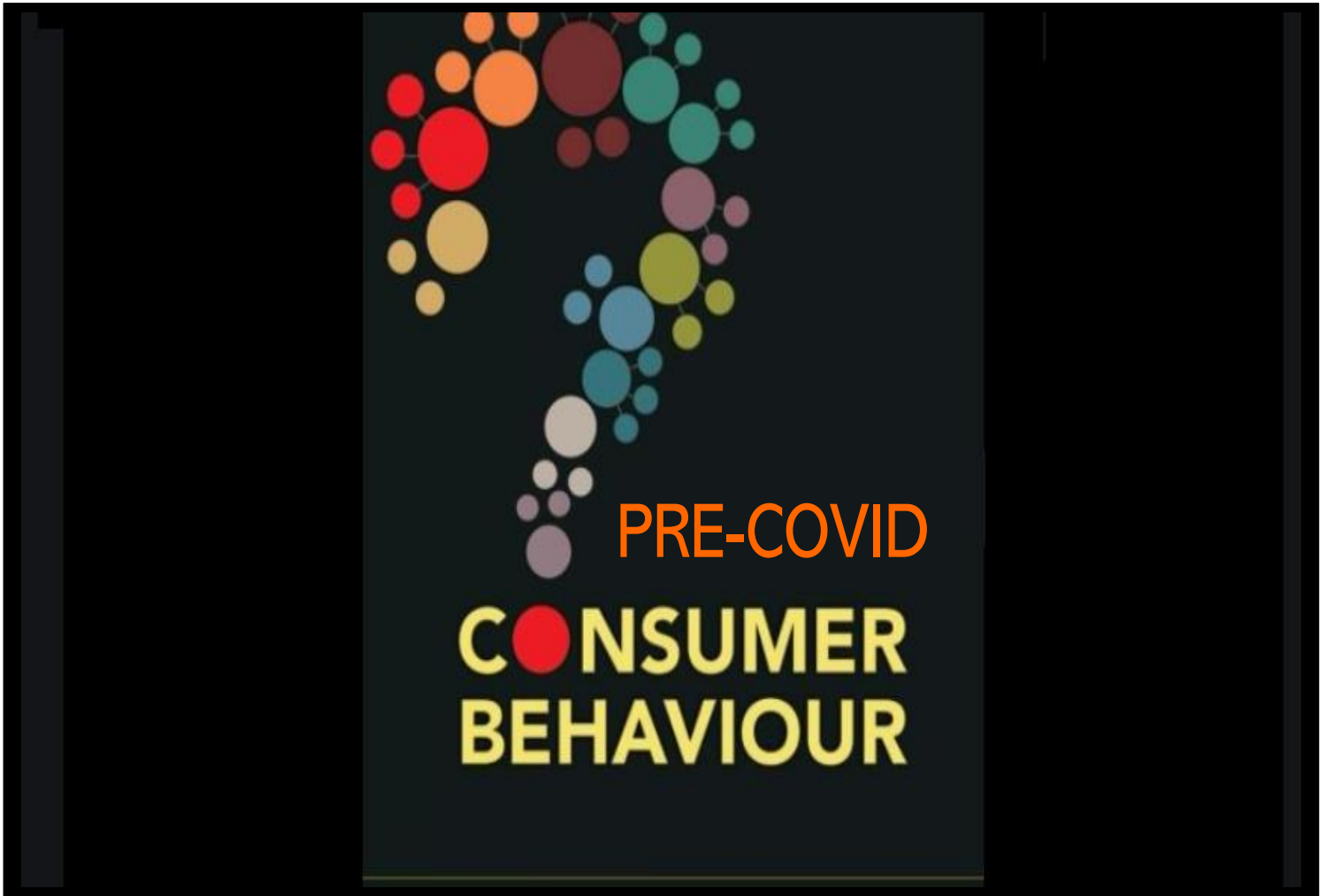


customs and traditions, gifting etiquette, beliefs and taboos, demographic profile etc. to gain competitive advantage. Hence exploration of these factors through country case studies towards adoption of Indian handicraft products as per importing country becomes important.

With economic instability, consumers are also

experiencing a transformation in behavior. The COVID-19 pandemic has upended life for individuals across the globe, from how they work to how they socialize and even how they shop. This section therefore also looks at how has consumer behavior changed considering COVID-19, what trends in consumer behavior and sentiment have been witnessed in the past few months, and what are consumers expecting as we move closer to a post-pandemic lifestyle.





PRODUCT-COUNTRY MIX

6.1 FASHION

FASHION CATEGORY IS PRIMARILY DIVIDED INTO THREE CATEGORIES

6.1.1



6.1.2



6.1.3



Fashion Jewelry

71179090	Imitation Jewelry
70181020	Beads of base metal for garments
71179010	Pearl imitation jewelry
71171910	Bangles
71131110	Silver Filigree work
96019020	Pearl articles
71171100	Cuff links

Fashion Accessories

64032040	Kolhapuri Chappals
96019030	Worked bone articles
96019010	Worked tortoise articles
67010010	Feather Dusters
65040000	Hats made of straw
96011000	Articles of ivory

Fashion Textiles

63079019	Dress Material
58101000	Embroidery without visible
58081090	Braids
56050020	Imitation Zari Thread
58110010	Kantha embroidery
58090010	Zari borders
58109210	Embroidery badges, laces
63079013	Hand printed dress materia
63079011	Cotton Dress material
61171020	Woolen shawl, scarves
61043100	Woolen Jackets
63079012	Silk dress material

	High value, growing
	Low value, growing
	High value, declining
	Low value, declining

Fashion jewelry amounts to 1367 INR cr. Prime export items under fashion jewelry includes imitation jewelry, with pearls and bead work

Under fashion accessories, its only kolhapuri chappals and bone articles which have witnessed rising trend along with a decent share in exports.

Fashion textiles amounts to approx. 1391 INR cr. Prime exportable products under fashion textile category includes dress material, embroidery (kantha, badges, laces) and zari borders which have been witnessing better acceptance and rising export demand. Indian exporters have been witnessing declining demand for Indian cotton and silk dress material and woolen items.



6.1.1 FASHION JEWELRY

WHERE DOES INDIA STAND IN GLOBAL FASHION JEWELRY?

Among the regions, China and India are the largest manufacturers of imitation jewelry. The horizon of the imitation jewellery is vast and consists of a huge range of raw materials – beads, metal, imitation stones, CZ crystals, etc. Shine of India's non-precious jewelry continues to attract customers from US with imitation jewelry constituting 93% of the US jewelry market, France, Germany, UK and the Middle East, demand has also grown in Pakistan over the last few years.



India is the world's second-largest manufacturer of imitation jewelry after China and its eighth-largest exporter. Being the world's top exporter in this category, China is a fierce competitor in the global market.

If Pakistan holds the potential to be the largest market for India, China is already a supply threat to the Indian imitation jewelry industry. In fact, China exported imitation jewellery almost 10 times more than what India exported during the same year. And not just our exports, China is also eating up India's domestic fashion jewellery market with low-priced Chinese imports. In fact, 65% of the imitation jewellery imported into India is from China.

However, there is still scope for Indian traditional jewelry as it is very popular and not produced by any other country in the world. Talking about potential, it's not just Asia that is a potential market, imitation jewelry has a very promising market in emerging countries like Brazil and Argentina. However, the biggest buyers are Saudi Arabia, Dubai [UAE], African countries and Malaysia. People of Asian origin living in UK and US also demand this kind of jewelry.

GLOBAL FASHION JEWELRY TREND: WAY FORWARD FOR INDIA

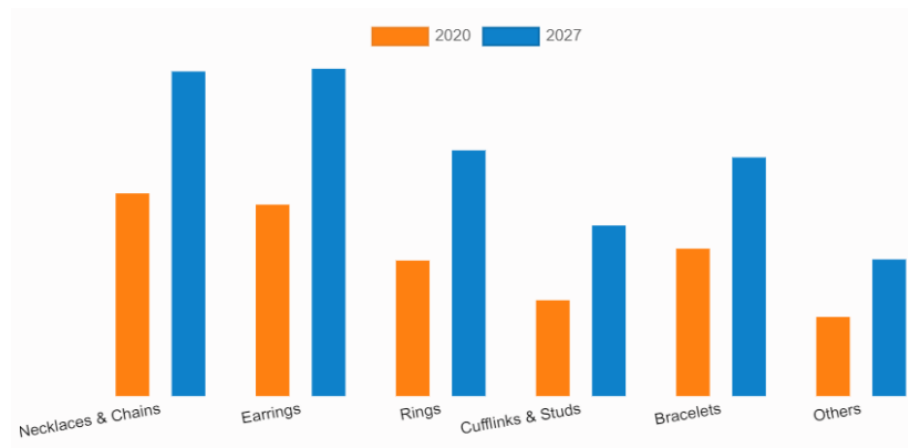
The jewelry industry seems poised for a glittering future. The imitation jewelry market is projected to grow at a high rate due to growing demand. The costume jewelry market was valued at \$32.9 billion in 2019, annual global sales of €148 billion were expected to grow at a healthy clip of 5 to 6 percent each year, totaling €250 billion by 2020 and is estimated to reach \$ 59.7 billion by 2027, registering a CAGR of 7.80% from 2020 to 2027.

Costume jewelry has been gaining traction in emerging market, owing to change in lifestyle, rise in disposable income, and surge in prices of precious metal jewelry and helps to grow the costume jewelry market size. Other main drivers of growth for the imitation jewelry market is globalization of brands, rising prices of gold and other valuable stones and pearls, and growing demand for male costume jewelry. Growing fashion consciousness among teens and cost-effective fashionable jewelry is likely to boost the overall market in the coming years.

Moving beyond 2020: What product categories should India focus?

Global costume jewelry market analysis for 2019 highlights the necklaces & chains and bracelets segments holding a combined share of 41.4% in global costume jewelry market, owing to their increased demand emerging out of growing female as well as male fashion-conscious consumers across the globe.

The rings segment would witness the fastest growth, registering a CAGR of 8.9%.



Female gender segment accounted for more than half of the share in the total costume jewelry market and is expected to grow at a CAGR of 7.60% and is expected to continue this trend by 2027. This can be attributed to changes in lifestyle and demographic

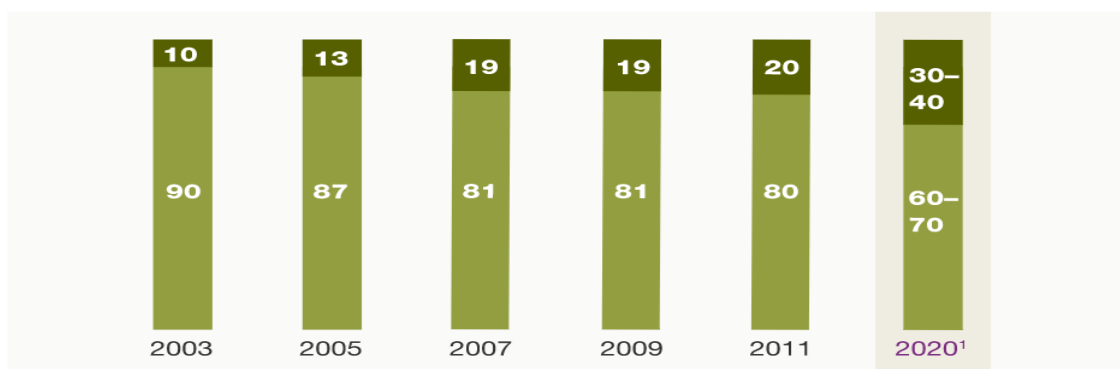
dividend, rise in awareness on skin care & allergies caused due to metals, and customization of jewelry designs.

Furthermore, increase in fashion consciousness and surge in adoption of jewelries such as necklaces, rings, and bracelets among female consumers drive the growth of costume jewelry market growth. However, the male segment is expected to grow at the highest CAGR throughout the global costume jewelry market forecast period, owing to rise in metro sexual men, increase in acceptance for men's jewelry, and rise in celebrity culture, with influencers such as Bollywood and Hollywood actors.

Branded jewelry is on the rise.

Branded vs unbranded jewelry,
%

■ Branded
■ Unbranded



PROSPECTS FOR INDIAN FASHION JEWELRY ACROSS GLOBAL MARKETS

Increase in consumer preference for fashionable and affordable jewelry is expected to foster the growth of the market. The adoption of costume jewelry has been significantly high in mature regions such as the U.S., Canada, and Germany, while emerging countries such as China, Brazil, and India are catching up rapidly.

North America is the most prominent regional market, owing to its evolved retail structure and higher adoption of costume jewelry due to aggressive advertising and celebrity brand endorsement. Moreover, higher expenditure of consumers on fashion accessories adds to the popularity of costume jewelry in this region. However, the costume jewelry market has significantly benefited from the economic growth in the Asia-Pacific and LAMEA regions.

UNITED STATES OF AMERICA

USA has always welcomed innovative designs that transform one's appearance into remarkable stance. Although for the product categories listed below import demand in the US is dropping for last 5 years, the demand for costume jewelry in the US is expected to gain traction, in the years to come, as leading-edge accessories will continue to replace traditional ornaments. by the end of 2024, the costume jewelry market in US will have netted revenues worth over US\$ 20,289.3 Mn.

Code	Product label	2015	2016	2017	2018	2019	Trend
	Fashion jewelry	1927859	1676683	1479930	1502653	1349967	
'711719	Imitation jewellery, of base metal, whether or not plated with precious metal (excluding cuff ...	1138924	942383	824832	816579	689898	
'711790	Imitation jewellery (excluding jewellery, of base metal, whether or not clad with silver, gold ...	600213	556454	493848	519481	499945	
'701810	Glass beads, imitation pearls, imitation precious or semi-precious stones and similar glass ...	123948	114251	96199	100184	89345	
'701820	Glass microspheres <= 1 mm in diameter	23206	24801	27359	27328	34664	
'701890	Glass eyes (excluding prosthetic articles); articles of glass beads, or of imitation pearls, ...	30733	30290	30319	31118	29516	
'711711	Cuff links and studs, of base metal, whether or not clad with silver, gold or platinum	10835	8504	7373	7963	6599	

Globally recognized fashion labels such as Chanel S.A., Gianni Versace S.p.A, Hermes International AS, LVMH Moet Hennessy Louis Vuitton SE, and Gucci are key players in US costume jewelry market. Others include Pandora A/S, ZARA ESPANA SA, Hennes & Mauritz Ab, Guess Inc., and Alex and Ani, LLC.

CONSUMER TRENDS ACROSS USA



EUROPEAN UNION

European import has grown significantly and consistently. Most of these imports are intra-European and despite China being one of the leading developing country suppliers, Chinese imports have been declining though over the years. Growth in jewelry sales varied from country to country.

Import trend of Fashion Jewelry in EU

Importers	2015	2016	2017	2018	2019	Share in EU imports	Trend
EU 28	3382528	3324086	3170761	3098936	3186873		
Germany	616578	583035	558201	522704	533401	16.74	
France	594386	588919	552920	521809	520852	16.34	
Austria	339860	366011	332001	342399	419086	13.15	
United Kingdom	474840	440149	400842	386522	388846	12.20	
Italy	340279	329271	333035	322669	317331	9.96	
Spain	237597	245174	241686	238288	237770	7.46	
Netherlands	121064	133703	134851	147336	144280	4.53	
Belgium	126292	129505	107699	104490	120295	3.77	
Poland	83685	77156	72325	79712	80998	2.54	

- Overall jewelry demand in the EU has been declining, especially in traditional destinations of Germany (16.74%), France (16.34%), UK (12.20%), Italy (10%) and Spain (7.46%)
- With Austria capturing market share of 13.15%, and import demand trends to be rising, seems to be the best fit market target our jewelry exports.
- Other markets including Netherlands, Belgium and Poland although not a great buyer but depicts positive growth and a decently rising trend.

EUROPE NEEDS IMPORTS FROM DEVELOPING COUNTRIES FOR COSTUME JEWELRY, BRIDE JEWELRY, SPECIAL JEWELRY DESIGNS, AND JEWELRY COMPONENTS.

However, consumer trends and buying behavior of the fashion jewelry varies from one European market to another.

CONSUMER TRENDS ACROSS EU

UK consumers are increasingly buying lower-priced costume jewellery after the recent economic instability in Europe, which affected consumer confidence and lowered purchasing power. Costume jewellery is expected to remain a fast-growing and trend-setting jewellery segment. The rapidly developing online retail channel in the UK offers better accessibility and an easier market entry for exporters than traditional channels. **To compete with local costume jewellery producers, exporters should enter the country with a trendy and inspiring jewellery design and capitalize on lower production costs compared to Europe.** UK sales expected to pick up in 2022 mainly due to silver jewelry.

The fragile economy in France and deteriorating consumer purchasing power resulted in fast-growing sales of low-priced costume jewellery. Jewellery exporters will benefit from the growing costume jewellery market by offering a well-priced product. To compete with the larger fine and bridge jewellery market, Indian exporters should stand-out with a sound positioning. **Focusing on a niche segment such as recycled jewellery can open doors on the French market.**

Economy products are on the rise in Spain due to the challenging economic environment and low consumer purchasing power, dampened by the high unemployment rate.

This has led to a shift in consumer preferences from silver and gold jewellery to costume jewellery and created opportunities for lower-priced costume jewellery makers. Indian exporters should enter Spain with a value-for-money proposition – low-priced jewellery with a distinctive design. The price is crucial for the Spanish consumer and it is a driving factor in retaining competitiveness on the market. Therefore, exporters should capitalise on their lower production costs compared to Europe, improve the efficiency of their resource use and reduce the cost of raw materials by switching to lower-priced alloys.



The speedy recovery of the Netherlands after the European slowdown and the increasing demand for fast-fashion products by young people are driving sales of costume jewellery in the country. The current demand combined with a positive future outlook makes costume jewellery an attractive segment for new market entrants. Exporters can take advantage of the opportunities on the costume jewellery market by utilizing such benefits as lower production costs compared to Europe, availability of resources, and craftsmanship.

DC exporters should consider entering the Dutch costume jewellery market through online retailers; the fastest growing and leading channel. DC exporters will benefit from the country's leading position as a trade hub and will be able to indirectly target other European countries through online wholesalers.

Italy is one of the largest single consumer markets for jewellery in Europe. **Costume jewellery has become more popular than big-ticket items in the past decade due to the sluggish economy.** The Italian costume jewellery sector is predicted to have a glittering future with room for further expansion and new players. The majority of costume jewellery in Italy is unbranded, but there are a few popular brands which specialize in costume jewellery. An outstanding example is Tataborello. Given the intense competition, however, Indian exporters need to offer novel designs and manage their costs well if they are to succeed.

WEARABLE AND HI-TECH JEWELRY

Sales of wearable tech is increasing rapidly. This is due to awareness in fitness, healthcare, social media, and messaging. This has made retailers engage more in start-ups of wearable tech. Significant growth is expected in buyers who purchase for fashion first. Wearables tend to be more popular with women. However, they smaller and sleeker devices.

PERSONAL SABLE AND/OR CUSTOMIZABLE JEWELRY

European consumers increasingly prefer jewelry that no one else has. Personalization and customization offer affordable ways of meeting that need.

DESIGNS WITH A LOCAL, ETHNIC TOUCH

Designs with an authentic local or ethnic touch answer to European consumers' interest in exotic places, people and stories and also in unique, unusual or rare designs.

RECYCLE, REUSE, REDUCE

Recycling, reusing and reducing materials or waste fits into the sustainability trend but is worth mentioning separately. Innovative materials & techniques European buyers are always interested in new, or innovative materials and techniques, from natural materials to new alloys or even synthetics.



WHAT WOULD SELL IN EU?

STORY-TELLING DESIGNS

Consumers in Europe enjoy products that add meaning and depth to their lives. This is why storytelling designs: geographic or historical stories, stories about the origins or harvesting of raw materials, stories about signs and symbols, production techniques, or stories of how your revenues benefit the local community; sell well.

DESIGNS WITH A STATEMENT

Designs with a statement answer to the preference among some European consumers for products with meaning. In your design, you could include a statement on anything from fashion and lifestyle to music and sustainability. Statements can be humorous or philosophical, too.

CHEAP & EASILY REPLACEABLE VERSUS ROBUST AND DURABLE

The quality of fast fashion jewelry is generally not as high as that of slower, high-end products. The European market has a growing low-end segment, where trendiness combined with very low prices and easy replaceability tends to prevail over robustness and durability. In the middle segments, however, durability matters more: consumers paying a medium price for a piece of jewelry or accessory expect it to last long.

SUSTAINABLE MATERIALS

EU buyers increasingly support products that are manufactured with respect for human rights, labour conditions and the environment. Sustainability is hotter than ever in Europe. It includes environmental care and social responsibility. There are lots of materials one can use to develop a sustainable, or green image, and that currently constitute a niche segment in jewelry: Wood; Textile; Cords; Leather, including exotic leathers, such as that of a sea snake; Elements from flora and fauna, such as coconut chips and shells. Two retail initiatives that have gained ground in Western European countries are the Business Social Compliance Initiative (BSCI) and the Ethical Trading Initiative (ETI).

JAPAN- THE NEXT BIG MARKET

Japan can be considered as the next great destination for Indian jewelry exporters. The jewelry industry in Japan covers myriads of product which range from personal ornaments and decorative costume jewelry to precious metals and gems. And even though the traditional sector of the jewelry market in Japan occupies almost 70 per cent, there are increasing opportunities for Indian exporters as the demand for unique and unusual designs growing everyday among the younger generation of the country. At present, this non-traditional sector occupies 16 per cent but is widely expected to increase rapidly over the coming years.

Amongst the product categories imported into Japan, Indian exporters have a huge potential for HS code 711719 i.e imitation jewelry of base metal excluding cufflinks as it is on highest demand occupying 72% of total imitation jewelry imports of Japan and has been growing for past five years.

Code	Product label	2015	2016	2017	2018	2019	Share	Trend
'711719	Imitation jewellery, of base metal, whether or not plated with precious metal (excluding cuff ...	190932	199919	209887	205681	215638	72.36	
'711790	Imitation jewellery (excluding jewellery, of base metal, whether or not clad with silver, gold ...	80730	80563	74957	64419	54089	18.15	
'701810	Glass beads, imitation pearls, imitation precious or semi-precious stones and similar glass ...	25428	24745	20219	18376	16389	5.50	
'701890	Glass eyes (excluding prosthetic articles); articles of glass beads, or of imitation pearls, ...	5396	4842	4548	5223	5707	1.91	
'701820	Glass microspheres <= 1 mm in diameter	3893	4562	4927	3871	4180	1.40	
'711711	Cuff links and studs, of base metal, whether or not clad with silver, gold or platinum	2877	2690	2582	2441	2021	0.68	

Despite enjoying duty free status in Japan as against an MFN rate of 3.7% for China, Korea and USA, Indian imitation jewelry could only capture a meagre share of 0.2% of total Japanese imports. This is also despite the fact that Indian jewelry is decently priced better than Europe and South East Asia. This highlights the need for Indian companies to understand the consumer preferences in Japan.

CONSUMER TRENDS ACROSS JAPAN



Rings including engagement rings and wedding rings account for 40-60 % of Japan's jewellery market volume. Usually diamond studded engagement rings are most popular in Japan. Fashion rings using colored stones are also popular among Japanese customers.



Necklaces and earrings: These jewelry items account for 40 % and 33 % of the total jewelry market in Japan, respectively.



Colored & semi-precious stones are also popular among Japanese women. Pearls, onyx and quartz are produced in Japan, but the country must rely upon foreign companies for precious stones or metals used in jewellery. In Japan, almost 60% of set jewellery is made of white precious metals (platinum, white gold).

As individualism is gaining popularity in the society, fashion preferences are also changing in Japan. At present, unique and unusual designs is the key Indian exporters must turn to grab success in the jewelry market of the country.

FEW PRODUCTS MOST FREQUENTLY PURCHASED BY JAPANESE CUSTOMERS

Opals: Opals (generally black and boulder opals) are acclaimed among women in their 40s and 50s. However, they are not popular among young women. High cost is another factor here why this group is not interested in buying precious opals. Some less expensive opals like white opals, boulder matrix beads, doublets, and triplets, however, are popular among the young generation.



Pink diamonds: These diamonds are most popular among women in their 20s and 30s. Often set together with white diamonds in platinum/silver (usually gold is not preferred), pink diamonds are most widely used as engagement and marriage rings.



Pearls: Worn by the Japanese royal family, Japanese cultured pearls are most desired among consumers in Japan. Other pearl varieties like South Sea pearls are also acclaimed, and usually pinkish pearls are the most preferred in the Japanese market.



Silver jewellery: In Japan, silver jewellery is usually preferred by teenagers in their early 20s.



Important tips

- Best sales seasons in Japan are March and April. Christmas, Valentine's Day (16 February), White Day (16 March) are also prime gift-giving times.
- Fancy jewel boxes and woven fabric sachet are usually used for packaging of jewelry items.
- In Japan, success of a foreign business depends on being introduced by a prominent intermediary. Some distinguished importers in the Japanese jewelry market include Nagahori, Kuwayama, Kashikei, etc.
- Cooperating with a Japanese jewelry designer is a good idea to develop jewelry accessories that appeal to Japanese consumers.

LATIN AMERICA

Latin America is one of the smallest regions in terms of value sales of jewellery, only beating Australia, at USD3.3 billion. In terms of per capita expenditure, the region is also the second smallest, at USD11.80, after the Middle East and Africa, at USD6.00. - Jewelry is an enormously fragmented market in Latin America. The leading players include a combination of Mexican, Brazilian, and global players. Jewelry sales in Latin America are mostly driven by fine jewelry, wherein, Mexico and Brazil forms the key markets for costume jewelry.

Import trends of imitation jewelry in Latin American countries depicts a declining trend across all the product categories of export interest to India. However the region is projected to grow at a CAGR of 2.79% by 2022.

Code	Product label	2015	2016	2017	2018	2019	Share in imports	Trend
	fashion jewelry	401146	344352	341845	316369	279776		
'711719	Imitation jewellery, of base metal, whether or not plated with precious metal (excluding cuff ...	279540	228905	229256	200074	177800	63.55	
'711790	Imitation jewellery (excluding jewellery, of base metal, whether or not clad with silver, gold ...	61404	59780	60941	62156	52749	18.85	
'701820	Glass microspheres <= 1 mm in diameter	19789	17217	17284	21251	21363	7.64	
'701810	Glass beads, imitation pearls, imitation precious or semi-precious stones and similar glass ...	26543	26598	25929	24294	19648	7.02	
'701890	Glass eyes (excluding prosthetic articles); articles of glass beads, or of imitation pearls, ...	10032	8043	4721	4491	5197	1.86	
'711711	Cuff links and studs, of base metal, whether or not clad with silver, gold or platinum	3838	3809	3714	4103	3019	1.08	

Imitation jewelry of base metal except cuff links captures almost around 63.55% of the market share followed by non base metal jewelry. Market is a highly fragmented category in Latin America, with a large number of small brands and a vast amount of unbranded jewelry. A few larger companies stand out, but their share remains small. For example the regional market leader Brazilian player Joias Vivara only holds a 3% value share at region level and 5% in its home market. At regional level, fine jewelry represents 70% of value sales but there are significant disparities between markets. Region wise analysis depicts declining imports across all LA countries except for Ecuador. Poor performance was witnessed in Brazil which accounts for nearly 50% of the region's value sales.

The economic downturn in the country negatively impacted jewelry sales, with consumers shifting from fine to costume jewelry. As a result, overall retail value sales declined. Similar trends took place in Argentina. Conversely, the Mexican market, dominated by costume jewelry, was quite resilient to the economic environment and continued growing, driven by product innovation. In Brazil, where the population with income above USD100,000 is twice as big as in Mexico, fine jewelry accounts for 86% of national jewelry value sales but in Mexico, the category accounts for only 32% of total sales.

Mexico is also a strong silver producer, and local jewelers offer items made of various materials, at various prices for consumers at different income levels. Conversely, in costume jewelry, jewelry and watch specialist retailers only accounts for 34% of the region's category sales. Other key distribution channels for the category include leisure and personal goods specialist retailers (36%), variety stores (22%), and apparel and footwear specialist retailers (15%). Nonstore retailing is also a significant channel for costume jewelry, accounting for nearly 16% of the category's value sales in Latin America.

Import trends of fashion jewelry in CIS has been found to be high in imitation jewelry both of base and non-base excluding cufflinks capturing highest share of more than 50% and 25% respectively depicting a growing trend.

Code	Product label	2015	2016	2017	2018	2019	Share in imports	Trend
	fashion jewelry	105835	89877	90147	114479	108985		
'711719	Imitation jewellery, of base metal, whether or not plated with precious metal (excluding cuff ...	64596	49895	46404	58744	56475	51.82	
'711790	Imitation jewellery (excluding jewellery, of base metal, whether or not clad with silver, gold ...	21320	22467	18556	26059	26858	24.64	
'701810	Glass beads, imitation pearls, imitation precious or semi-precious stones and similar glass ...	9843	8054	9085	12951	12062	11.07	
'701820	Glass microspheres <= 1 mm in diameter	7080	6557	12587	12866	9567	8.78	
'701890	Glass eyes (excluding prosthetic articles); articles of glass beads, or of imitation pearls, ...	1561	1526	2392	2722	2984	2.74	
'711711	Cuff links and studs, of base metal, whether or not clad with silver, gold or platinum	1435	1378	1123	1137	1039	0.95	

Russian Federation is the largest importer of imitation jewelry from amongst the CIS nations followed by Kyrgyzstan; latter growing at the rate of 80% in past 5 years. However, in the absence of any trade agreement, high import duty rate of 14.4% in Azerbaijan which is growing at the rate of 44%.

Conclusion

India’s traditional jewelry has always been highly valued in several markets across the globe. However Indian exporters need to be akin to the changing consumer preferences. People used to wear intricate jewelry a while back. But now the trend has changed. Nowadays, the jewelry normally worn by youngsters are simple chains or small studs or thin bangles. The demand for this is more and China is very strong in this particular field. Women in the age group of 25-35 years are the largest consumers of this kind of jewelry. China has captured this particular market, where jewelry can be mass produced. The machinery used are properly automated which can cater to the demand of a large number of consumers. They have huge plants for production. In India we still do not have proper machinery. Our artisans are still not exposed to the technology. Chinese jewelry is cheaper for two reasons, one being automation and the other being the support from their government. They are given land at very cheap rates and their duty structure is favourable to the industry. In fact, China has captured almost 30% of the market in India itself. Indian policies need to take all these into account.



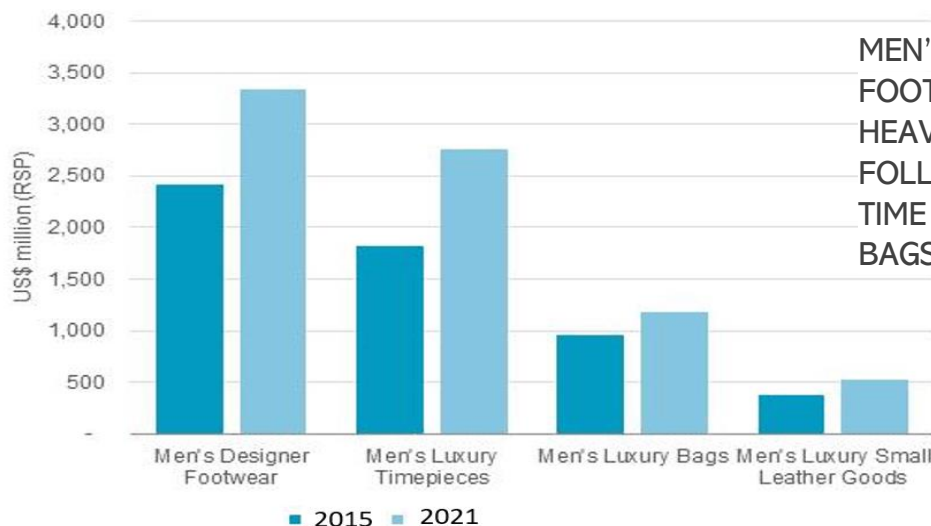
6.1.2 FASHION ACCESSORIES

The global fashion accessories market is projected to grow at a CAGR of 12.3% during the forecast period (2020 - 2025). There is an increasing demand of different fashion accessories such as eyewear, footwear, handbags etc. owing to the rising consumer preference towards high quality and branded fashion accessories across the globe.



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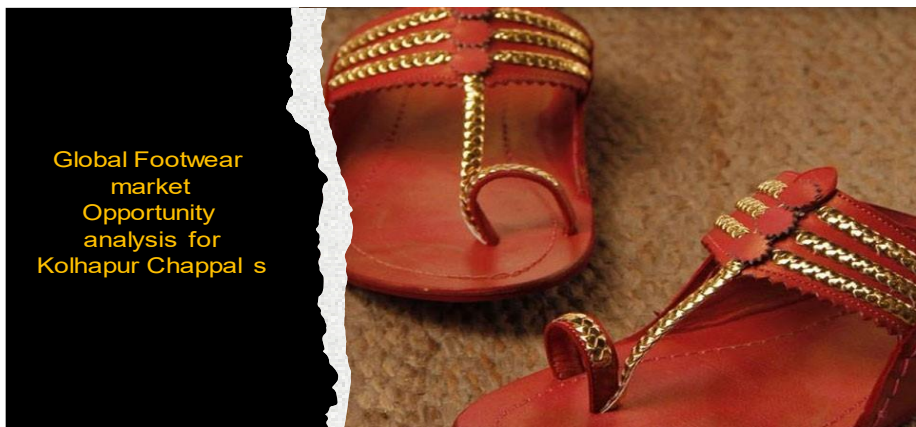
Footwear, apparel, wallets, handbags, and watches are the major product types in the global fashion accessories market. Additionally, plant-derived products help to reduce dependence on animal-based fashion accessory products. This factor is likely to change the fashion accessories market dynamics in upcoming years.



MEN'S DESIGNER FOOTWEAR WOULD BE HEAVILY IN DEMAND FOLLOWED BY LUXURY TIME PIECE & LUXURY BAGS.

Compared to the saturated and competitive nature of women's accessories, men's accessories is still small and has considerable room for growth. Manufacturers are expanding their product lines in men's clothing and accessories to capture the growing menswear market. Online retailing is the preferred channel for male consumers, as this best suits men's purchasing habits. It offers men a way to spend less time buying stylish accessories and allows them to shop at their convenience. Compared with women, men tend to spend less time shopping. When purchasing personal accessories, men often value practicality and functionality as well as style.

- Forget the idea that fashion accessories are only for women and look for ways to tap into the growing men's segment; for example, with scarves, ties, hats, tie clips, bracelets made from textile, leather, stones or other materials, belts, bags, wallets or socks. Play with colours and designs in order to create distinctive, personalised effects with your accessories
- The rise of "Yummies" (young urban males) has made men a prime target group for accessories. The accessory segment for men is growing and it increasingly incorporates creativity and vivid colours. For instance, men are gaining interest in man bags.



Global Footwear
market
Opportunity
analysis for
Kolhapur Chappals

In 2020, the global footwear market was estimated to be worth 365.5 billion U.S. dollars, and was forecast to reach about 530.3 billion U.S. dollars by 2027.

In 2018, the luxury shoe market was valued at around 19 billion euros. This market was forecast to reach a value of 27 billion euros by 2022. COVID-19 pandemic is adversely affecting the growth of the industry in the short term. However, recovery is likely to be strong, owing to the essential nature of footwear products, towards 2021 projected to reach a valuation of US\$ 430 Bn by the end of 2021. In 2020, the global footwear market was estimated to be worth 365.5 billion U.S. dollars, and was forecast to reach about 530.3 billion U.S. dollars by 2027. Current forecasts indicate that that footwear industry is currently worth 365.5 billion US dollars and this is projected to grow by 30

percent over the next 5 years, an increase of up to 111 billion US dollars. The footwear industry it adds is growing at a compound annual growth rate (CAGR) of 5.5 percent for the forecast period of 2020-2027. The market is expected to rise at over 4% CAGR through 2031. In terms of revenue, the global footwear market is estimated to expand at a CAGR of ~8%.

Trend in footwear demand in 2022-24

- Footwear is produced in a vast variety on the basis of style and functionality, including casual, fashion, occupational, therapeutics, athletic, protective, and others. Of these, sales of fashion footwear accounted for more than 109 Bn in 2020.
- Rising demand for different types of footwear products are paving new opportunities for many manufacturers. With rapid increase in eco-friendly footwear, as consumers favor biodegradable materials that do less damage to the environment than other fabrics, the global footwear market is expanding.
- Increase in number of working women worldwide has augmented the demand of trendy and stylish footwear, which can be used for formal as well as casual occasions. Moreover, surge in disposable income is allowing individuals to spend more on luxury goods, thereby driving the growth of the footwear market.
- Demand for new fancy and trendy footwear, shoes, slip-ons, and flip flops is continuously growing, thereby boosting the footwear market growth.
- The non-athletic footwear market segment is dominated by the presence of a wide range of footwear encompassing sandals, heels, and wedges.



bellies have become one of the trendiest casual wear footwear options, especially among youngsters.

- Bellies shoes, boots, sandals, and others, wherein, sports shoes & bellies shoes is projected to be a highly lucrative segment across the globe from 2018 to 2030.
- Additionally, bellies have become one of the trendiest casual wear footwear options, especially among youngsters.
- Worldwide growth in security, military, corporate, and institution sectors is likely to promote the expansion of the footwear market in terms of boots.

The influx of new and innovative designs coupled with increasing consumer awareness about trendy and fashionable lifestyles are major factors fueling the growth of the footwear market.

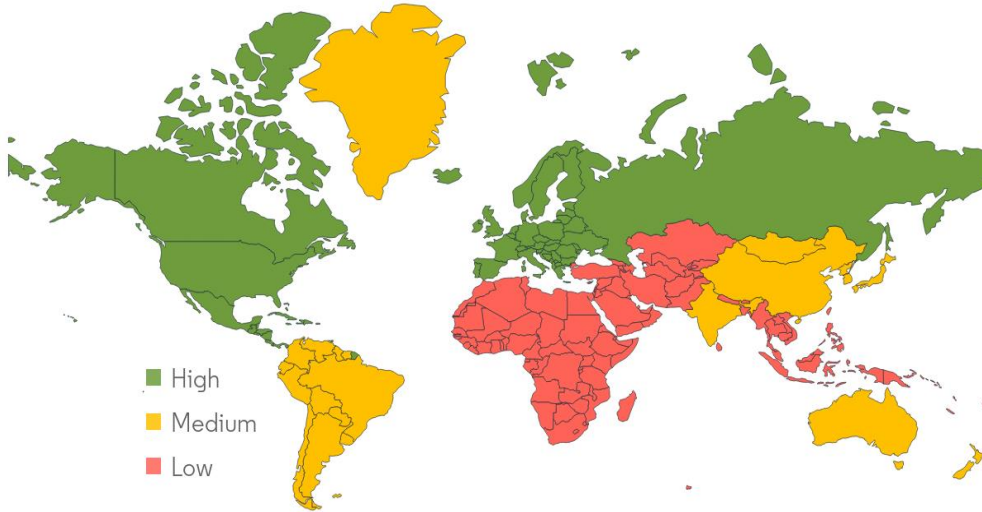
- Major manufacturers had increasingly displayed interest in offerings for mass-produced fashion designs, including smoking slippers, peep-toe booties, ballet flats, ankle boots, cutout shoes, and novelty shoes which was a major contributor.
- By material, the non-leather segment led the market, in terms of value, in 2019. Artificial and synthetic leather footwear are most often used as formal shoes by men, women, and children. Moreover, increase in use of artificial and synthetic in making sports shoes, slippers, casual shoes, sandals, sneakers, flip flops, and rubber clogs is driving the growth of non-leather segment.
- Anti-bacterial footwear, and shoes for overweight people and people with allergies, have met increasing popularity in recent years. In the United States, for instance, the Medicare program sponsors a pair of these medical shoes each year.
- Footwear adapted to health problems New types of footwear and new models of shoes design to suit customers with different health problems (shoes for diabetics, shoes for people suffering from dementia, shoes for people with specific allergies)
- Supply chain tracking: The consumer will demand information about the manufacturing process, and questions will range from the origin of the materials and products, to details about the working conditions.

Common queries relating the leather will include questions about the conditions under which the cattle was raised and the process used to treat the raw material before manufacturing, similarly to what happened to food industry where some products have to include indication on the packaging about the entire supply chain

- Depending on end user, the women segment led in terms of market share in 2019. and is expected to retain its dominance during the forecast period. This is attributed to increase in number of working women worldwide that fuels the demand for trendy and stylish footwear, which can be used for formal as well as casual occasions. Moreover, increase in disposable income is allowing individuals to spend more on luxury goods, thereby driving the growth of the women footwear segment.

PROSPECTS FOR INDIAN FASHION ACCESSORIES ACROSS GLOBAL MARKETS

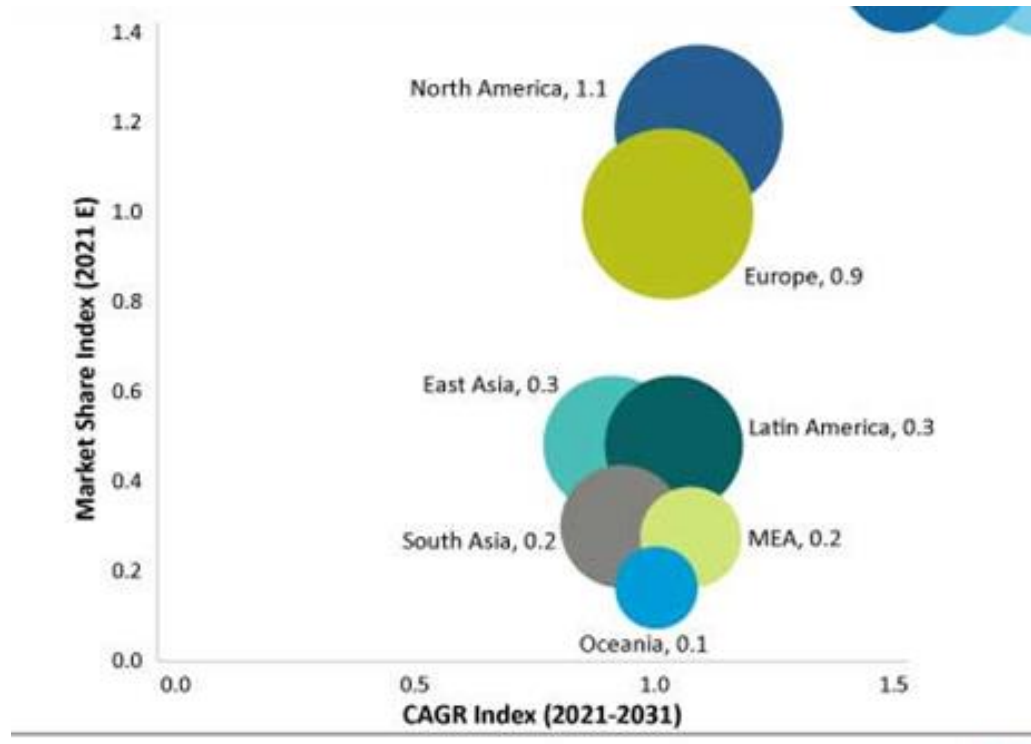
Fashion Accessories Market - Market Size, by Region, Global.



ASIA PACIFIC AND THE USA ARE THE MOST PROMINENT MARKETS FOR FASHION ACCESSORIES.




Source : Mordor Intelligence

FOOTWEAR ATTRACTIVENESS INDEX BY REGION: 2021-2031



UNITED STATES OF AMERICA

United States has the largest footwear market in terms of revenue, with a revenue of 91.2 billion U.S. dollars. China was the second largest market for footwear with 64.77 billion U.S. dollars in revenue. In terms of production, China was the leading footwear producer, producing approximately 13.3 billion pairs of shoes.

Code	Product label	2016	2017	2018	2019	2020	Trend
	Fashion accessories	35589	37667	41725	38544	35212	
'960190	Worked bone, tortoiseshell, horn, antlers, coral, mother-of-pearl and other animal carving ...	30680	33721	36289	32891	29111	
'640320	Footwear with outer soles of leather, and uppers which consist of leather straps across the ...	4909	3946	5436	5653	6101	

USA follows the global trend of importing just two prominent products in fashion accessories category including products made out of worked bones, horn, antlers etc. While Indian government has placed these products in prohibited category as per the foreign trade policy. India should however strengthen its position on exporting footwear with outer soles of leather to gain market share of fashion accessories in the USA.

In North America, growing the consumer inclination towards adaptation of latest fashion trends and the growing demand for products which exclusively available in retail stores are driving the fashion accessories market growth in the region.

In 2018, sales of fashion footwear was surpassed by sports leisure footwear. Growth in the sales of sandals and boots also contributed to the rise of fashion footwear sales, as comfort and functional fashion have gained traction. U.S. imports over 7 pairs of shoes for every man, woman, and child in the country, and annual sales have now crossed US\$ 85.6 billion. Imported footwear accounted for 99 percent of the overall U.S. market for footwear. Stronger consumer spending on footwear has increased U.S. imports by US\$ 927 million, to reach an overall valuation of US\$ 26.6 billion.

China remained the leading supplier of footwear to the United States, accounting for over 50% of total U.S. footwear imports. However, its share has displayed steady decline, from approximately two-third of U.S. imports.

On the other hand, the shares of second-tier Asian suppliers such as Indonesia, Vietnam, and Cambodia have displayed an increase. U.S. imports from Italy and Mexico, known for leather footwear, also rose recently, gaining US\$ 172 million and US\$ 84 million, respectively.

EUROPE

Prominent importing destinations where fashion accessories and fashion footwear demand has been high on absolute terms includes UK, Germany and France.

Importers	2015	2016	2017	2018	2019	Trend
UK	9593	9111	15804	26211	20477	
Germany	17332	16096	15655	16074	14123	
Italy	19657	22530	14148	18123	12371	
France	12823	12066	10663	10344	10550	
Netherlands	6788	9197	6251	12676	7391	
Spain	4994	4326	4169	4141	4389	
Portugal	4352	7189	5186	5452	4160	
Sweden	2812	3344	2002	2275	3964	
Greece	1675	1954	2545	2543	3174	
Romania	980	1252	1665	2997	2937	

Footwear is a small sector of the U.K.'s GDP, accounting for approximately 1%. Footwear with leather bodies accounts for the largest market share at around 47%, followed by textile footwear, rubber/plastic footwear, and others at approximately 20%, 17%, and 3%, respectively. France is the largest and fastest-growing footwear market in Europe, reflecting a CAGR of over 6% through the assessment period. French shoes are associated with luxury goods, high-end craftsmanship, and its massive fashion industry.

Widespread adoption of specialized manufacturing techniques such as double-stitching, Goodyear stitching, and more, with a wide range of materials such as fabric, leather, and synthetics, are key to catering to the needs of varying consumer demographics. Leading countries for exports of French footwear include Germany, Italy, the United Kingdom, Spain, and the United States of America. On the other hand, imports account for 6.7 billion Euros and 479 million pairs. Leading import countries include China, Vietnam, Italy, Portugal, and Indonesia. B2C consumption in the French market accounts for 8.7 billion euros.

Europe is one of the more significant importers of leather accessories in the world. In 2019, the value of leather accessory imports to Europe accounted for €8.9 billion corresponding to roughly 401 million units of leather accessories in 2019 and a 5-year average growth of 7.5%. France and Italy are the most specialised import markets with the highest unit prices. Other large European leather accessories markets include Germany, the UK, the Netherlands and Spain.

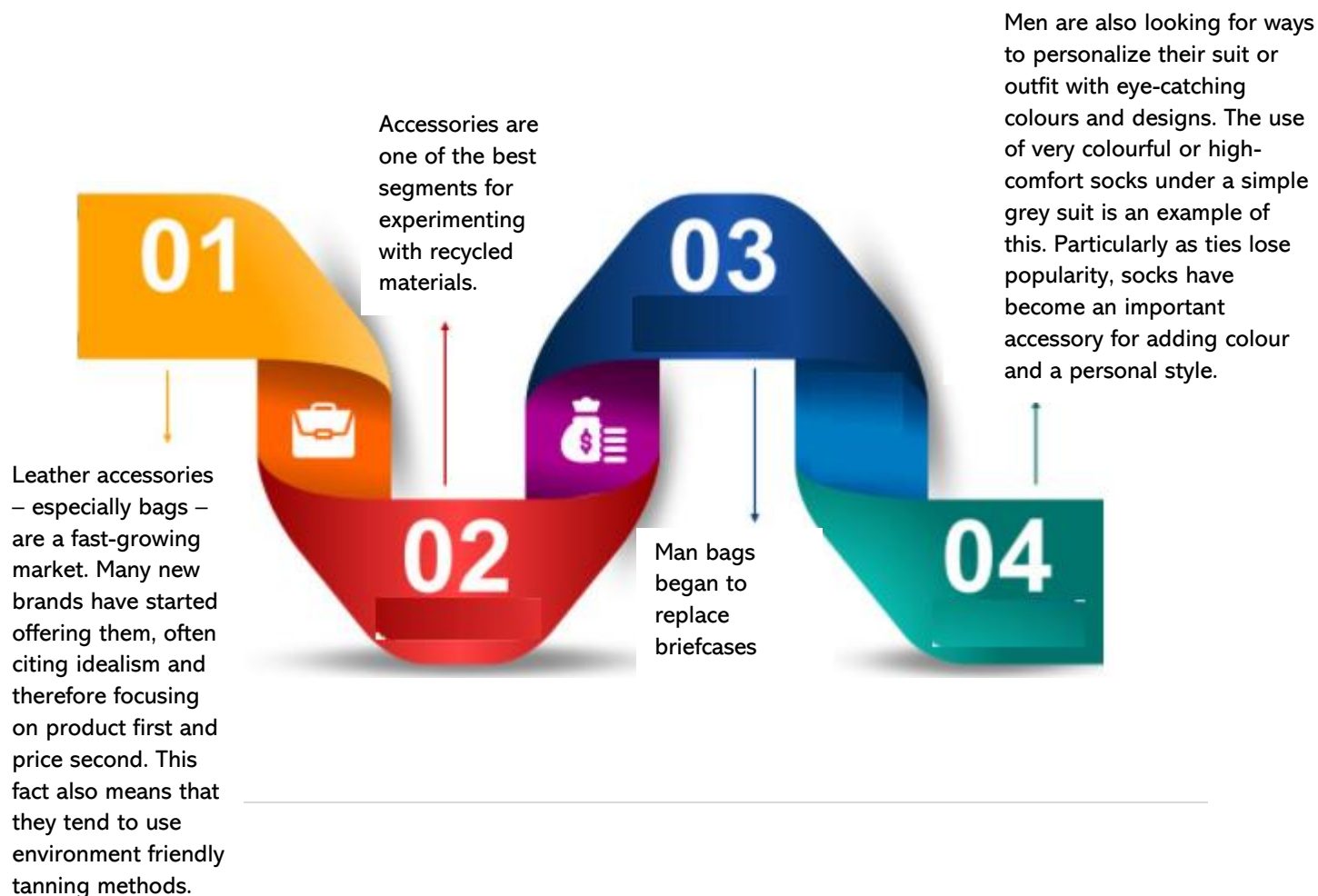
Top 10 EU importers of Leather Accessories (EUR value)

Country	Value	5-yr growth
France	€2.0 b	↑8.0%
Italy	€1.6 b	↑11.3%
Germany	€1.2 b	↑4.3%
UK	€1.2 b	↑5.0%
Netherlands	€618 m	↑13.8%
Spain	€417 m	↑6.4%

The largest product category is carrying products, followed by belts. Within the carrying products segment, handbags and wallets are the biggest categories and travelling bags are the fastest grower at 15.5% per year. It is expected that, in the years to come, the demand for leather accessories will continue to grow at a high rate due to a continuing strong demand for leather handbags and travelling bags.

Country	Value	% Share of Leather	5-yr growth
Handbags	€4.433 m	62.2%	↑10.8%
Wallets and similar	€1.350 m	19.0%	↑5.9%
Special bags, cases, boxes	€434 m	6.1%	↑4.0%
Trunks and suitcases	€398 m	5.6%	↑1.9%
Travelling bags	€265 m	3.7%	↑15.5%
Briefcases	€244 m	3.4%	↑5.3%

CONSUMER TRENDS ACROSS EU



CANADA

Canadians love their shoes and have a rich and thriving shoe market. As of 2021, the Canadian footwear industry is expected to reach nearly 8.7 billion Canadian dollars in value. Ontario alone is home to around 1,094 shoe stores, the highest number of any Canadian province. The average Canadian household spends approximately 347 Canadian dollars on women's and girl's footwear, and around 277 Canadian dollars on men's and boy's footwear.

LATIN AMERICA

Chile, Bolivia and Columbia are prominent markets amongst LAC where there has been a constant rise in import of fashion accessories.

Importers	2015	2016	2017	2018	2019	Trend
Panama	1596	1248	852	901	680	
Chile	412	524	268	133	539	
Brazil	1488	479	620	443	344	
Mexico	365	382	368	290	163	
Bolivia	30	27	120	107	120	
Colombia	117	137	48	30	103	
Cuba		28	4	20	63	
Paraguay	30	58	33	39	48	
Peru	83	32	29	31	45	
Venezuela	398	121	36	23	45	
Uruguay	37	32	30	35	33	
Argentina	2	22	52	86	27	
Ecuador	438	27	36	12	21	

ASIA-PACIFIC

In Asia-Pacific region, the growing attraction of luxury lifestyle, high purchasing power, and the influence of celebrity endorsement are driving the market growth in the region. Moreover, Asia-Pacific region is estimated to witness significant growth rate in upcoming years owing to improving distribution network across the region. However, value added taxes imposed on premium fashion accessories such as jewelry, handbags, eyewear, footwear, apparels and footwear by governments and increasing influence of local vendors is restraining the market growth at some extent in developing economies in Asia-Pacific region.

There is a rapid economic expansion taking place across Asia, with countries such as India and China taking center stage. In terms of revenue, Asia Pacific is a major market for the footwear industry, owing to the presence of a large customer base in emerging countries such as China, India, and Indonesia. In terms of leading footwear consumers by country, last year's figures reveal that China, India and the US are the top three nations, followed by Indonesia, Brazil, and Japan. As a result, India and China are becoming a more attractive market for fashion accessories outside the Western world. Asia Pacific excluding Japan, led by China, will remain a prominent market. Innovations in functional designs and performance materials will play important roles in market developments for the foreseeable future.

In December 2020, the retail trade revenue of clothing, shoes, hats and knitwear in China amounted to around 152.66 billion yuan. This represented a 3.8 percent increase compared to the revenue generated in the same period of the previous year. To gain momentum around offline stores, retailers in this region are leveraging technology to enhance the in-store experience with digital marketing displays and checkout. The strong economic growth coupled with rising tech-savviness will make the region the next big opportunity for fashion accessories during the forecast period.

CIS

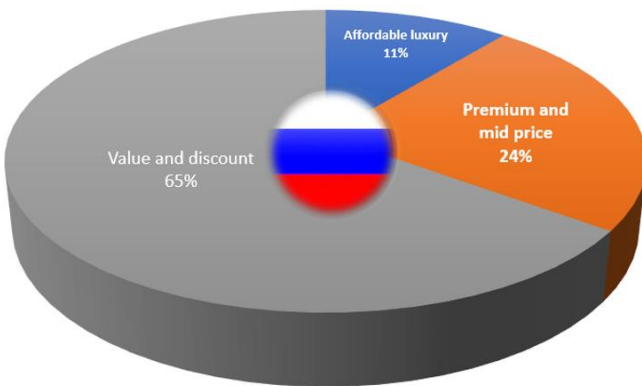
Russia is a country which has been part of an economic rollercoaster as of recent years. For a long time it was at the forefront of the financial and retail world. However, times have changed and as of late markets have taken an impact. Looking at the overall fashion market there has been a decrease in sales volumes. Not only have clothing sales seen a decline in sales during 2017-18, but the shoe industry and the fashion accessories market have felt the impact too.

Importers	2015	2016	2017	2018	2019	Trend
Russian Federation	880	513	648	854	894	
Belarus	12	21	59	181	236	
Kazakhstan	366	52	40	36	168	
Kyrgyzstan	119	129	93	73	133	
Ukraine	20	44	56	50	60	
Tajikistan	45	124	17	22	55	
Azerbaijan	36	139	51	10	54	
Georgia	25	25	26	50	30	

Russia's fashion market has expanded with influences from all over the world. The Russian fashion market is full of medium to high-end brands, accounting for a significant proportion of the marketplace.

Even though the mid-price sector has experienced a decline, 10 percent of the market is still controlled by high-end fashion companies. Brands such as Chanel and Louis Vuitton have an almost equal hold on the market, with both high-end brands being major players in Russia.

Russian fashion market segmentation in 2019, by product class category



Value and discount products dominated the Russian fashion industry sector with 65 percent of the market share in 2019. About one quarter of products available on the market over the observed period were premium and mid-priced goods.



SHIFTING FROM HS CODE TO NTL: COUNTRY CASE STUDIES





6.1.3 FASHION TEXTILES

Prime export items in the fashion textile category stands out to be dress material, embroidered laces and fabrics, braids and zari borders.



The global fabrics market is expected to grow from \$165.7 billion in 2020 to \$183.9 billion in 2021 at a compound annual growth rate (CAGR) of 10.%. The growth is mainly due to the companies rearranging their operations and recovering from the COVID-19 impact, which had earlier led to restrictive containment measures involving social distancing, remote working, and the closure of commercial activities that resulted in operational challenges. The market is expected to reach \$228.6 billion in 2025 at a CAGR of 6%.

The broad woven fabrics market was the largest segment of the fabrics manufacturing market accounting for 45.7% of the total in 2019-20 and was worth \$80.5 billion globally.

The knitted fabrics market was the second largest segment, accounting for 31.7% of the fabrics manufacturing market. The global knitted fabrics market reached a value of nearly \$56.8 billion in 2019, having grown at a compound annual growth rate (CAGR) of 2.5% since 2015, and is expected to grow at a CAGR of 9.7% to nearly \$254.0 billion by 2022.

The knitted fabrics market is segmented by type of material into dyed synthetic fibres, pile fabrics, elastomeric yarn, cotton dyed, synthetic fibres printed, artificial fibres dyed, lace and others. The dyed synthetic fibres knitted fabrics market was the largest segment of the knitted fabrics market by type of material in 2020 at 19.8%. It is also expected to be the fastest-growing segment going forward at a CAGR of 7.2%.

Growth in the historic period resulted from growth in the apparel manufacturing industry, the increase in demand for knitted footwear, and technological advances in the industry. Factors that negatively affected growth in the historic period were the rise in cotton prices, uncertain apparel demand, and the rise in inventory levels.

**GLOBAL TEXTILE
FABRICS MARKET**

The global textile fabrics market is expected to reach USD 376.32 billion by the end of 2024 with a compound annual growth rate (CAGR) of 5.60% during the forecast period 2019–2024.

The global knitted fabrics market is highly fragmented, with a large number of small players. Majority of the companies are local players that have a large number of domestic manufacturing facilities and have a presence across the supply chain. However, large companies are trying to expand their presence in other

low-cost economies to take advantage of low-cost labour and cheap raw material prices. The top ten players accounted for 7.86% of the total market in 2017. Major players in the market include Shenzhou International Holdings Limited, Toray Industries Inc., Pacific Textiles, Teejay Lanka PLC, and Fakir Group. The fashion & clothing segment was the largest segment of the knitted fabrics market by type of end-user in 2020 at 68.8%, and it is expected to be the fastest-growing segment going forward at a CAGR of 5.55%.



The narrow fabric mills and schiffli machine embroidery market is expected to be the fastest-growing segment in the fabrics manufacturing market at a CAGR of 16.7% during 2018-2022.

Embroidery is the craft of decorating fabric or other materials using a needle to apply thread or yarn., Embroidery may also incorporate other materials such as pearls, beads, quills, and sequins. In modern days, embroidery is usually seen on caps, hats, coats, blankets, dress shirts, denim, dresses, stockings, and golf shirts. Embroidery is available with a wide variety of thread or yarn color, market for Embroidery is expected to reach million USD in 2023, from million USD in 2017. The embroidery segment led the global market in 2018 accounting for a share of more than 42%.

Future opportunities in Fashion Textiles

The top opportunities in the global knitted fabrics market will arise in the dyed synthetic fibres segment, which will gain \$3.06 billion of global annual sales by 2022. The knitted fabrics market size will gain the most in China at \$5.9 billion. Market-trend-based strategies for the knitted fabrics market include investing in artificial intelligence technology, adopting 3D knitting machines, investing in IoT technology to improve production efficiencies and reduce costs, and developing flame retardant fabrics that are economically priced. Player-adopted strategies in the knitted fabrics market include expanding production capacities by investing in the development of new manufacturing facilities overseas and improving production efficiencies by adopting innovative practices to save costs and energy.

The screen-printing products in the market are anticipated to grow at the fastest rate with a CAGR of around 12%, over the forecast period of 2019 to 2025. On the other hand, the screen-printing segment is projected to expand at the fastest CAGR from 2019 to 2025. The demand for smart fabrics is increasing rapidly. This is mainly driven by the growing use of smart fabrics in various sectors including fashion, entertainment, medical, transportation, sports and fitness, and military.



Smart fabrics are textiles that can interact with their environment and respond to a physical stimulus. The knitted fabrics manufacturing companies in India should focus on manufacturing weft-knitted fabrics using smart technology insertions.

Smart fabrics are textiles that can interact with their environment and respond to a physical stimulus including those from mechanical, electrical, thermal and chemical sources. Sensors, actuators and fabrics are the major components of smart fabrics. The materials used in smart fabrics include optical fibres, metals and conductive polymers. An example of smart fabrics is D-Shirt offered by French company Cityzen Sciences, which comes with a wide range of functions to record heart rate, GPS location, route, altitude and speed.



6 MAJOR TRENDS IN FASHION TEXTILES

1 The global decorated apparel market size was valued at USD 26.75 billion in 2018 and is anticipated to expand at a CAGR of 10.91% over the forecast period of 2019 to 2025. Increasing demand for embroidery, screen printing, sublimation, and heat transfer works on apparel is driving the growth of the market.

4 Growing usage of heat press techniques by major brands, such as NBA, Adidas, Champion, American Girl, and Nike, also drives product demand. The rising number of sports clubs across the globe is providing numerous opportunities for manufacturers.

2 With the growing trend of customized t-shirts and tops, the demand for apparel printing is increasing leading to market growth.

5 High demand for the reflective finish in apparel has also created growth opportunities for the market. Besides, rising demand for graphic t-shirts and other apparels due to changing trends will also contribute to product sales over the forecast period.

3 Moreover, product and technological innovations, especially in the women apparel sector, will drive market growth. The emerging trend of patchwork and retro logo designs also expected to boost product demand over the forecast period.

6 Increasing demand for sportswear and performance wear and expanding textile industry in Asia-Pacific. The growing awareness regarding the health benefits of plays a vital role in the growth of the global market.

To take advantage of these opportunities, the knitted fabrics manufacturing companies in India should focus on manufacturing weft-knitted fabrics, outsourcing business to low markets, expanding through partnerships and collaborations, and manufacturing eco-friendly fabrics, among other strategies.

PROSPECTS FOR INDIAN FASHION TEXTILES ACROSS GLOBAL MARKETS

Asia Pacific was the largest region in the global fabrics market, accounting for 55% of the market in 2020. Western Europe was the second largest region, accounting for 13% of the global fabrics market. Africa was the smallest region in the global fabrics market. Asia-Pacific was the largest region in the knitted fabrics market, accounting for 77.6% of the global market in 2018. It was followed by North America, Western Europe and then the other regions. Going forward, the fastest-growing regions in the knitted fabrics market will be the Middle East and Africa, where growth will be at CAGRs of 9.9% and 8.1% respectively. These will be followed by Eastern Europe and Asia-Pacific where the markets are expected to grow at CAGRs of 7.6% and 4.6% respectively.



Asia Pacific is the largest regional market and is anticipated to register a substantial CAGR of 5.6% in terms of value over the forecast period. This is attributed to the rapidly increasing demand for apparel, particularly through e-commerce portals.

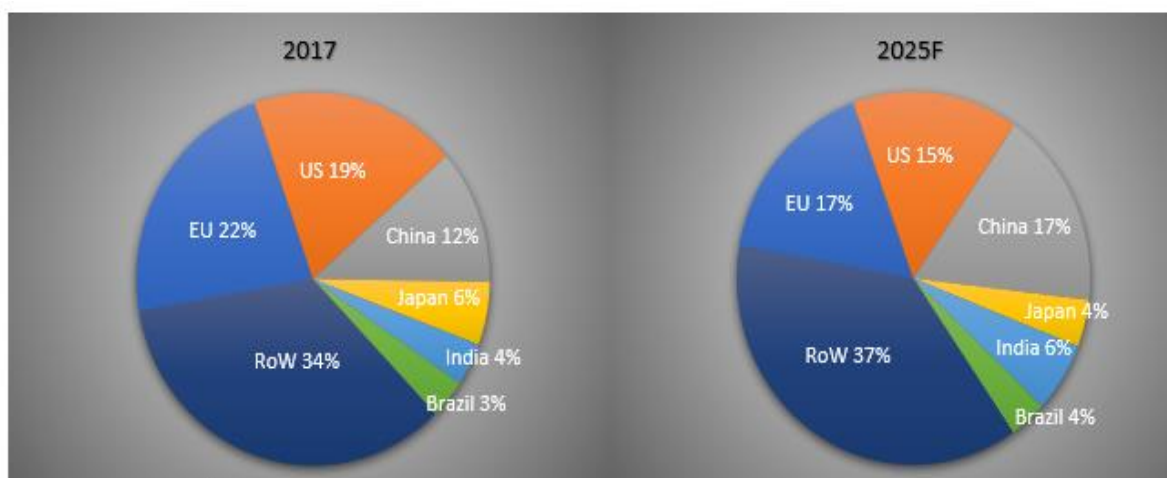
Moreover, manufacturers prefer setting up manufacturing units in countries such as China, India, Bangladesh, and Pakistan owing to high cotton production and low labor costs.

UNITED STATES OF AMERICA

While the entire world was suffering from lockdown during pandemic last year, USA has been witnessed to have a sudden hike in the import volumes in fashion textiles category primarily contributed by madeups of textile material. Rest all products in this category have been suffering a decline.

Code	Product label	2016	2017	2018	2019	2020	Trend
	Fashion textiles	3999691	4144231	4436451	4781468	19734177	
'630790	Made-up articles of textile materials	3879461	4018710	4311063	4668128	19649470	
'581092	Embroidery of man-made fibres on a textile fabric base	91482	95541	95455	83428	59222	
'580810	Braids in the piece	14110	15706	15335	15992	13791	
'560500	Metallised yarn, whether or not gimped	10061	9327	10109	9167	9002	
'581010	Embroidery on a textile fabric ground without visible ground	4577	4947	4489	4753	2692	

North America is anticipated to register a CAGR of 3.0% from 2020 to 2027 in terms of value, owing to increasing initiatives for developing superior sports apparel and enhancing agricultural yield. The North America market is characterized by high demand from sectors such as meditech, sports tech, and agro-tech.



Source: UN Comtrade

EUROPEAN UNION

Europe was the second-largest market in terms of value as well as volume in 2020. Strict regulations imposed by the European Union (EU) on product quality and distribution of fabrics are anticipated to stabilize the growth rate in the region over the forecast period. Demand for silk fabrics for household and fashion applications is considered to provide substantial scope for market growth in Europe.

Easy availability of raw materials such as cotton and polyester, coupled with the presence of textile manufacturing units, has made Central and South America one of the largest producers of textiles. Countries such as Venezuela, Nicaragua, and Brazil are expected to drive the regional market for textiles over the forecast period on account of increasing construction spending, free trade agreements, and abundant availability of raw materials.

EU has shown similar import trend as that of the USA towards a sudden hike in the import volumes in fashion textiles category primarily contributed by madeups of textile material. Rest all products in this category have been suffering a decline.

Code	Product label	2016	2017	2018	2019	2020	Trend
	Fashion textiles	3851204	4038752	4408110	4558604	34528378	
'630790	Made-up articles of textile materials	3490659	3658487	4051938	4233011	34279223	
'581092	Embroidery of man-made fibres	186997	186938	175075	154321	100757	
'560500	Metallised yarn	74323	81446	74673	73682	61668	
'580810	Braids in the piece	50345	53750	58617	60754	60067	
'581010	Embroidery	48880	58131	47807	36836	26663	

LATIN AMERICA

LAC has shown similar import trend as that of the USA towards a sudden hike in the import volumes in fashion textiles category primarily contributed by madeups of textile material. Rest all products in this category have been suffering a decline.

Code	Product label	2016	2017	2018	2019	2020	Trend
	Fashion textiles	536455	607121	628310	626556	2963407	
'630790	Made-up articles of textile materials	465452	518651	548543	566358	2926624	
'581092	Embroidery of man-made fibres	56245	73841	65773	49236	29848	
'560500	Metallised yarn	5995	6834	6756	5096	3380	
'580810	Braids in the piece	3048	3152	3847	3636	2379	
'581010	Embroidery	5715	4643	3391	2230	1176	

Source: ITC, 2020

Demand patterns across all the Latin American countries remains alike however, Mexico seems to be one of the largest importer of fashion textiles with LAC followed by Peru, Columbia, Brazil and Chile as prime importers.

FASHION TEXTILE IMPORTERS WITHIN LAC

Importers	2016	2017	2018	2019	2020	Trend
Mexico	348443	385854	403553	409572	784376	
Peru	21190	24520	25265	29180	462638	
Colombia	20426	24104	27290	28068	462098	
Brazil	53427	69295	62975	54533	375143	
Chile	36028	37605	39686	39921	329771	
Panama	9977	11468	11965	13188	156651	
Argentina	24944	25836	29757	18811	144031	
Ecuador	5456	7016	8346	8017	124867	
Bolivia	2712	2477	3148	3564	60393	
Venezuela	3687	8697	5370	11543	23692	
Paraguay	1581	2674	2694	2223	22762	
Uruguay	5705	5412	5779	6486	11089	
Cuba	2879	2163	2482	1450	5896	

Considering the fact that India has trade agreements with most of the growing destinations including Indo MERCOSUR PTA, Indo-Chile PTA, Indo Peru FTA; India's position in LAC is likely to strengthen with suitable policy focus.

JAPAN

Japan has shown similar import trend as that of the USA towards a sudden hike in the import volumes in fashion textiles category primarily contributed by madeups of textile material. Rest all products in this category have been suffering a decline except for some increase in import volumes for braids in piece for which Japan seems to be one off market. Embroidery also has picked up acceptance in Japan.

Code	Product label	2016	2017	2018	2019	2020	Trend
	Fashion textiles	1166495	1216407	1290709	1339500	5196246	
'630790	Made-up articles of textile materials	1142144	1190942	1262952	1312969	5171399	
'581092	Embroidery of man-made fibres	17187	16882	19492	17823	16961	
'580810	Braids in the piece	3634	4526	4627	4851	5508	
'581010	Embroidery on a textile fabric ground without visible ground	3005	3148	2621	2984	1540	
'560500	Metallised yarn, whether or not gimped	525	909	1017	873	838	

CIS

CIS has shown similar import trend as that of the USA towards a sudden hike in the import volumes in fashion textiles category primarily contributed by madeups of textile material. Rest all products in this category have been suffering a decline.

Code	Product label	2016	2017	2018	2019	2020	Trend
	Fashion textiles	184373	155659	192509	211069	751852	
'630790	Made-up articles of textile materials,	164031	128104	161737	165926	721219	
'581092	Embroidery of man-made fibres	11507	14350	16605	33359	20513	
'580810	Braids in the piece	5932	8528	9295	7926	7216	
'581010	Embroidery on a textile fabric ground	1852	3015	2709	2072	1501	
'560500	Metallised yarn	1051	1662	2163	1786	1403	

FASHION TEXTILE IMPORTERS WITHIN CIS

Importers	2016	2017	2018	2019	2020	Trend
Romania	81099	91766	106847	96959	479091	
Ukraine	20269	20667	32731	34121	89760	
Belarus	67662	23990	28750	27640	67725	
Kazakhstan	8900	10258	14697	21911	55366	
Azerbaijan	2723	2827	3085	4074	31038	
Kyrgyzstan	1544	3814	2862	21531	10073	
Uzbekistan		1086	1559	2283	8745	
Tajikistan	1086	239	247	603	5646	
Armenia	1090	1012	1731	1947	4408	

All the countries in CIS have been witnessing a rising import trend for fashion textile except for Kyrgyzstan. In terms of volumes of business prospects, Romania tops the list followed by Ukraine and Belarus.

ASEAN

Code	Product label	2016	2017	2018	2019	2020	Trend
	Fashion textiles	286620	344348	383841	448067	2226677	
'630790	Made-up articles of textile materials	191867	214213	238683	303340	2138252	
'581092	Embroidery of man-made fibres	27590	46158	51720	59305	43067	
'580810	Braids in the piece	50807	65190	76461	71863	31180	
'581010	Embroidery on a textile fabric ground without visible ground	10213	11625	6193	4887	9975	
'560500	Metallised yarn, whether or not gimped	6143	7162	10784	8672	4203	

ASEAN has shown similar import trend as that of the USA towards a sudden hike in the import volumes in fashion textiles category primarily contributed by madeups of textile material. Rest all products in this category have been suffering a decline.

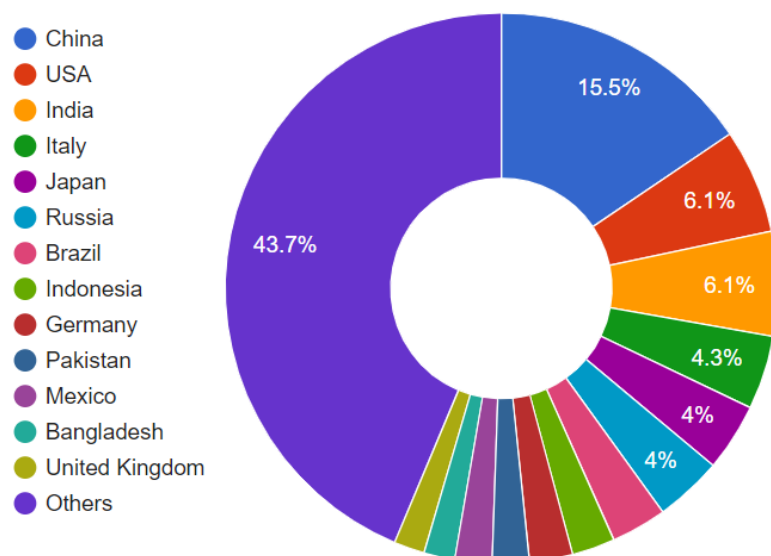
Importers	2016	2017	2018	2019	2020	Trend
ASEAN	286620	344348	383841	448067	2226677	
Singapore	57604	58057	55349	51816	1011641	
Malaysia	44747	44278	53099	67431	400866	
Viet Nam	67546	82104	88388	120259	323830	
Indonesia	20404	34072	57778	64957	224780	
Thailand	70056	92257	89821	105693	143161	
Philippines	13094	13455	15963	20416	76266	
Cambodia	10364	13111	7492	7589	20527	
Myanmar	1729	5299	14081	7668	11247	
Brunei Darussalam	655	955	891	782	8082	
Lao	421	760	979	1456	6277	

All the countries in ASEAN have been witnessing a rising import trend for fashion textile except for Cambodia and Myanmar. In terms of volumes of business prospects, Singapore tops the list followed by Malaysia and Vietnam.

EMBROIDERY: GLOBALLY ACCEPTABLE AND GROWING FASHION

As can be seen, apart from made-ups; embroidery is the next best imported fashion accessory.

Market Volume (thousand tonnes)



Major markets who are fastest growing markets for suppliers of embroidered fabrics of man made fibers include China, USA, Italy and Russia. In Thailand, Brazil, Congo and Ethiopia; per capita consumption remains small but have depicted tangible growth. On the other hand, Italy, South Korea, Germany, Russia and Poland are countries with large and growing per capita consumption.

GLOBAL EMBROIDERY MARKET

Large and growing imports

Brazil (214 tonnes), the U.S. (143 tonnes), Japan (39 tonnes), Canada (33 tonnes) and Mexico (29 tonnes) emerged as the largest and fastest-growing importers of embroidery in the world.

Large but declining imports

The UK (189 tonnes), Germany (100 tonnes), Nigeria (81 tonnes), China (50 tonnes) and South Korea (45 tonnes) were the largest importers with decreasing volumes of imports.

Small but growing imports

Amongst the countries with a relatively small but perceptible volume of imports, the highest average annual rates of growth were recorded in Russia (+28.7%), Brazil (+28.0% to 214 tonnes), Mexico (+22.6% to 29 tonnes), the U.S. (+21.7% to 143 tonnes) and Argentina (+18.9%).

Small but declining imports

Small imports against a contraction in terms of volume indicate that the opportunities for growth are limited: either the domestic industry is fully capable of meeting local demand, or overall demand itself is not too high, the product is a niche item. This group of countries includes Iran, India, Turkey, Thailand.

Large and rising per capita consumption

This group of countries includes Italy (20 kg per 1000 persons), South Korea (9.61 kg per 1000 persons), Germany (8.70 kg per 1000 persons), Russia (7.66 kg per 1000 persons) and Poland (6.36 kg per 1000 persons), amongst others.

Large but declining consumption

This group of countries includes Canada (8.88 kg per 1000 persons), Japan (8.41 kg per 1000 persons), the UK (8.08 kg per 1000 persons), the U.S. (5.44 kg per 1000 persons) and Turkey (5.18 kg per 1000 persons).

Small but growing consumption

This group of countries includes Thailand (4.65 kg per 1000 persons), Brazil (4.56 kg per 1000 persons), Democratic Republic of the Congo (4.40 kg per 1000 persons), Ethiopia (4.27 kg per 1000 persons) and Egypt (3.27 kg per 1000 persons). These countries indicated positive average annual rates of growth with regard to per capita embroidery consumption.

Small and declining consumption

This group of countries includes Pakistan (3.58 kg per 1000 persons), Viet Nam (3.38 kg per 1000 persons), Bangladesh (3.25 kg per 1000 persons) and Nigeria (2.62 kg per 1000 persons). Most of these countries indicated a contraction with regard to per capita embroidery consumption.

SHIFTING FROM HS CODE TO NTL: COUNTRY CASE STUDIES

CIS

- Garments for the women include a chemise (kashulya) made of homespun linen; a heavy pleated checked or striped woven wool or linen skirt (spadnitsa or andarak); a linen homespun apron, and a waistcoat.
- Sleeves, shoulder insets, collar and bosom have embroidered patterns in red and black yarn, the composition of ornamenting depending on the region where the set belongs.
- The apron has colouring and ornamenting similar to those of the gown.
- The waistcoat being a festive attire was made of industrially manufactured textiles such as silk and velvet.
- The obligatory part of every costume is multi-color belt with pompons, tassels or fringes.



**OPPORTUNITY FOR INDIAN
LACE EXPORTERS TO
BELARUS**



OPPORTUNITY FOR INDIAN BEAD EXPORTERS TO BELARUS



Rushnyk used in Belarus Flag

Rushnyk used in Ukraine can be worked in our Kantha

A **rushnyk** or **rushnik** is a ritual cloth embroidered with symbols and cryptograms of the ancient world. They have been used in sacred Eastern Slavic rituals, religious services and ceremonial events such as weddings and funerals. The rectangular shape of the fabric indicates a life's journey and the ornamentation captures the cultural ancestral memory of the region. The material used is either linen or hemp. The act of spinning thread and the process of weaving linen embodies spiritual power dating back to the ancient deity Mokosh who is often represented in embroidery. The needle has its own energy, an idea similar to acupuncture, and the color of the thread has sacred meaning. Red represents life and is the main color used. A rushnyk is given to a baby at birth, it follows the person throughout life and used in the funeral service after death.

A Rushnyk has many uses. The very basic rushnik is colloquially called the *utyralnyk* or wiper and serves as a towel. The utyralnyk either has no designs on it or it has very narrow strip on the edges. In contrast, a *nabozhnyk* is a highly decorated Rushnyk composing of embroidery and of lace. *Nabozhnyks*, also called *nabraznyks* or *nakutnyks* are used to decorate icons and icon corners in homes.



Opportunity for kantha embroidery fabric supplier



Opportunity for crochet and lace supplier



TRADITIONAL DRESS IN
MYANMAR
OPPORTUNITY FOR INDIAN
LACE SUPPLIERS



TRADITIONAL CAMBODIAN
DRESS
OPPORTUNITY FOR IKKAT
FABRIC SUPPLIERS

6.2 FURNITURE

WHERE DOES INDIA STAND IN GLOBAL FURNITURE?

The size of the furniture industry in India is about USD 5 billion, and currently employs around 3.5 lakh people. With furniture contributing to around \$1.5 billion, it amounts to only 0.5 per cent of Indian exports; despite growing at 11 per cent CAGR over FY2010-19. It has been observed that for 2018 and from 2014-18, India's furniture exports surged at CAGRs of 15% & 8.8% respectively, which is way higher than the world average.

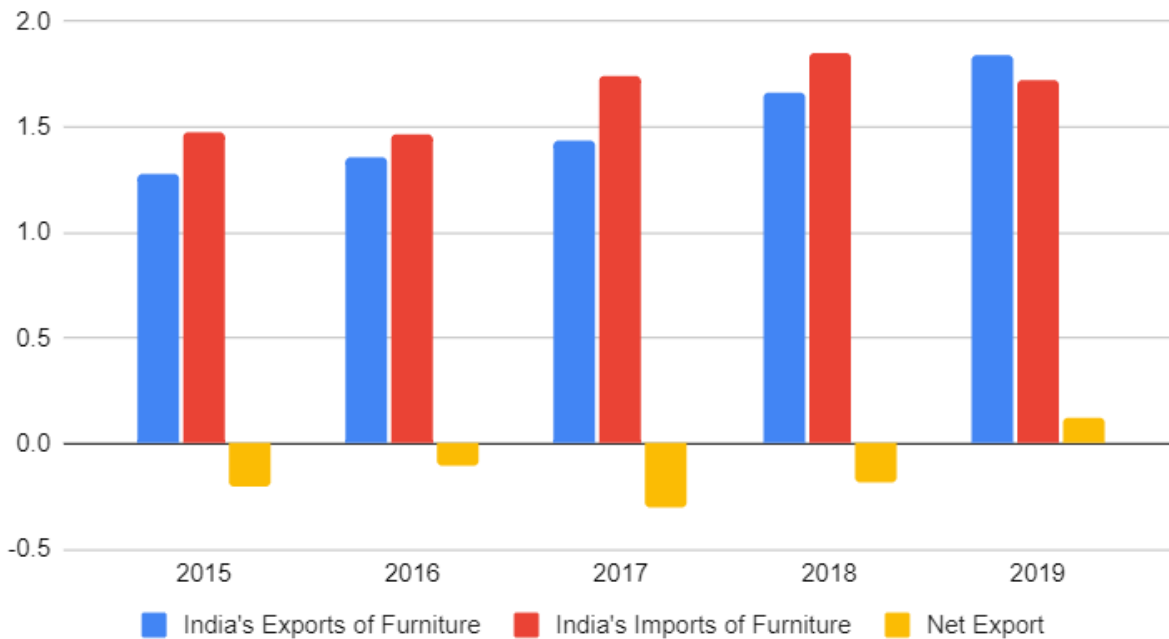
There is a scope to further develop and increase furniture exports to an amount of USD 10 billion (about Rs 71,000 crore) from the existing USD 400 million (about Rs 2,800 crore) if market share grows to 1.2 per cent from 0.8 per cent and \$8 billion if the share touches 2.4 per cent.

The Indian domestic furniture market is expected to expand at a CAGR of 12.91% during the period of 2020-2024.

Amongst the furniture category, the wooden furniture exports have seen a boost of nearly \$40 million (Rs 292.5 crore) from \$ 449.66 million in the year 2016-17 to \$ 544.25 million in the 2019-20 registering a growth of 8.97%.

On one hand when our wooden furniture exports have been rising, wood furniture imports have also been growing since past two decades and the trend is continuing. Furniture imports have noted an increase of 2.5% with a value increase Rs 11.5 crore the total furniture import has touched Rs 473.10 crore in FY 2018 from 461.63 crore in its previous year. The rising trend has been continued two years later. Last year it had shown a huge boost of Rs 85 crore reaching to Rs 461.63 crore from Rs 376,68 crore which accounts nearly 20% rise.

India's Furniture Trade Snapshot, Values in USD Billion



India's furniture imports are growing mainly because of lack of modernization and innovative design, dearth of skilled labor, limited market access and lack of quality control in the domestic furniture industry. These are also the reasons behind non-operation of furniture factories in India.

GLOBAL FURNITURE TREND: WAY FORWARD FOR INDIA

Furniture market size is estimated to surpass USD 750 billion by 2024. The residential furniture market is expected to expand at over 5% CAGR up to 2024 driven by socioeconomic development along with housing subsidies by governments along with increasing necessity to accommodate a rising population.



FURNITURE MARKET

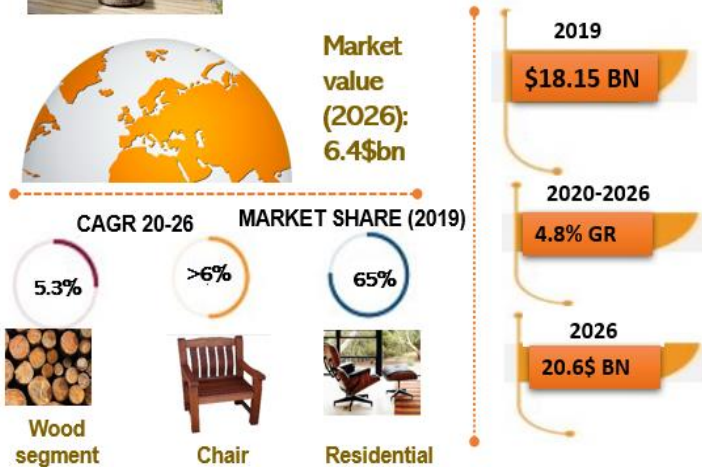


REGIONAL INSIGHTS

Asia Pacific procured majority of global share in 2019 owing to rapidly growing construction sector coupled with abundance of raw material.



OUTDOOR FURNITURE MARKET

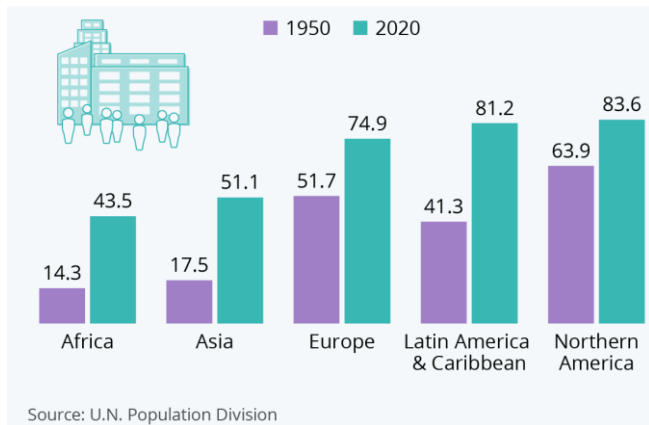


Outdoor Furniture Market size exceeded USD 18.15 billion in 2019 and will grow at a CAGR of over 4.8% from 2020 to 2026. Rapidly growing home improvement industry globally along with positive outlook for consumer spending in emerging nations is expected to drive the demand for outdoor furniture in the coming years.

WHY IS FURNITURE MARKET PROMISING?

Then & Now Urban Population Worldwide

Share of the urban population by continent in 1950 and 2020 (in percent)



Where People Spend the Most Time Eating & Drinking

Time spent eating and drinking each day in hours/minutes*



Rapid urbanization coupled with an increasing urban population in emerging countries is strongly influencing the lifestyle pattern. The rising urban population has improved the construction of private residential buildings from rural and semi-urban cities. Migrant consumers are shifting to metro cities for an improved lifestyle and living trends.



GLOBAL REAL HOUSE PRICE INDEX



SOURCE: Bank for International Settlements, European Central Bank, Federal Reserve Bank of Dallas, Savills, and national sources

Household renovations have observed a strong demand in the past and are anticipated to witness significant gains over the forecast timespan.

The rising need for relaxing, dining, and spending quality time are primarily fostering the market demand.

A modern lifestyle and rapid socializing trends including outdoor dining at gardens, social get together, grilling & barbeque events the backyard area are the factors driving the outdoor furniture demand.



Moving beyond 2020: What product categories should India focus?

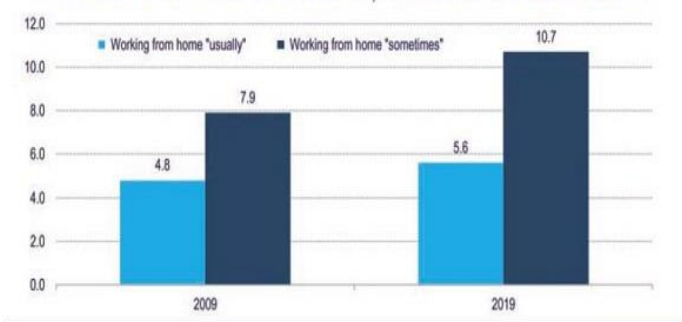
Wood segment likely to continue dominating the market share. Manufacturers are turning towards ecofriendly materials such as MOSO bamboo, which is stronger and harder than oak.

Wood segment held over 50% of outdoor furniture market revenue share in 2019 and is expected to witness 5.3% growth rate during 2020-2026. Manufacturers are turning towards ecofriendly materials such as MOSO bamboo, which is stronger and harder than oak. Wooden furniture is the most preferred material among its counterparts owing to natural appearances. Mahogany, redwood, teak, cedar, pine, eucalyptus, and composite materials are widely used for furniture making.

High durability and strength along with availability in lower price variants and higher-end segment will proliferate the wood material demand over the next few years. Preference in green buildings will positively influence the product sales. Chairs is fastest growing product segment and is projected to expand at 6% CAGR through 2026. Wood, metal, fabrics, plastics and textiles are among key materials that used in chair production. Chairs provide high comfort including materials and components used with waterproofing materials in the making. The increasing popularity owing to the color blends and high comfort are primarily fostering market growth. Residential end use segment held approximately 65% market share in 2019. Improved income levels in several countries are fueling purchase trends for product in residential and non-residential spaces. Urbanization is among the key drivers in increased demand for the outer seating arrangements and other furniture components.

HOME OFFICE. An opportunity in challenging times

EUROPE. EMPLOYED PERSONS (OVER 15 YEARS) WORKING FROM HOME AS A PERCENTAGE OF THE TOTAL EMPLOYMENT, 2009-2019. PERCENTAGE SHARES



Source: Eurostat

The rapid development of the home office furniture segment is among the opportunities for manufacturers generated in these challenging times of pandemic. As customers will tend to invest more in their "home office furniture and work tools", the number of actors willing to play in this business will multiply from different categories like traditional manufacturers of office furniture, manufacturers of home furniture and upholstery (sometimes

furniture and upholstery (sometimes operating with their own/franchised retail networks), office chairs manufacturers and importers and RTA furniture manufacturers (operating in the low budget segment).

PROSPECTS FOR INDIAN FURNITURE ACROSS GLOBAL MARKETS

Global furniture exports currently stand at USD 264 billion and half of the market share is controlled by five countries - China, Germany, Poland, Italy and Vietnam. Asia Pacific is expected to dominate the global furniture market, accounting at over USD 400 billion by 2024. China, India, Japan, and South Korea are the leading markets in the region. Easy availability of raw material and economical labor supported by the booming real estate sector are fueling business revenues.

Asia Pacific is expected to dominate the global furniture market, accounting at over USD 400 billion by 2024. China, India, Japan, and South Korea are the leading markets in the region.

The developing hospitality industry in Malaysia, Indonesia, India, and China will boost the industry's growth. Growing balcony and outdoor furniture demand along with government spending on public infrastructure will enhance the business landscape over the next few years.

The global furniture market share is highly competitive with the presence of a large number of domestic and global players. The key industry players include Ashley Furniture Industries, Okamura Corporation, La-Z-Boy Inc., Haworth Inc. Steelcase, Inter IKEA Group, Kohler Co., and Global Furniture Group. Other prominent players include the Home Depot Inc., McCarthy Group Ltd, Heritage Home, Herman Miller, and Humanscale Corporation. The regional market size expansion is characterized by the presence of multiple players including Woodard, Bambrella, Polywood, Homecrest, Whiteall Products, Galtech Umbrellas, Uwharrie Chair, Ow Lee, Telescope Casual, and Lloyd Flanders.

China is the market leader, but still falls behind traditionally strong competitors such as Italy and Germany in terms of quality and unit price. It is also experiencing a growing challenge from lower-income countries such as Poland and Vietnam. Moreover, China now faces more unfavourable macroeconomic circumstances such as rising cost, shrinking international demand, technology gap and escalating trade barriers. The current pandemic is further going to enervate their export position as these economies are deeply affected by COVID 19.

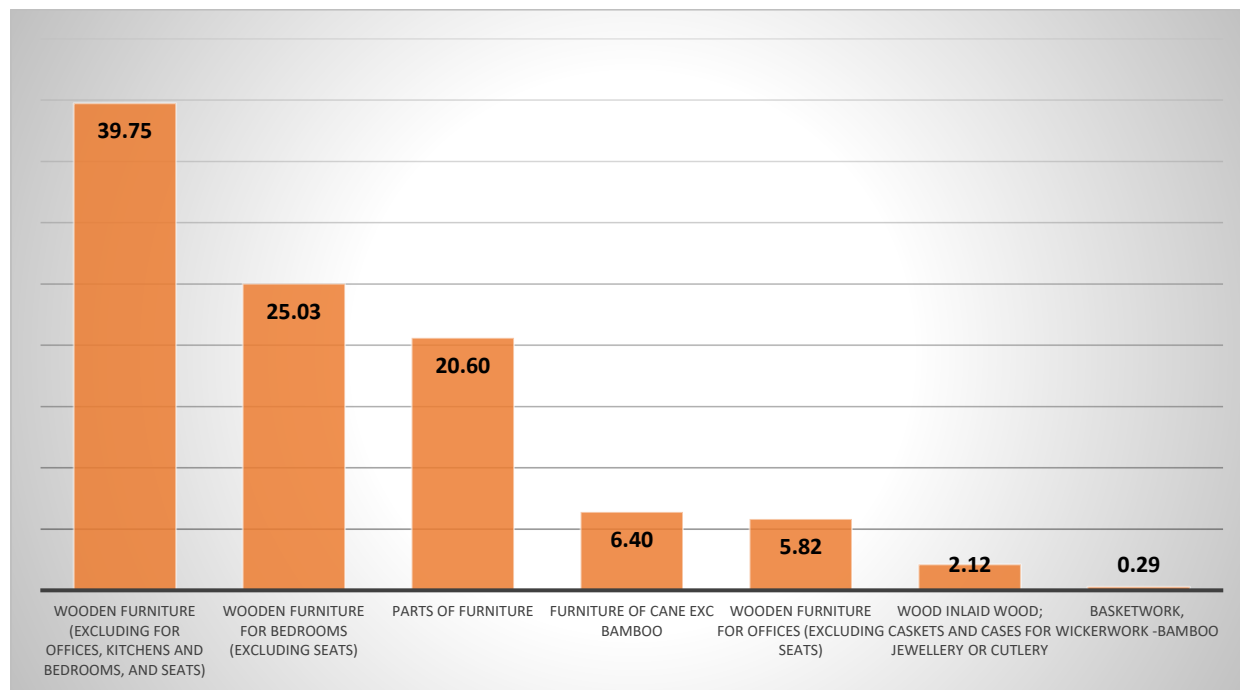
The EU furniture industry is facing a variety of economic, regulatory and environmental challenges. Increasing global competition with manufacturing growth in emerging markets, improved logistics and lower tariffs on foreign trade put increasing pressure on EU-based companies. In the domestic market, increased demand for low-cost items makes it difficult for companies focusing on long lasting and quality products to compete.

PROSPECTS FOR INDIAN FURNITURE ACROSS GLOBAL MARKETS

Several countries differ traditional and cultural trends, impacting the product demand. The U.S., China, Japan, India, and Brazil are among the potential countries for market growth. North America and Europe are among the major revenue generating regions owing to the higher product employment in gardens or outer spaces. North America and European countries have strong traditional houses with outdoor gardens and living spaces gardens. North America outdoor furniture industry valuation is anticipated to reach USD 6.4 billion by 2026.

UNITED STATES OF AMERICA

U.S. is the largest furniture importer globally, registered over USD 24.5 billion imports. Residential construction is the fastest growing segment in the North American construction market. Substantially lower lending rates coupled with higher consumer spending are among the major factors which make the region most lucrative for manufacturers.



Wooden furniture for bedrooms for household purpose captures a maximum share of 40% in total US imports and is also the fastest growing segment in the US. There is a moderate scope for bamboo furniture and hardly any for basketwork and wickerwork.

Code	Product label	2015	2016	2017	2018	2019	Trend
'940360	Wooden furniture (excluding for offices, kitchens and bedrooms, and seats)	5972165	5961843	6401057	6915055	6555336	
'940350	Wooden furniture for bedrooms (excluding seats)	3815477	3699492	4003271	4103835	4127454	
'940390	Parts of furniture, n.e.s. (excluding of seats and medical, surgical, dental or veterinary ...)	2859690	3229759	3505251	3947200	3396639	
'940389	Furniture of other materials, including cane, osier or similar materials (excluding of bamboo, ...)	821986	865221	977254	1171898	1055177	
'940330	Wooden furniture for offices (excluding seats)	963703	1036529	1147854	1052201	959462	
'442090	Wood marquetry and inlaid wood; caskets and cases for jewellery or cutlery, and similar articles, ...	419209	418364	411412	421946	349604	
'460211	Basketwork, wickerwork and other articles, made directly to shape from bamboo plaiting materials ...	57466	50519	49504	51923	47193	

Imports of Wooden furniture in USA: Strict competition from China

China is currently the top trading partner to the U.S., with a total import value of \$539.5 billion in 2018 and \$106 billion for the first quarter (Q1) of 2019.³ Furniture products (HS Code 94) accounted for 6.5% of China's total exports to the U.S. and ranked third among China's U.S. exports, following electric machinery and equipment (HS Code 85) at 28.2% and industrial machinery (HS Code 84) at 21.6%.

	Value imported in 2019 (USD thousand)	Share in United States of America's imports (%)	Growth in imported value between 2015-2019 (% p.a.)	Average tariff applied by USA (%)
China	2115916	32.3	-5	0
Viet Nam	1961836	29.9	17	0
Mexico	404687	6.2	9	0
Canada	343150	5.2	0	0
Indonesia	297258	4.5	5	0
India	276067	4.2	13	0

US imports from China has been declining due to US-China trade war. India needs to compete with Vietnam Furniture to market its hold in the growing market of USA.

With \$34.8 billion in furniture imports in 2018 and \$7.1 billion for Q1 2019⁵, China ranks as the top exporter of furniture to the U.S. The most popular furniture products imported from China in 2018 mirrored the national totals with:

- 35.9% general furniture and furniture parts (HS Code 9403)
- 31.2% seats and seat parts (HS Code 9401)
- 22.2% lamps and lighting (HS Code 9405)
- 9.4% mattress supports and bedding (HS Code 9404)

Importing furniture from China is popular among large and small companies due to the affordability and high quality of Chinese-made furniture products. Even with high shipping costs, wholesale furniture imported from China offers an excellent return for buyers. Chinese-made furniture meets strict quality controls, and manufacturers often construct it without any glue, nails or screws, making it durable and long-lasting.

India is the ninth largest furniture exporter to the U.S., with \$890 million in furniture imports in 2018 and \$223.3 million for Q1 2019. General furniture and furniture pieces (HS Code 9403) accounted for 45.5% of total furniture imports to the U.S., and mattress supports and bedding (HS Code 9404) accounted for 25.6%. Seats and seat parts (HS Code 9401) were the third-largest furniture import from India at 14.3%.

Furniture from India is valuable for its intricate and ornate designs and high-quality artisan construction. Indian furniture is often hand-carved, making each piece unique. By importing furniture from India, furniture companies can also purchase luxury furniture pieces at affordable prices.

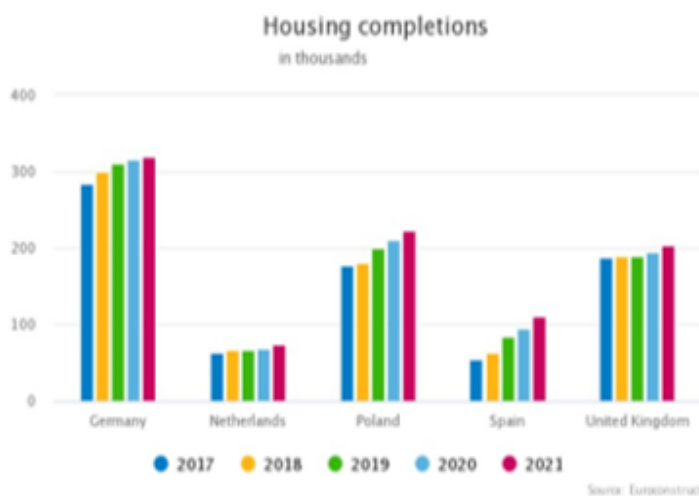
Trade war sees double-digit drops in U.S. furniture imports from China.

The trade war is having a major effect - causing a \$53 billion decline in U.S. imports from China and a \$14.5 billion decline in exports to China, according to recently released trade data. Both drops are just looking at the first nine months of the year. Chinese furniture exports to the U.S. fell in miscellaneous wood furniture (down 19 percent), wood seats (down 21 percent), and upholstered wood chairs (down 13 percent).

China's fall has led to the rise of other countries, particularly Taiwan, Vietnam and Malaysia, who all saw huge gains. Indian exporters can also take advantage of this downfall. One significant consideration when importing furniture from China is the time it takes for your products to arrive from the other side of the world. Transit time alone is typically between two weeks to two months, and the entire process may take up to three months. If weather delays or other unexpected interruptions occur, importing furniture from China may take even longer. If lead times are controlled, Indian can enhance their share of imports into the USA considering the fact that tariff rates are not an issue.

EUROPEAN UNION

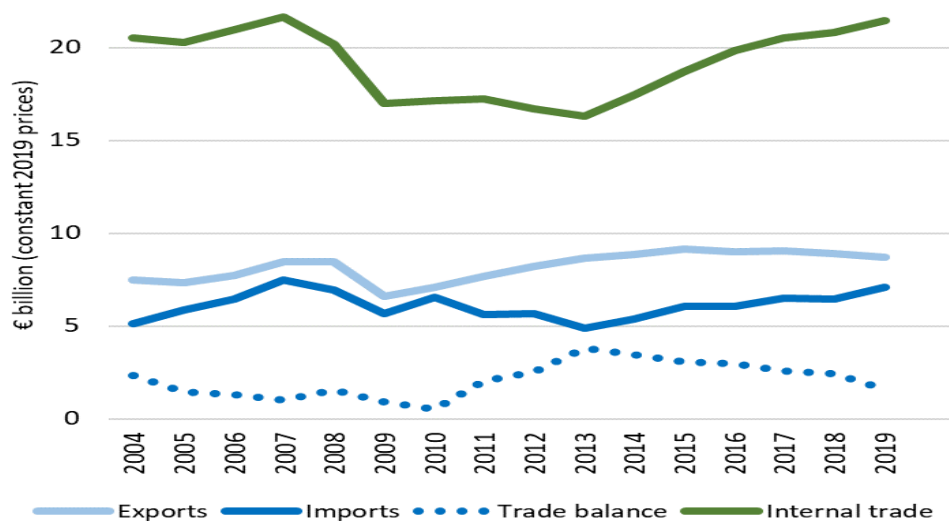
In 2019, just before the market chaos created by COVID-19, the EU recorded its strongest year for wood furniture imports and is slated to hit €178 bn by 2024. Most of this trade has been happening within the region with Germany, Italy, Poland, and France rank among the top 10 global manufacturers and cumulatively account for a 13% furniture market share. This is driven by greater integration of the EU furniture market and access to relatively lower cost manufacturing locations in the eastern EU help to explain the continuing dominance of EU-based manufacturers in the region. This greater integration had also resulted in the shift in manufacturing from higher cost countries in the western EU to lower cost eastern locations, particularly Poland.



New residential construction
Developments in the housing market also affect the European market for home furniture. Between 2017 and 2021, an increase in new-built housing is expected in **Europe, especially in Germany, Poland and Spain**. These houses need to be furnished and decorated, which could indicate growth in consumption for the furniture, home decoration and household textiles sector, especially in those countries.

Increased Furniture imports into EU from outside EU: good news for Indian Furniture exporters

However, growth in EU imports from within the bloc was interrupted in the second half of 2018, particularly in the UK owing to Brexit uncertainty giving rise to imports of wood furniture from outside the bloc with a total value of €7.07 billion in 2019, 10% more than the previous year. More wood furniture imports into the EU from outside the region are funneled via larger ports in western Europe, particularly the Netherlands and Belgium, before being redistributed to other parts of the EU.



EU imported wood furniture from outside the bloc with a total value of €7.07 billion in 2019, 10% more than the previous year.

GLOBAL COMPETITION FOR INDIA IN EU

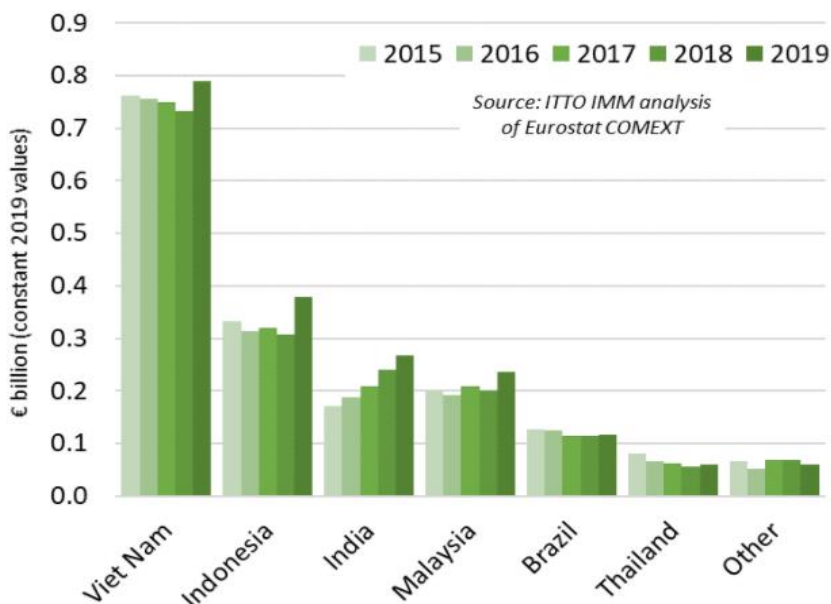
China became a dominant player amongst the supplier outside EU nations. As a consequence of trade dispute with the US during 2019, China has been aggressively targeting the EU market for its furniture products. EU wood furniture imports from China, by far the largest external supplier, surged 11% to €3.46 billion in 2019, the highest level since 2010. EU imports of upholstered seats with wooden frames from China increased 14% to €1367 million, while imports of wood dining room furniture were up 2% to €515 million, bedroom furniture increased 19% to €419 million, and non-upholstered seating increased 11% to €202 million. During 2019, imports of Chinese wood furniture were particularly strong into the UK, rising 14% to €1273 million, the Netherlands, where they increased 23% to €292 million, and Belgium with a 12% rise to €131 million.

Perhaps more surprising than for these countries which are traditionally large furniture traders was a sharp rise in imports of Chinese furniture last year by EU countries which are themselves large manufacturers. Imports increased by 20% to €130 million in Italy and by 28% to €102 million in Poland.

Meanwhile, several tropical suppliers – notably Vietnam and Indonesia have also been seeking to build on new investment in capacity and to diversify markets by targeting the EU. Last year EU imports of wood furniture also continued to rise from temperate countries other than China, mainly bordering the EU. Total EU imports from these countries increased 7% to €1.7 billion, double the level of only five years before.

Last year imports increased 21% from Turkey to €262 million, 5% from Bosnia to €239 million, 28% from Ukraine to €217 million, 17% from Serbia to €159 million, and 26% from Belarus to €149 million. The long-term trend towards increased imports from several neighboring countries on the Eastern borders of the EU, notably Turkey, Bosnia, Ukraine, Serbia and Belarus, also continued last year.

The EU imported wood furniture from tropical countries with a total value of €1.91 billion in 2019, up 11% compared to the previous year. The main South East Asian supply countries all followed a similar trajectory in the EU wood furniture market in the last five years. A period of flat or declining imports between 2015 and 2018 was followed by a sharp upturn in 2019.



Vietnam and Indonesia drive 11% rise in EU wood furniture imports from tropical countries

The largest category of EU import from Vietnam comprises dining room furniture, accounting for around one quarter of total EU imports from the country. This product group is likely to be manufactured from a mix of temperate and tropical plantation species, such as acacia and rubberwood.

Following a decline of 4% in 2018, EU imports of wood furniture from Indonesia increased 23% to €379 million in 2019. Unlike Vietnam, where other plantation wood and imported temperate hardwoods are widely used, most products imported into the EU from Indonesia comprise plantation teak. EU imports of Indonesian non-upholstered seating increased 39% to €109 million while imports of “other not elsewhere stated” wood furniture (i.e. primarily tables and other items for exterior use) increased 30% to €154 million.

The rapid increase in imports of Indonesian garden furniture products in 2019, a sector which has been a key focus of environmental campaigning in the past, suggests that FLEGT licensing may be playing an important role to increase their competitiveness in the EU market, particularly following efforts by EU authorities to tighten implementation of the EU Timber Regulation in recent years.

EU imports of wood furniture from Malaysia, which mainly comprises rubberwood product for interior use at the lower end of the price spectrum, increased 18% to €236 million in 2019. EU imports for Malaysia of wood bedroom furniture increased 27% to €96 million, wood dining furniture was up 23% to €48 million, while non-upholstered seating rose 13% to €48 million.

EU wood furniture imports from India continued to rise last year, up 11% to €268 million building on a 15% gain in 2018. **Imports from India mainly consist of products made from local plantation species such as mango, sheesham, acacia and rubberwood, often in rustic style which are hand-crafted** and for which formal quality standards were not high. Usage of sheesham for Indian furniture manufacturing has been declining, as it is a CITES-listed Dalbergia species, while use of mango has been rising in recent years.

What is EU importing?

Code	Product label	2015	2016	2017	2018	2019	Trend
'940360	Wooden furniture (excluding for offices, kitchens and bedrooms, and seats)	8844179	8929955	9743599	10406236	10417213	
'940390	Parts of furniture	5321897	5372703	5956206	6447863	6438903	
'940350	Wooden furniture for bedrooms (excluding seats)	2707578	2844235	3060353	3293818	3508299	
'940330	Wooden furniture for offices (excluding seats)	945944	987422	1024254	1128684	1249502	
'940389	Furniture of cane exc bamboo	343740	368035	391325	395793	412997	
'442090	Wood inlaid wood; caskets and cases for jewellery or cutlery	266295	288826	321426	360377	367353	
'460211	Basketwork, wickerwork -bamboo	59723	58070	54921	53106	59653	

There were also shifts in the destinations for wood furniture imported into the EU from tropical countries in 2019. Imports in the UK, by far the largest market, were €703 million last year, 11% more than in 2018. There was also a particularly large rise in imports by Germany, up 29% to €256 million, with significant gains in German imports from Vietnam, India and Indonesia.

Imports of tropical wood furniture into the Netherlands increased 14% to €252 million last year, with imports from Indonesia up nearly 70% at €117 million. Imports of tropical wood furniture into Belgium were up 30% in 2019, with imports from Indonesia rising 28% to €41 million. Imports of tropical wood furniture into France were level at €261 million last year. Germany and France are the largest importers of wooden furniture within EU. However, Netherlands, Romania and Czech Republic are highest growing markets which Indian furniture exporters should target. Germany, UK and France have been a constant market amongst EU nations to absorb highest amount of furniture import across all product categories including bedroom furniture, cane furniture and other parts of the furniture. Basketwork and wickerwork did not find any space as major import interest to any of the EU nations.

Demand for dinnerware driven by “Social Dining” and “MasterChef”

The concepts of “Social Dining” and “MasterChef” are increasing the popularity of home cooking in European countries. This is shaping new developments and generating demand for dinnerware. In fact, these trends have contributed to the European market growing at a rate of 15% annually.

Northern European countries are increasingly developing a table culture





Shared Living drives typical demand for furniture design

Rapid urbanisation, rising housing prices and increasing social isolation are forces that are driving customers into a new form of living. According to [Global Real Estate Experts](#), communal living seems like a natural response to the current market and affordability concerns.

- Furniture and accessories for the communal spaces will need to be more flexible.
- Besides, product values related to convenience and multipurpose will become more important in homeproduct innovations.
- As a result, there will be an increased demand for products that are lightweight (easy to move), collapsible, flatpacked and easy to store.

LATIN AMERICA

Furniture consumption in Latin America and the Caribbean



Revenue is expected to show an annual growth rate (CAGR 2021-2025) of 9.1%, resulting in a projected market volume of US\$6,579m by 2025

Revenue in the Furniture & Homeware segment is projected to reach US\$4,644m in 2021.

User penetration will be 11.5% in 2021 and is expected to hit 16.3% by 2025.

The average revenue per user (ARPU) is expected to amount to US\$99.64.

The total furniture market size in Latin America and the Caribbean currently exceeds USD 16 billion.

The largest 5 markets are Brazil, Mexico, Chile, Peru and Colombia.

LATIN AMERICAN FURNITURE MARKET: A SNAPSHOT

Mexico is living in turbulent times awaiting the negotiation of NAFTA.

The Panama furniture industry is satisfied by import. Several leading distributors belong to foreign chains. Opportunity for Indian companies lies in wood category in most used type of woods which are cedar, laurel, and teak wood, which traditionally had a significant diffusion due to its peculiar durability in humid environments.

Ecuador SWOT

The market is relatively less open than the average for the South America and Caribbean region, its import penetration being around 20%. However, imports have been increasing in the last years.

Competition for India

Over 650 companies are part of the Ecuadorian Forestry and Wood Processing sector, including furniture manufacturers. The local furniture industry can count on the presence of significant local wood-based panel producers who satisfy the majority of the total demand of panels from the industry. Novopan and Aglomerados Cotopaxi are the largest ones. Among the main furniture producers in the industry there is Colinea, which is also a key player in furniture retail.

Production in Chile has grown by 8% annually during the last 7 year.



Costa Rica's furniture sector counts approximately 200 registered companies, mainly by micro and small enterprises. Also in this country many furniture producers are focused to a significant extent on solid wood. Most of the country's market is satisfied by import. The country's distribution system includes direct sales of local producers to consumers, stores specialized in furniture (as for example La Artística), and large chains non specialized in furniture, as homeware/household goods stores, home improvement stores, supermarkets.

Uruguay shows a relevant higher per capita furniture consumption than its neighboring countries. The country's distribution system is marked by the key role played by importers, which include both furniture shops, and companies operating both as wholesalers and retailers. The share of import out of total furniture consumption has increased over the last decades.

Competition for India

The Uruguayan furniture industry is much fragmented and lacks large producers. Nearly 90% of firms employ less than 4 workers, and only 2% have more than 20 workers. About 40% out of total local production is exported (mainly to Argentina), whereas the domestic market absorbs 60%.

Argentina SWOT

In the last couple of years, the country's industry has been experiencing a period of crisis, mainly due to the decline of its internal market, as well as the erosion of profitability determined by high interest rates and the higher costs of dollarized components. On the other hand, the Argentinian industry can count on significant structural assets, including for example its large endowment of forestry resources, the existence of production clusters, the presence of dynamic sector associations. Imported furniture is estimated to account for around 20% out of the total Argentinian market, China accounting for the majority of this.

Competition for India

The **Argentina** furniture industry counts over 2,000 registered companies, 90% of which are SMEs. Leading players in the industry include companies as Fontenla, Ricchezza (home furniture segment), Fiplasto, Cuyoplacas/Platinum (RTA), Johnson Acero, Amoblamientos Reno (kitchen furniture), Color Living (upholstered furniture).

- Argentina, Brazil and Chile have a combined furniture production worth more than US\$ 6,250 million. Brazil is the leading furniture producer and the largest furniture market in the area.
- Economic growth of these countries in recent years and the potential of its furniture sector which is estimated to be more than 8 bn USD, will result in good business opportunity.
- However, Indian exporters should need to realise that furniture sector is not a consumer commodity in Latin America and households do not renew furniture and their spending priorities do not go through furniture.
- In Europe where furniture prices are high, idea of paying less in return for having to assemble your own furniture is well received. But LAC buyers will not accept the concept of assembling and the same time the market is too price conscious.
 - Five Latin American countries – Colombia, Ecuador, Bolivia, Peru and Mexico – are on the list of the 10 nations in the world where the household size will fall most between 2008 and 2020, following the trend toward a reduction in family size in developed countries.
 - The increase in the number of single-person households, the ever-greater delay in the age when couples decide to begin having children and the reduction in the number of children per family will be the causes of this downward trend in household size in Latin America.
 - Colombia, with an average of 3.9 people per household in 2008, is the country that will reduce the size of its families the most, with the figure dropping to 3.2 people by 2020.
 - Meanwhile, Chile will also show a marked reduction in family size of 9.8 percent, falling from 3.6 people per household in 2008 to 3.3 in 2020

In Brazilian culture, living in a community is vital maintain a high level of social involvement, and consider personal relations of primary importance in all human interactions.

Due to the fact Brazilians are highly involved with social life, many friends, family members, or business partners join together to associate.



Import Trends of Furniture in Latin America: HScode wise analysis

Product : 940350 Wooden furniture for bedrooms (excluding seats)

	Value imported in 2019 (USD thousand)	Unit value (USD/unit)	Annual growth in value between 2015-2019 (%)	Average tariff (estimated) applied by the country (%)
Mexico	37920	131	4	8
Chile	33601	2400	1	3.2
Peru	24669	1029	-4	5.3
Dominican Republic	20632	3891	19	18.5
Uruguay	15246	1019	-3	17.2
Costa Rica	7239	2129	3	12.6
Paraguay	7036	1145	3	17.2
Jamaica	6954	2323	-2	18.7
Colombia	6591	1185	12	12.2
Ecuador	3655	1286	8	27.7
Brazil	1828	3391	11	17.2
Argentina	1735	1129	-10	17.2

Mexico, Chile and Peru are the best shortlisted markets for wooden furniture imports within Latin America considering high absolute imports with lower import tariff rates.

On the other hand, Indian exporters should avoid targeting Ecuador, Brazil and Argentina.

Product : 940360 Wooden furniture (excluding for offices)

	Value imported in 2019 (USD thousand)	Unit value (USD/unit)	Annual growth in value between 2015-2019 (%)	Average tariff (estimated) applied by the country (%)
Mexico	120378		-4	11
Chile	68321	2213	3	3.2
Peru	21175	2038	-3	5.3
Colombia	19514	2853	0	11.7
Guatemala	13600	2232	-4	14
Uruguay	12536	1934	2	17.1
Costa Rica	12178	2584	6	12.4
Brazil	10995	3495	-3	17.1
El Salvador	7621	2633	2	13.3
Ecuador	7210	2349	14	28.2
Paraguay	7184	2536	2	17.2
Argentina	6084	2626	3	17.1

For wooden furniture for residential use, best market for India turns out to be Chile. Mexico although is largest importer, however facing very high tariff rate of 11% and negative growth rate in imports for past 5 years.

Markets to be avoided: Brazil, Ecuador, Guatemala and Peru.

Product : 940389 Cane Furniture

	Value imported in 2019 (USD thousand)	Unit value (USD/unit)	Annual growth in value between 2015-2019 (%)	Average tariff (estimated) applied by the country (%)
Mexico	40927		24	12
Colombia	10697	2019	0	12.2
Chile	6252	358	9	3.2
Peru	4541	3344	19	5.3
Costa Rica	1931	5122	-13	12
Guatemala	1757	2127	-6	13.7
Brazil	1367	1514	12	17.1
Ecuador	1104	2359	2	27.6

Chilian market is best for Cane furniture import with decent volume of imports and low rate of import duty. Indian companies can also explore Indo-Chile trade agreement.

Markets to be avoided: Costa Rica, Brazil and Ecuador

Product : 460211 Basketwork, wickerwork

	Value imported in 2019 (USD thousand)	Unit value (USD/unit)	Annual growth in value between 2015-2019 (%)	Average tariff (estimated) applied by the country (%)
Brazil	1115	2942	-3	11.4
Chile	548	891	-22	3.2
Mexico	527	3253	-14	11.9
Argentina	217	4173	-9	11.4
Colombia	180	6000	-3	12.4
Peru	170	3269	0	5.2

Latin American market is not promising for basketwork and wickerwork. Imports have been declining across all LAC with very high import duty rates.

The only market worth considering is Peru.

Product : 442090 Wood marquetry and inlaid wood; caskets

	Value imported in 2019 (USD thousand)	Unit value (USD/unit)	Annual growth in value between 2015-2019 (%)	Average tariff (estimated) applied by the country (%)
Mexico	6792		2	11.9
Brazil	2486	3878	1	13.3
Chile	1246	3054	6	3.2
Dominican Republic	1241	6566	36	17.1
Peru	893	2918	6	5.3
Colombia	802	3856	-9	13.2
Ecuador	633	3367	16	27.5
Argentina	322	4411	-15	13.3

Chilian market is the best import destination for wooden casket. Considerable market Mexico and Brazil.

Difficult market:

Columbia, Ecuador, Argentina

CIS

CIS members include Kyrgyzstan, Armenia, Kazakhstan, Turkmenistan and Belarus. The trade between India and CIS countries such as Russia and Ukraine is expected to touch \$ 30 billion by 2021 where wood and furniture products will play a key role to strengthen trade.

Product: 940360 Wooden furniture (excluding for offices)

	Value imported in 2019 (USD thousand)	Unit value (USD/unit)	Annual growth in value between 2015-2019 (%)	Average tariff (estimated) applied by the country (%)
Russian Federation	253687	2167	-4	12
Kazakhstan	77071	1218	-1	12.2
Belarus	34829	1897	20	8.9
Ukraine	28734	2658	9	0
Georgia	23227	2723	7	0
Azerbaijan	22306	3695	-10	14.4
Moldova	9997	1923	4	8.7
Armenia	9183	1872	19	10.9
Kyrgyzstan	3582	2584	-6	10.9

Ukraine and Georgia are growing markets for wooden furniture with 0% tariff rate. Russia has been high on imports but declining level of imports clubbed by high import duty rate of 12% depicts a challenge of sustenance for India exporters for Russia.

Market to be avoided: Azerbaijan, Kazakhstan and Kyrgyzstan

Product: 940350 Wooden furniture for bedrooms

	Value imported in 2019 (USD thousand)	Unit value (USD/unit)	Annual growth in value between 2015-2019 (%)	Average tariff (estimated) applied by the country (%)
Russian Federation	51737	2060	-10	11.7
Kazakhstan	37769	1534	-4	12.6
Azerbaijan	17063	2159	32	14.4
Georgia	12467	1832	-1	0
Belarus	8156	1576	17	8.8
Armenia	7380	1615	21	10.2
Moldova	6132	2405	2	8.7
Ukraine	5444	3322	1	0
Kyrgyzstan	3320	1895	-1	13.8
Tajikistan	2751		-4	12.9

Indian exporters of wooden furniture for bedrooms should target CIS markets of Azerbaijan and Georgia, Ukraine with latter extending duty free entry.

Markets to be avoided: Russia and Kazakhstan.

Product : 940389 Cane Furniture

	Value imported in 2019 (USD thousand)	Unit value (USD/unit)	Annual growth in value between 2015-2019 (%)	Average tariff (estimated) applied by the country (%)
Russian Federation	28926	3886	4	6.5
Ukraine	7788	3894	28	0
Belarus	5202	2543	36	7.1
Kazakhstan	3697	4259	4	6.6
Tajikistan	3505	637	29	12.9
Azerbaijan	2079	4801	-13	14.4
Georgia	2022	2024	17	0
Moldova	1199	2595	2	8.7
Uzbekistan	899	4610		25.7

Cane furniture exporters from India should target Russia, Belarus and Tajikistan which are great on absolute level of imports along with low import duty and high on import demand.

Ukraine and Georgia offers duty free access to cane furniture.

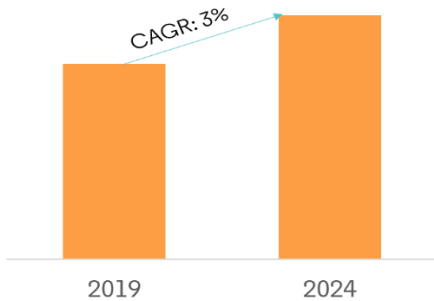
Difficult markets: Azerbaijan and Uzbekistan

Rattan furniture exporters from India will find market of classic rattan furniture due to high demand from buyer from Russia and other ex Uni Soviet countries such as Belarus, Ukraine, Armenia, Uzbekistan, Azerbaizan, etc. Items such as Papasan, Mamasan, Agent Set or Kelek Set, Bahama Set, Rainbow Set, Swivel Rocker and Papasan Rocker are still best seller. Modifications from these models are also popular.

The value of exports of commodity group 4602 "Basketwork, wickerwork and other articles, made directly to shape from plaiting materials or made up from goods of heading 46.01; articles of loofah." from Russia totaled \$ 496 thousand in 2019. Sales of commodity group 4602 from Russia went up by 42% compared to 2018: exports of commodity group 4602 "Basketwork, wickerwork and other articles, made directly to shape from plaiting materials or made up from goods of heading 46.01; articles of loofah." went up by \$ 149 thousand (cumulative exports of commodity group 4602 from Russia amounted \$346 thousand in 2018) The global Wicker Chairs market size is projected to reach USD million by 2026, from USD million in 2020, at a CAGR during 2021-2026.

Russian Furniture highlights: OPPORTUNITY ANALYSIS FOR INDIA

Russia Home Furniture Market - Market Summary



Source: Mordor Intelligence



The Russian home furniture market is expected to register a CAGR of 3% during the forecast period. One of the major drivers of the industry's growth is the boom in the construction industry over recent years. One of the reasons for the growing demand for furniture in Russia is the import of high-quality furniture from China at a low price.

Revenue in the Furniture & Homeware segment is projected to reach US\$1,152m in 2021.

An annual growth rate (CAGR 2021-2025) of 6.8%, resulting in a projected market volume of US\$1,499m by 2025.

In the Furniture & Homeware segment, the User penetration will be 10.4% in 2021 and is expected to hit 13.6% by 2025. Number of users is expected to amount to 19.8m by 2025

In the Furniture & Homeware segment, 3% of total market revenue will be generated through online sales by 2023.

In the year 2020 a share of 30.0% of users is 35-44 years old

The Russian furniture and mattresses import numbers increased by 25%, up to USD 1.7 billion, while in 2018 imports rose by another 21% thus amounting to almost USD 2 billion in the report period. Due to significant increase in imports, Russian furniture market in general is growing faster than domestic furniture production.

The Association of Furniture and Woodworking Industry of Russia asks the Russian government to renew the decree number 1072, which previously forbade state and municipal institutions to buy foreign-made furniture. In 2018 more than 14 billion rubles (\$220 million) worth of furniture was purchased for budgetary needs under the state order – this is about 15% of all furniture produced in Russia in a year.

Competition to Indian furniture in Russia

Growing furniture imports into Russia does give Indian furniture exporters an export opportunity. While at the same time they need to be wary of rising competition from other competing countries since in 2018, all the key countries supplying furniture to Russia enhanced their importation volume.

- Germany showed the most spectacular growth of 29.8% (country's share of imports reached 7%).
- China, making the lion's share of furniture imports to Russia (23%), increased its supplies by 25.8%.
- Imports from Belarus increased by 14.5%, and this country continues to hold the second rank in terms of importation volume in Russia
- Italian furniture companies increased their import to Russia at a moderate pace of 4%, reaching the share of 9%.

The overall share of these 4 leading importing countries totaled 52% of the Russian furniture imports pie.

Considering other countries, where the furniture industry is highly developed, we notice a significant increase in the supply of furniture to Russia from Poland – by 40%, from Romania – by 37%, from Vietnam – by 36%.

IKEA largest furniture factory in Russia starts its operation



Apart from other competing countries, local furniture industry in Russia would also give immense competition to Indian companies. The furniture industry in Russia is one of the most competitive industries. Furniture products are manufactured in 79 regions of the Russian Federation in seven Federal districts. Innovative technologies, production modernization, use of new high-quality materials, gives industry an added edge.

Association of furniture and woodworking industry of Russia has asked the government to renew the ban on the purchase of foreign furniture for public use. Otherwise, Russian companies may lose 10 billion roubles in 2020. The Association has asked the government to renew the decree No. 1072, which prohibited state and municipal institutions to buy furniture of foreign manufacture, notes TASS. The order was valid from 1 December 2017 to 30 November 2019, the Association has offered to extend the ban on foreign purchases of furniture for corporations, but did not receive support.

Opportunities for Indian Furniture in Kazakhstan

Increased demand for furniture in Kazakhstan along with decline in the production by 27% has given an opportunity for Indian exporters to explore business opportunity for India furniture in Kazakhstan. This opportunity has been witnessed highest for laminated chipboard and MDF (which serve for the cabinet furniture production) where prices have been increasing by over 60% due to the shortage of materials and accessories. Currently been imported from Russia and Belarus In Kazakhstan, MDF is not produced, and there is little production of laminated chipboard, and the quality leaves much to be desired.

Furniture production in 2020 reached KZT 43.1 billion, which is 13.7% more in value terms than a year earlier. At the same time, the IPP was only 89%, which indicates a decline in output in real terms. In physical terms, a decline is evident in most segments.

- Production of stools and other seating furniture with a metal frame decreased by 20.9%, to 803.1 thousand pieces.
- Production of wooden office furniture fell by 15.7% to 242.7 thousand pieces;
- Production of kitchen furniture fell by 15.3% - up to 87.3 thousand pieces;
- Production of wooden furniture for dining rooms and living rooms fell by 1.2% - up to 65 thousand pieces.

Local competition

The household furniture market is dominated by upholstered and cabinet-type furniture that produce about 60% of turnover in the industry. Another 30% is owned by kitchen and bedroom furniture, the demand for which is closely linked to the development of housing construction. Hall furniture occupies 3-4% of the market and is being gradually replaced by built-in closets. The supply of furniture for teenagers and young people as well as bathroom furniture has been increasing recently as well.

JAPAN

The Japanese furniture industry has evolved from a tiny market of around 50 billion yen to nearly 3.5 trillion yen in 2019. Revenue in the Furniture market is projected to reach US\$103,208m in 2022. The market is expected to grow annually by 3.0% (CAGR 2021-2025). Per person revenues of US\$818.78 will be generated in 2022 with total revenue in the Furniture market projected to reach US\$103,208m in 2022.

A significant feature of Japanese furniture consumption is the popularity of high-end furniture and luxury furniture. The country is witnessing increased construction activity which has led to the expansion of residential real estate with a significant increase in the number of households in the country. This is boosting the demand for furniture products such as living room and bedroom furniture. Japan is also witnessing an increasing demand for exquisite and durable high-end solid wood furniture when setting up a new family which is boosting the market growth further. The market share of imported furniture in Japan has risen significantly in the last few years.

Japan is currently witnessing a high demand for home furniture which includes the living room and dining room furniture, bedroom furniture and kitchen furniture. The country is witnessing expanded construction activity with new housing units being built across the country and an increase in the per capita disposable income on consumers which is increasing the demand for home furniture. Among imported furniture, wooden furniture occupies the largest proportion, followed by furniture accessories, metal furniture, plastic furniture, etc.

Code	Product label	2016	2017	2018	2019	2020	Trend
	Furniture	3964748	4091384	4278273	4338153	4071028	
'950300	Tricycles, scooters, pedal cars and similar wheeled toys	2000005	2127142	2286518	2296681	2050078	
'940360	Wooden furniture (excluding for offices)	1098141	1115972	1138172	1154829	1136014	
'940390	Parts of furniture, n.e.s.	515811	505015	503575	516756	494599	
'940350	Wooden furniture for bedrooms	213714	202542	215066	228885	248244	
'442090	Wood marquetry and inlaid wood; caskets and cases for jewellery or cutlery	56489	56597	57173	54906	55742	
'940389	Furniture of other materials, including cane	28960	27664	29187	35061	39170	
'940330	Wooden furniture for offices	25611	25692	22002	23149	21771	
'460212	Basketwork, wickerwork	10472	12221	11377	12700	11595	
'460211	Basketwork, wickerwork and other articles, made directly to shape from bamboo plaiting materials ...	15545	15629	12952	11926	9400	
'940382	Furniture of bamboo	0	2910	2251	3260	4415	

COMPETITION IN JAPAN FOR INDIAN FURNITURE EXPORT

The Japan Furniture Market is fragmented with the presence of local and international players such as Nitori, Muji, Karimoku, Sankou, and Ikea. The manufacturers are offering a range of styles from traditional Japanese to Scandinavian styles and are focusing on offering products with varied color options and simple designs at reasonable prices.

Japan imports nearly bedroom furniture from China, Vietnam and other Southeast Asian countries. With low labour costs, China has become Japan's largest furniture importer accounting for nearly 40% of the total Japanese wooden furniture imports. Some of the other importers of furniture products in Japan are Thailand, Vietnam, Malaysia, the Philippines, Indonesia, Germany and Italy.

Product: 940360 Wooden furniture (excluding for offices)

Code	Product label	2016	2017	2018	2019	2020	Trend
'940360190	Other	997706	1024653	1040604	1055752	1053038	
'940360110	Buddhist altar	76763	67320	63402	63779	54287	
'940360010	furniture (excluding cupboards and bookcases), designed to ...	21599	23517	33021	35461	29591	

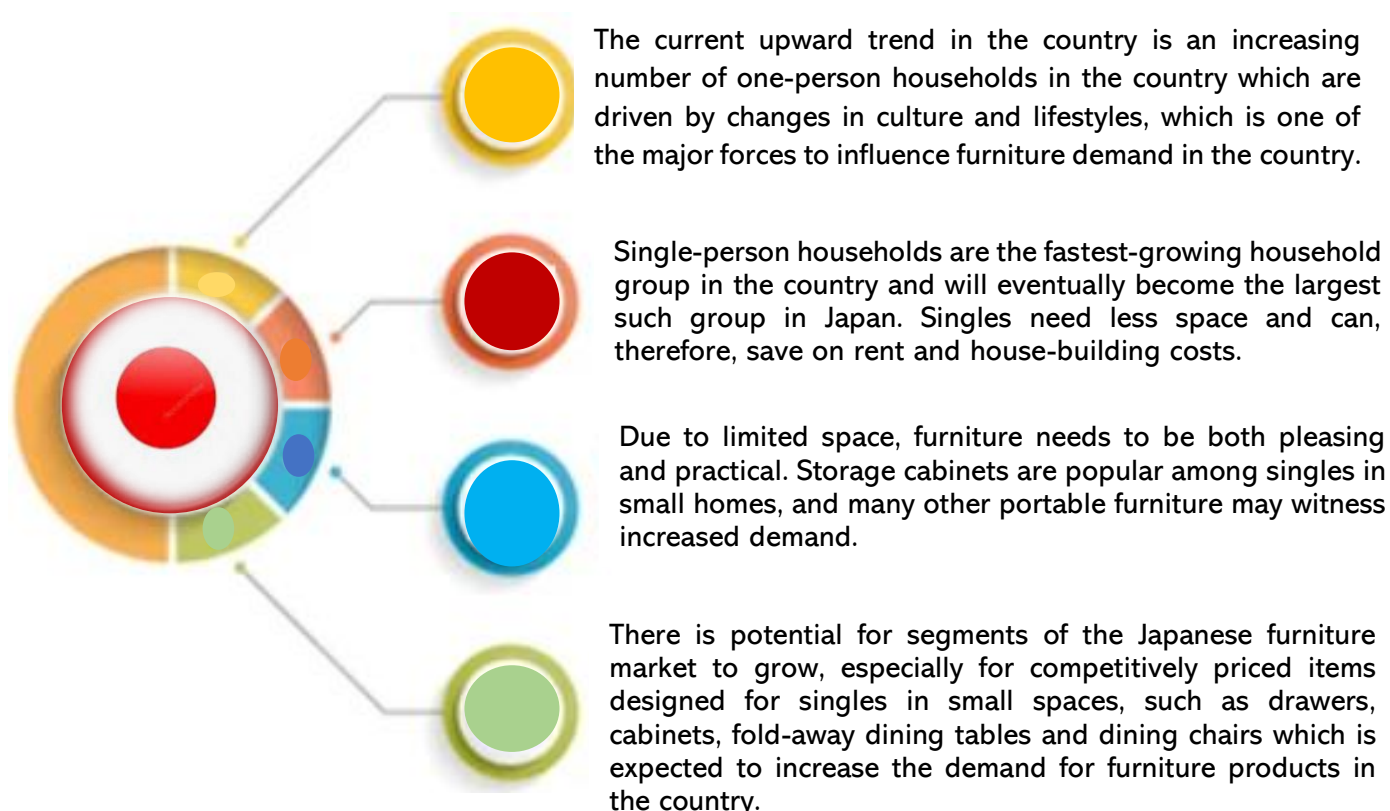
	Value imported in 2019 (USD thousand)	Share in Japan's imports (%)	Quantity imported in 2019	Unit value (USD/unit)	Growth in imported value between 2015-2019 (% p.a.)	Average tariff (estimated) applied by Japan (%)
China	482768	41.8	149957	3219	0	0
Viet Nam	265745	23	102691	2588	2	0
Malaysia	107432	9.3	80770	1330	-5	0
Indonesia	85813	7.4	33763	2542	1	0
Philippines	45715	4	6462	7074	22	0
Thailand	43950	3.8	29440	1493	-2	0
Cambodia	4413	0.4	465	9490	94	0
Korea	3625	0.3	277	13087	-2	0
India	1920	0.2	277	6931	10	0

Product: 940350 Wooden furniture for bedrooms

	Value imported in 2019 (USD thousand)	Share in Japan's imports (%)	Quantity imported in 2019	Unit value (USD/unit)	Growth in imported value between 2015-2019 (% p.a.)	Average tariff (estimated) applied by Japan (%)
China	125645	54.9	57962	2168	2	0
Viet Nam	79899	34.9	44039	1814	9	0
Thailand	8324	3.6	5241	1588	1	0
Malaysia	5803	2.5	2605	2228	3	0
India	22	0	1	22000	37	0

CONSUMER TRENDS ACROSS JAPAN

The rise in the number of household units and population migration are also contributing to this growth. The household spending on dining-room furniture in the country is also fairly stable although relatively small compared with spending on bedroom items. The rise in the number of household units and population migration are also contributing to this growth.



MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES

Seiza involves sitting down on the floor and not on a chair. In traditional Japanese architecture, floors in various rooms designed for comfort have tatami floors. Seiza thus is closely connected with tatami flooring. There are circumstances, however, when people sit seiza-style on carpeted and hardwood floors.



Special seiza stools are available in Japan. They are folding stools, small enough to be carried in a handbag, which are placed between the feet and on which one rests the buttocks when sitting seiza-style.



An izakaya is a typical Japanese bar-restaurant where people enjoy coming for a drink and a bite to eat. The welcome is warm, and the atmosphere always cheerful. It is where employees meet after a day's work to relieve stress and unwind together. Going to an izakaya with colleagues after work is a cultural habit in Japan.



BATH TUBS IS MANDATORY FOR JAPANESE HOUSEHOLDS AND HOTELS & COULD YOU BELIEVE THEY ARE WOODEN AND NOT CERAMICS

The *genkan* (玄関, げんかん) in a Japanese home is the place where you remove your shoes before you enter the main part of the house. In a typical Japanese studio apartment, the genkan is smaller. A typical one looks like the one pictured below.



The cabinet to the left of the door is the “shoe box” (shoe cabinet). According to traditional Feng Shui (wind & water) the wind brings the positive energy (chi) into the home, and water makes it stay. Neither shoes nor slippers should be left lying outside the main door of the house.

One aspect of the Japanese home that truly separates it from its Western counterpart is the lack of a designated use for the main rooms. While the bathroom and kitchen are fixed, the living spaces are fluid, with bedrooms, living rooms, studies and guest rooms all interchangeable. This is due the tradition of minimal furniture and the use of large storage cupboards called *oshiire*—where everything from fans to futons can be stored during the day to open up spaces for more general use.



The rooms themselves have either wooden or tatami flooring, with many modern houses having a traditional Japanese room called a *washitsu*. This room is distinguished by tatami flooring, and often a low table called a *chabudai* for family meals.



The chabudai is one major piece of furniture found in most traditional Japanese homes, be it a tea or low dining table. Most times, these tables come with a height of 15 inches, and this is because, most times, they are used on tatami mats in combination with floor cushions and chairs, or zabuton and zaisu respectively.

A chabudai (チャブダイ) is a short-legged table used in traditional Japanese homes. The original chabudai ranged in height from just 15 cm to a maximum height of 30 cm. People seated at a chabudai may sit on zabuton or tatami rather than on chairs. The four legs of a chabudai are generally collapsible so that the table may be moved and stored easily.

Chabudai are used for various purposes, such as study tables, work benches, or dinner tables (shokutaku (食卓、しょくたく)).



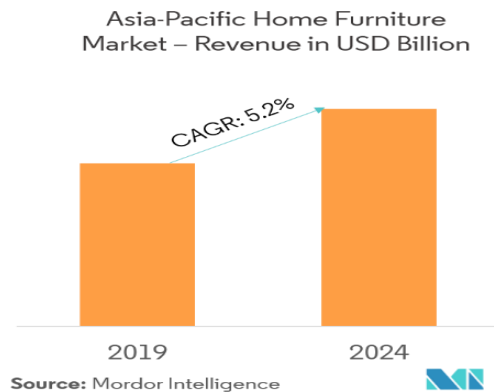
Heated Chabudai Table In the winter, the chabudai is often replaced by a kotatsu, another type of short-legged table equipped with a removable top and a heater underneath.

In Japan, especially in Tokyo, electricity costs can be compared to those of large cities in kWh costs. Therefore, during the winter months, Kotatsu is great for couples as well as singles to keep them insulated and warm while indoors.

If used with an electric heater, this heated Chabudai table can save some electricity costs; about \$2 to \$3 dollars daily. Another great feature of this table is that it is totally reversible.

ASEAN

The global furniture industry is expected to grow from S\$631 billion in 2017 to S\$766 billion in 2021, with the highest growth coming from Asia. With a population of over 600 million, rapid economic growth and increasing income, South-East Asia is a huge market with high demand and purchasing power. Revenue in the Furniture market is projected to reach US\$613,865m in 2021. The market is expected to grow annually by 4.9% (CAGR 2021-2025). In relation to total population figures, per person revenues of US\$137.78 will be generated in 2021. Vietnam, Malaysia, Indonesia, Thailand, and the Philippines are fast growing furniture suppliers.



The Asia Pacific outdoor furniture market was valued at US\$ 4,137.69 Million in 2018 and it is expected to grow at a CAGR of 4.9% during 2019–2027, to reach US\$ 6,383.64 million by 2027. Outdoor furniture such as chairs, tables, seating sets, dining sets, loungers, daybeds, hammocks, and others are quite popular among both the residential and commercial customers.

Moving beyond 2020: What product categories should India focus?

Singapore		Value imported in 2019 (USD thousand)	Annual growth in value between 2015-2019 (% p.a.)	Average tariff (estimated) applied by Singapore (%)
'940360	Wooden furniture (excluding for offices, kitchens and bedrooms, and seats)	137218	-9	0
'940390	Parts of furniture, n.e.s. (excluding of seats and medical, surgical, dental or veterinary ...)	63955	1	0
'940350	Wooden furniture for bedrooms (excluding seats)	31767	6	0
'940389	Furniture of other materials, including cane, osier or similar materials (excluding of bamboo, ...)	24625	-7	0
'442090	Wood marquetry and inlaid wood; caskets and cases for jewellery or cutlery	19277	1	0
'940330	Wooden furniture for offices (excluding seats)	18414	-17	0
'460211	Basketwork, wickerwork and other articles, made directly to shape from bamboo plaiting materials ...	738	-2	0

Highest imported furniture item in Singapore is wooden furniture for bedroom. However, import duty is zero across all furniture segments.

Malaysia		Value imported in 2019 (USD thousand)	Annual growth in value between 2015-2019 (% p.a.)	Average tariff (estimated) applied by Malaysia (%)
'940360	Wooden furniture (excluding for offices, kitchens and bedrooms, and seats)	142518	10	0
'940390	Parts of furniture, n.e.s. (excluding of seats and medical, surgical, dental or veterinary ...)	78759	4	0
'940330	Wooden furniture for offices (excluding seats)	32699	29	0
'940350	Wooden furniture for bedrooms (excluding seats)	27952	-4	0
'940389	Furniture of other materials, including cane, osier or similar materials (excluding of bamboo, ...)	10261	4	0
'442090	Wood marquetry and inlaid wood; caskets and cases for jewellery or cutlery	3179	-4	12.8
'460211	Basketwork, wickerwork and other articles	845	-9	18.6

Highest imported furniture item in Malaysia is wooden furniture for offices but excluding kitchen and home. Indian exporters should avoid inlaid wood products and basketwork.

Indonesia		Value imported in 2019 (USD thousand)	Annual growth in value between 2015-2019 (% p.a.)	Average tariff (estimated) applied by Indonesia (%)
'940360	Wooden furniture (excluding for offices, kitchens and bedrooms, and seats)	58915	23	18.8
'940389	Furniture of other materials, including cane, osier or similar materials (excluding of bamboo, ...)	24425	161	9.4
'940350	Wooden furniture for bedrooms (excluding seats)	23797	15	18.8
'940330	Wooden furniture for offices (excluding seats)	16534	21	4.7
'940390	Parts of furniture, n.e.s. (excluding of seats and medical, surgical, dental or veterinary ...)	9499	-8	14.3
'442090	Wood marquetry and inlaid wood; caskets and cases for jewellery or cutlery, and similar articles, ...	638	-14	23.4
'460211	Basketwork, wickerwork and other articles, made directly to shape from bamboo plaiting materials ...	246	-26	23.4

Indonesian market does not offer duty free access to any of the furniture products. The only segment that attracts minimum import duty of 4% growing at the rate of 21% is wooden furniture for office.

Philippines		Value imported in 2019 (USD thousand)	Annual growth in value between 2015-2019 (% p.a.)	Average tariff (estimated) applied by Philippines (%)
'940360	Wooden furniture (excluding for offices, kitchens and bedrooms, and seats)	118432	20	13.8
'940350	Wooden furniture for bedrooms (excluding seats)	34259	24	13.8
'940330	Wooden furniture for offices (excluding seats)	32709	23	13.8
'940390	Parts of furniture, n.e.s. (excluding of seats and medical, surgical, dental or veterinary ...)	19788	-5	11.5
'940389	Furniture of other materials, including cane, osier or similar materials (excluding of bamboo, ...)	19044	25	13.8
'442090	Wood marquetry and inlaid wood; caskets and cases for jewellery or cutlery, and similar articles, ...	1335	10	9.2

Philippines market does not offer duty free access to any of the furniture products. The only segment that attracts minimum import duty of 9% growing at the rate of 10% is inlaid wooden caskets.

Thailand		Value imported in 2019 (USD thousand)	Annual growth in value between 2015-2019 (% p.a.)	Average tariff (estimated) applied by Thailand (%)
'940360	Wooden furniture (excluding for offices, kitchens and bedrooms, and seats)	65831	5	14.9
'940390	Parts of furniture, n.e.s. (excluding of seats and medical, surgical, dental or veterinary ...)	37635	17	7.4
'940350	Wooden furniture for bedrooms	18741	13	14.9
'940330	Wooden furniture for offices	14260	17	14.9
'940389	Furniture of other materials, including cane	13198	-14	14.9
'442090	Wood marquetry and inlaid wood; caskets and cases for jewellery or cutlery, and similar articles, ...	1881	-13	14.9
'460211	Basketwork, wickerwork and other articles, made directly to shape from bamboo plaiting materials ...	428	-8	22.4

Thailand does not offer duty free access to any of the furniture products. The only segment that attracts minimum import duty of 7.4% growing at the rate of 17% is furniture parts.

CONSUMER TRENDS ACROSS ASEAN

- The rise in focus towards attractive garden and lounge areas has perpetually driven the demand for aesthetic items such as chairs, tables, and other accessories. It is expected to have a positive impact upon market growth.
- Factors including the rise in consumer spending & traveling trends resulted in a rise in the number of tourists across ASEAN. These factors are mostly observed in tourist spots, beach sides, and hill stations, thereby leading to multiplying counts of motels, hotels, guest houses, resorts, open spaces, and public gardens.
- The rise in focus towards attractive garden and lounge areas has perpetually driven the demand for aesthetic items such as chairs, tables, and other accessories. It is expected to have a positive impact upon market growth.
- The shift in consumer spending towards better living backed by rise in per capita and disposable income has augmented the growth of outdoor furniture market.
- renovations in old residential building along with new constructions have also channelized the demand for the better outdoor furniture facilities such as table, chairs or combination sets.
- In current era, consumers are looking out for outdoor furniture which offers the same level of comfort as that provided by the indoor furniture which has proliferated the demand for seating sets in the Asia Pacific outdoor garden furniture market.

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Wood segment dominated the Asia Pacific outdoor furniture market. Usage of wood in production of outdoor garden furniture has also gained prominence with the growing focus over sustainability as well as aesthetic appearance.



Thai furniture designers and manufacturers draw upon the country's bountiful natural woods and fibers to create furniture that is innovative, attractive, and functional. Green living design, a concept in which Thailand is leading the way in Southeast Asia.

Case analysis of OSISU

OSISU is Thailand's leading eco design furniture company where each OSISU product is "hand-crafted from materials left to waste at construction sites or discarded from manufacturing processes and exemplifies "a commitment to environmentally responsible design while meeting functional requirements. Among the scrap products OSISU has fashioned into interesting furniture and furnishings are construction steel, leather, and plastics. In addition, he created a compressed board substrate from chip bags, which were mulched and heated to form a material that is being used to manufacture cabinets, shelves, and furniture.

Case analysis of Deesawat

Another award-winning manufacturer is Deesawat, whose motto is, "where quality comes naturally." Deesawat is one of the leaders of Thailand's thriving wood industry. In addition to fine craftsmanship and high precision, Deesawat is recognized for innovative designs in outdoor furniture, flooring, decking, furnishings, and doors. While the company originally made its mark with teak, it has branched out into aluminum, stainless steel, Batyline® (100 percent recyclable composite fabrics), Sunbrella (UV-stable fabrics), and synthetic rattan.

Case analysis of Yothaka International

Yothaka International pioneered the use of water hyacinths in the Thai furniture manufacturing industry. Thailand was the first country to recognize the potential value of this tropical weed, which was choking off waterways in much of Southeast Asia, and transform into a useful fiber and a sustainable cash crop. From the water hyacinth, Yothaka's creative artists and master craftsmen created hand-made furniture with aesthetically simple designs.

Case analysis of Yan Lipao

Yan Lipao, a forest fern traditionally used in Thai baskets, is another easily renewable agricultural fiber the company uses, and its "New Asian Style Concept Furniture" includes chairs, stools, and benches made from pineapple fiber paper.

Case analysis of Yothaka

Yothaka also produces home accessories such as boxes, baskets, stationery, and photo frames catering to high-end audiences. Since 1989, the manufacturer has been known for its originality, inimitable design, and contemporary elegance "offering a perfect balance between aesthetic innovation and timeless rules of beauty." Made of eco-friendly materials, Yothaka products are sold in the United States, Japan, Europe, Australia, New Zealand, and the Middle East.



Case of Terra Motif

Terra Motif Lifestyle produces outdoor classical and contemporary furniture and accessories – mainly tables, chairs, and sofas – woven from rattan, environmentally friendly synthetic wicker, or 100 percent recycled plastics. The company currently distributes its furniture only in Thailand and Indonesia.

Case of Bua Bhat

Since 1987, Bua Bhat has been manufacturing eco-friendly, hand-hooked rugs, wall hangings, and pillows. Following a traditional Thai village lifestyle, Bua Bhat's all-women workforce produces the home furnishings from new fibers salvaged from the edges of garments. The factory, in Chiangmai, maintains high quality control but operates as a cottage industry, providing a comfortable and ecologically sound environment for the employees.

Case of Korakot Aromdee

Inspired by the environment to use natural materials such as bamboo and hemp rope, and using the techniques of traditional kite making, Korakot Aromdee, manager of Korakot International, creates distinctive home furnishings such as lamps, trays, and wall hangings for the home, hotels, and office buildings.

Case of Green River Thailand

More than half of the furniture made in Thailand is wood, some teak, but primarily rubberwood. A byproduct of Thailand's rubber industry, rubberwood is the most ecologically friendly of all lumber used to manufacture furniture. When a rubber tree is about 30 years old and has stopped yielding sufficient latex to be viable, it may be harvested for wood. A member of the maple family, the rubber tree produces a beautiful, dense-grain, durable lumber that is used to make high-quality furniture. To help preserve Thailand's natural forests and provide a sustainable wood alternative, the government has worked with the Thai Furniture Association and other groups such as Green River Thailand to improve rubberwood production, harvesting, and marketing.

Case of Kan Thai Decor

Kan Thai Decor specializes in creating simple, unique, natural wood furniture and decorative items such as end tables, benches, chairs, wall panels, and tables, primarily carved from sustainable monkey pod wood. Skilled craftsmen from Chiangmai also carve the company's pieces from farmed teak and mango wood. Replanted almost continuously, mango trees are sustainable.

Case of Leowood Intertrade Co.

Thailand's largest wooden furniture manufacturer, Leowood Intertrade Co., combines advanced technology from Germany and fine Thai wood to create a variety of products. Leowood has developed eco-friendly, engineered wood, under the Tekwood brand, for outdoor furniture that can last up to 25 years. Its rubberwood products have been designed for indoor use as floors, stairs, doors, windows, and frames.

6.3 HOME PRODUCTS

Indian Home product exports have been divided into five prime categories (i) Metals (ii) Bone China & Porcelain (iii) Ceramic (iv) Glass & Glassware (v) Misc. Manufactured Articles



5.3.1 Metal Work		5.3.2 Bone China & Porcelain		5.3.3 Ceramic		5.3.4 Glass & Glassware		5.3.5 Misc. Manufactured Articles	
74199930	Brass Articles		Tableware of bone china & Soft prcln		Other ceramic articles (excl. prcln/China)	70200090	Other Glassware articles	44219160	Decorative tableware
73239420	Utensils	69111011		69149000			Other Glass mirror (Framed)	96031000	Brooms & brushes
73239490	Other household iron articles (not enamel)	69111029	Kitchenware	69120090	Others	70099200	Other Glassware in table/Kitchen	83063000	Picture Frames Mirror
76151030	Other household articles	69111019	Tableware	69120020	Ceramic Kitchenware	70134900	Other Glass Chimneys	96089910	Pen & Similar Holders
74199940	Copper worked articles		Other Household & Toilet Articles	69120040	Clay Articles	70200029	Of Lead Crystal		
74181021	Of brass	69119090	Kitchenware of bone china & Soft prcln	69120010	Ceramic Tableware	70133300	Other		
74181022	Of copper	69111021			Other ceramic articles of prcln/China	70133700	Glassware of LED crystal		
74181039	Other utensils		Water filter cap <= 40 lit of prcln	69141000	Toilet articles other than prcln/China	70134100			
73239200	Other household enamel iron articles	69119020	Toilet articles of prcln China	69120030					
74199920	Articles of copper alloy electroplated with Ni-Ag	69119010							
74181023	Of other copper alloys								

	High value, growing
	Low value, growing
	High value, declining
	Low value, declining



6.3.1 METAL WORKS

WHERE DOES INDIA STAND IN GLOBAL METAL WORKS?

For Home Products, China & India are largest manufacturer of metal works. This segment has vast products made of steel, aluminum, copper, iron etc. India has significant sources of coal (fourth-largest reserves in the world) and is largest producer of iron ore in the world.



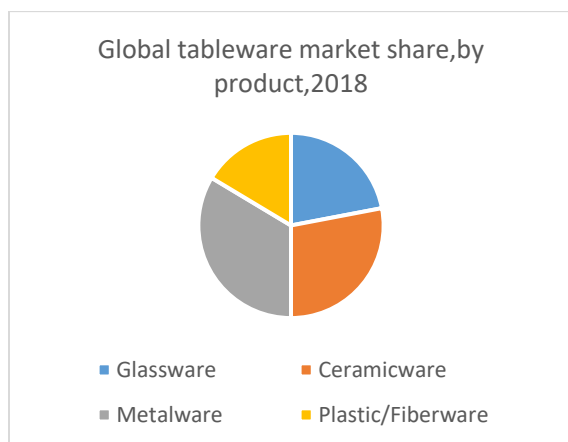
India is the world's second-largest manufacturer of metal works after China. Being the world's top exporter in this category, China is a fierce competitor in the global market.

For an emerging market, China is already supply threat to Indian suppliers due to its export share which is much more for household products for any segment. It has largest share for ceramics, metals, porcelain, glassware and undoubtedly bone China products. In fact, China exported metal-based home products almost 5 times more than what India exported during the same year. And not just India's exports but China is eating up India's domestic market with low priced imports.

PROSPECTS FOR INDIAN METAL WORKS ACROSS GLOBAL MARKETS

a. Metal Kitchenware

The global kitchenware market size was valued at USD 56.8 billion in 2018 and is expected to expand at a CAGR of 4.5% by 2024. Economic growth in emerging countries and rapid urbanization are the primary factors driving the market. Moreover, rising disposable income, changing lifestyles, and an increasing number of households are surging the demand for the product over the last few years and are expected to propel the market growth in the forecast period.



A major population prefers to have their dinnerware of metal in countries such as India. Glasses and stands are mostly made of stainless steels, thus fueling the demand for metalware in the forecast period. Demand for metals such as stainless steel and aluminum for dinnerware is increasing due to increasing awareness about the health benefits of metal plates for eating. These are the prominent factors boosting the segment growth.

In Europe, Germany accounts for the majority of share and is expected to register a CAGR of 7.6% over the forecast period. High usage of different types of tableware and increased spending power of the consumer group are driving the market in the region. Metal works continues to attract markets of USA, Germany and Japan has also seen rising demand for same due to its durability.

UNITED STATES OF AMERICA

USA Import Trends of Metal based household articles in USA has been found to be high in Table and kitchen household articles, and pot scourers and scouring or polishing pads, gloves, and the like, of aluminum (761510), but its RCA for India is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 741810 i.e., table or kitchen household articles and parts thereof, and pot scourers and scouring or polishing pads, gloves, and the like, of copper although it has a low import share in USA (3%), as it has a better stand in comparison to Chinese RCA for the same HS code.

Code	Product label	2015	2016	2017	2018	2019	Trend	Share in Imports
	Metal works	1174815	1263750	1288819	1300857	1344976		
'761510	Table, kitchen or other household articles and parts thereof, and pot scourers and scouring ...	1038132	1123312	1152605	1170424	1204898		90%
'732394	Table, kitchen or other household articles, and parts thereof, of iron other than cast iron ...	80001	85282	80535	87923	105211		8%
'741810	Table, kitchen or other household articles and parts thereof, and pot scourers and scouring ...	56682	55156	55679	42510	34867		3%

Exporting country to USA	Value imported in 2019(US \$ Thousand)	Share in USA imports (%)	Unit Value (USD /unit)	Average tariff (estimated) applied by USA
India	11104	32%	16163	3%
China	9115	26%	8409	3%
France	4058	12%	27605	3%
Mexico	3166	9%	8443	0%
Italy	1991	6%	23151	3%
Taipei, Chinese	1430	4%	17024	3%
Turkey	961	3%	16860	3%
Germany	812	2%	32480	3%
United Kingdom	544	2%	60444	3%

As is indicated in the table above, India is largest exporter for HS code 741810 but has tariff of 3% in MFN. China is the closest competitor for India here and to perform better in market India need to have competitive advantage in future too.

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES

In America, any special occasion - such as a birthday, anniversary, or wedding - is ideal for sending a Spa Gifts or a Wine Gifts to help any hard worker wind down and relax. Such hard-working people also often celebrate business partnerships and achievements, and these occasions are also perfect for Tea-Coffee Gifts or Wine sets.

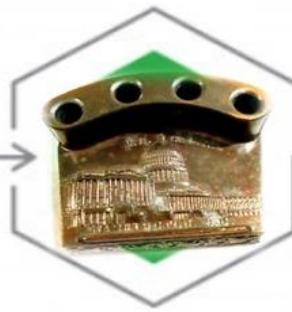




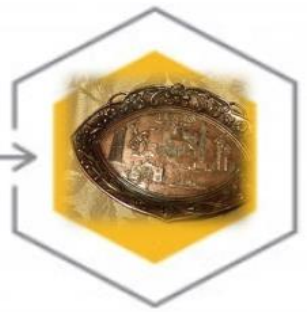
Wine sets, coffee or mug sets can be made of copper which is durable and has associated saying of Ayurveda that you copper recharges the drink and has medical properties associated with it.



North America was the largest market, with an increasing number of fine dining restaurants in the U.S. and Canada with a greater emphasis on hygiene post covid. Furthermore, some modern recipes of beef and lamb expect the meat to be cooked for over 24 hours, which leaves extremely tough stains on the cookware. As a result, the use of a scouring pad acts as a necessary tool for cleaning.







Atlanta was originally called as Terminus and is famous for its barbecue, barbecue stick made of metal is a good opportunity for sellers here. Also vintage copper pen stand and ash trays are a luxury in the US market.



EUROPEAN UNION (EU)

Countries like Germany, France, the United Kingdom, Spain, the Netherlands and Italy have a high acceptance for metalworks from non-EU suppliers. France and Spain may be particularly interesting since they have the highest average import prices and a positive price evolution over the last five years.

Import Trends of Metal based household articles in EU has been found to be high for kitchen household articles, pot scourers, scouring or polishing pads, gloves, and the like, of aluminum (761510), but its RCA for India is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 741810 i.e., Table or kitchen household articles and parts thereof, and pot scourers and scouring or polishing pads, gloves, and the like, of copper although it has a low import share in EU (4%), as it has a better stand in comparison to Chinese RCA for the same HS code & has increasing import demand from last 5 years.

Code	Product label	2015	2016	2017	2018	2019	Trend	Share in Imports
	Metal works	1400456	1497778	1635568	1767146	1780782		
761510	Table, kitchen or other household articles and parts thereof, and pot scourers and scouring ...	1195966	1283885	1368636	1467035	1480445		83%
732394	Table, kitchen or other household articles, and parts thereof, of iron other than cast iron ...	156671	161306	208044	232886	234903		13%
741810	Table, kitchen or other household articles and parts thereof, and pot scourers and scouring ...	47819	52587	58888	67225	65434		4%

Germany & Netherlands has an increasing demand for Copper based kitchenware and tableware articles (HS code 741810) among all the countries in the EU, growing at the rate of 1% and -9% in the past year in the metal-based household article category. However, in the absence of any trade remedy on the select product, import tariff rate of 4% is applied in Germany and Netherlands.

Importers	Value imported in 2019(US \$ Thousand)	Quantity imported in 2019, Tons	Unit Value (USD tons)	Annual growth in value between 2018-2019, %
Germany	311233	42324	7354	1
United Kingdom	193944	32327	5999	-1
France	189802	28236	6722	3
Italy	169681	24718	6865	14
Spain	148915	25986	5731	-2
Poland	128972	24164	5337	6
Netherlands	107667	13778	7814	-9
Belgium	102400	15478	6616	-9
Slovakia	52282	5633	9281	-6
Czech Republic	46987	7967	5898	-14

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Beer Pong Is a very widely accepted Bonding game played in Germany which uses a lot of plastic cups. Can be used as an avenue to promote sustainability by using made copper which will create a natural sound to soothe and excite the environment.



Kitchen or Tableware in France modern kitchen uses a lot of understanding from using copper as a material for shine and ancestral Indian use. Even the nobbs of kitchen gas stove/tableware can of copper for aesthetic and has good tensile property.

LATIN AMERICA

Import Trends of Metal based household articles in LAC has been found to be high in Table and kitchen household articles, and pot scourers and scouring or polishing pads, gloves and the like, of aluminium (761510), but its RCA for India is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 741810 i.e. Table or kitchen household articles and parts thereof, and pot scourers and scouring or polishing pads, gloves and the like, of copper although it has a low import share in LAC (1.14%), as it has a better stand in comparison to Chinese RCA for the same HS code.

Code	Product Label	2015	2016	2017	2018	2019	Share in Imports (2019)	Trend
	metal article	3,43,256	3,33,896	3,77,385	3,92,572	3,76,713		
761510	Table, kitchen or other household articles and parts thereof, and pot scourers and scouring . . .	2,87,847	2,83,660	3,25,569	3,39,603	3,32,622	88.3	
732394	Table, kitchen or other household articles, and parts thereof, of iron other than cast iron . . .	51,293	45,392	47,284	47,854	39,796	10.56	
741810	Table, kitchen or other household articles and parts thereof, and pot scourers and scouring . . .	4,116	4,844	4,532	5,115	4,295	1.14	

Ecuador and Chile have an increasing demand for Copper based kitchenware and tableware articles (HS code 741810) among all the countries in the LAC region, growing at the rate of 9% and -1% in the past year in the metal based household article category. However, in the absence of any trade remedy on the select product, import tariff rate of 6% is applied in Chile and high tariff rate of 30% is applied in Ecuador.

Metal article	Value imported in 2019 (USD thousand)	Quantity imported in 2019	Unit value (USD/unit)	Annual growth in value between 2018-2019 (%)
Mexico	86234	0	-	-9
Brazil	45248	8291	5457	20
Chile	43951	44230	994	-1
Peru	23793	4340	5482	11
Guatemala	21465	5284	4062	2
Colombia	19383	4075	4757	-12
Argentina	17198	3098	5551	-31
Panama	14926	6	2487667	N/A
Ecuador	14002	2769	5057	9
Dominican Republic	12369	2202	5617	16
Jamaica	11333	7332	1546	30
Bolivia, Plurinational State of	11113	3098	3587	-3
Costa Rica	9448	1793	5269	-14

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES

LAC countries like Mexico, Columbia, Peru, Venezuela and Ecuador love bulls depicted by their bull fighting festival, hence **bull shaped metallic cutlery holders** (dhokra art) can be designed to entice their taste.



In Brazilian culture, living in a community is vital, maintain a high level of social involvement, and consider personal relations of primary importance in all human interactions. Due to the fact Brazilians are highly involved with social life, many friends, family members, or business partners join together to associate. Therefore, **large sized utensils for bulk cooking** can be a viable export option.



Brazilian use cutlery for eating everything. Hence, **innovative metal holders for fork, spoon and toothpick holders** can be targeted.





Chileans are crazy for week end expeditions, hence metal tiffin sets can be targeted to facilitate carrying food on those expeditions.

Copper Paella pan for Chilean paella dish. Flat and low depth pans with handles are widely used for preparing Chilean dish Paella, hence the pan derives its name from the dish

Vintage Ecuador souvenir copper wall hanging plate, Hand painted tooled copper pans



Hand painted handicraft objects are a part of folk culture of Ecuador and is widely accepted as a decoration item in Ecuadorian households.



CIS

Import Trends of Metal based household articles in CIS has been found to be high in Table and kitchen household articles, and pot scourers and scouring or polishing pads, gloves and the like, of aluminium (761510), but its RCA for India is poor. Amongst the product categories imported in this category, Indian exporters have a great potential for HS code 741810 i.e. Table or kitchen household articles and parts thereof, and pot scourers and scouring or polishing pads, gloves and the like, of copper although it has a low import share in CIS (0.73%), as it has a better standing in comparison to Chinese RCA for the same HS code and has an increasing import demand for the past two years.

Code	Product Label	2015	2016	2017	2018	2019	Share in Imports (2019)	Trend
	metal article	1,40,050	1,36,963	2,07,862	2,34,761	2,66,253		
761510	Table, kitchen or other household articles and parts thereof, and pot scourers and scouring . . .	1,05,832	1,01,515	1,49,597	1,81,064	2,12,965	79.99	
732394	Table, kitchen or other household articles, and parts thereof, of iron other than cast iron . . .	32,744	33,595	55,345	51,861	51,334	19.28	
741810	Table, kitchen or other household articles and parts thereof, and pot scourers and scouring . . .	1,474	1,853	2,920	1,836	1,954	0.73	

Kazakhstan has an increasing demand with good volume for Copper based kitchenware and tableware articles (HS code 741810) among all the countries in the CIS region, growing at the rate of 6% in the past year in the metal based household article category. However, in the absence of any trade remedy on the select product, import tariff rate of 5% is applied in Kazakhstan.

Metal article	Value imported in 2019 (USD thousand)	Quantity imported in 2019	Unit value (USD/unit)	Annual growth in value between 2018-2019 (%)
Russian Federation	150283	28638	5248	15
Kazakhstan	32260	7784	4144	6
Ukraine	25396	5946	4271	-3
Belarus	18567	3911	4747	18
Uzbekistan	10846	4263	2544	117
Azerbaijan	9585	2739	3499	5
Georgia	6246	1722	3627	3
Moldova, Republic of	4311	844	5108	-2
Kyrgyzstan	4130	1318	3134	54
Armenia	2712	650	4172	0
Tajikistan	1054	-	-	2
Turkmenistan	863	189	4566	N/A

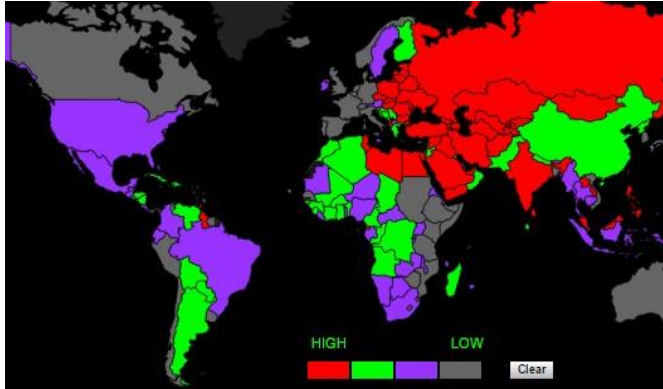
MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



The horse is probably the most central part of CIS culture reflected in their history and stamps across CIS nations. Kazakhs love horses, riding them for transportation in the villages, using them for farming, racing them for fun, and eating them for celebrations. Hence **horse shaped cutlery** can be targeted for such horse loving markets.



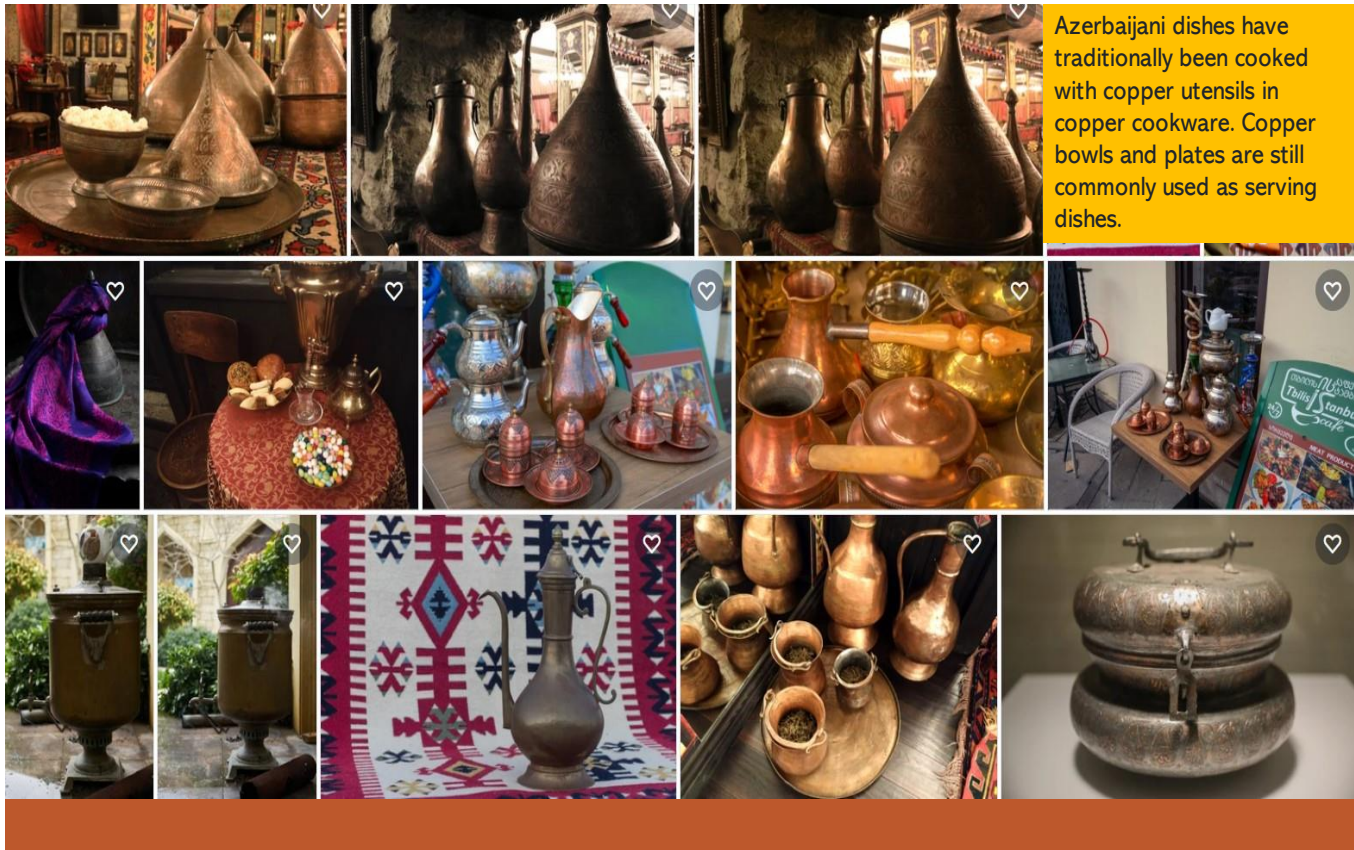
Maximum percentage of CIS citizens lie in the age bracket of 39-45 years. Hence, products should be designed according to the needs of young professionals. **Metal tiffin boxes for carrying food to offices** can be a viable option to target the office going segment.



Country	Rate	Rank	Country	Rate	Rank	Country
TURKMENISTAN	461.09	59	BURKINA FASO	111.03	117	BRAZIL
UKRAINE	384.18	60	BOLIVIA	110.96	118	BOTSWANA
UZBEKISTAN	362.62	61	HONDURAS	110.88	119	QATAR
KAZAKHSTAN	358.86	62	DOMINICAN REP.	110.75	120	SOLOMON ISLANDS
KYRGYZSTAN	354.50	63	PAKISTAN	110.65	121	SWEDEN
BELARUS	342.59	64	OMAN	110.48	122	RWANDA
MOLDOVA	336.63	65	GUINEA-BISSAU	108.36	123	COSTA RICA
ARMENIA	323.68	66	MOROCCO	107.05	124	ZAMBIA



CIS countries have very high number of heart ailment cases. Hence Copper utensils can be promoted siting its cardiovascular health benefits as it helps clean plaque as well as dilate the blood vessels to increase the blood flow to the heart. Studies have proved that Copper deficiency can result in the dysfunction of the heart muscles, leading to insufficient pumping of the blood, impaired circulation of blood in the body and the inability to respond correctly to stress.



Azerbaijani dishes have traditionally been cooked with copper utensils in copper cookware. Copper bowls and plates are still commonly used as serving dishes.



Copper biryani deggh is used to prepare pilaf (pilaw) – a rice preparation which is very famous in Kazakhstan household.



Sarposh is used in traditional Kashmiri dishes to cover plates which can be used in Kazakhstan as well owing to similarities in culture and food eating habits.

AFRICA

Import Trends of Metal based household articles in Africa has been found to be high in Table and kitchen household articles, and pot scourers and scouring or polishing pads, gloves and the like, of aluminum (761510), but its RCA for India is poor. Amongst the product categories imported in this category, Indian exporters have a great potential for HS code 741810 i.e., Table or kitchen household articles and parts thereof, and pot scourers and scouring or polishing pads, gloves and the like, of copper although it has a low import share in Africa (2.2%), as it has a better standing in comparison to Chinese RCA for the same HS code and has an increasing import demand for the past 3 years.

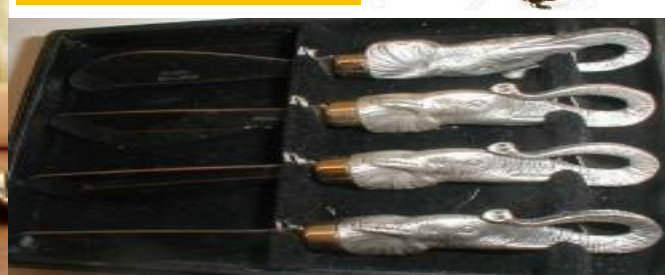
Code	Product Label	2015	2016	2017	2018	2019	Share in Imports (2019)	Trend
	metal article	1,73,439	1,80,022	1,99,607	2,64,636	3,03,098		
761510	Table, kitchen or other household articles and parts thereof, and pot scourers and scouring . . .	1,15,593	1,29,927	1,49,808	2,01,634	2,36,045	77.88	
732394	Table, kitchen or other household articles, and parts thereof, of iron other than cast iron . . .	54,238	45,806	46,386	56,686	60,394	19.93	
741810	Table, kitchen or other household articles and parts thereof, and pot scourers and scouring . . .	3,608	4,289	3,413	6,316	6,659	2.2	

Nigeria and **Mauritius** have an increasing demand for Copper based kitchenware and tableware articles (HS code 741810) among all the countries in the African region, growing at the rate of 35% and -5% in the past year in the metal-based household article category. However, in the absence of any trade remedy on the select product, a high import tariff rate of 20% is applied in Nigeria. 0% tariff rate for the HS code is applied in Mauritius.

Metal article	Value Imported In 2019 (USD thousand)	Quantity Imported In 2019	Unit value (USD/unit)
Egypt	83382	425	196193
Algeria	38004	8088	4699
South Africa	21781	6809	3199
Morocco	18942	4071	4653
Sudan	15552	4801	3239
Libya, State of	13782	2837	4858
Tanzania, United Republic of	11137	3349	3325
Djibouti	10904	2189	4981
Somalia	7676	2137	3592
Congo, Democratic Republic of the	6742	583	11564
Angola	6631	2509	2643
Guinea	6613	2575	2568
Cameroon	6014	1867	3221
Ethiopia	5713	1835	3113
Nigeria	5594	3951	1416
Côte d'Ivoire	5299	6622	800
Tunisia	4207	1357	3100
Mauritius	3358	546	6150
Rwanda	2771	1487	1863
Ghana	2702	3136	862



Africa is home to variety of animals, and hence inclined towards animal prints and designs. **Metallic Animal shaped cutlery** can be promoted in such markets.





ASEAN

Import Trends of Metal based household articles in ASEAN has been found to be high in Table and kitchen household articles, and pot scourers and scouring or polishing pads, gloves and the like, of aluminum (761510), but its RCA for India is poor. Amongst the product categories imported in this category, Indian exporters have a great potential for HS code 741810 i.e., Table or kitchen household articles and parts thereof, and pot scourers and scouring or polishing pads, gloves and the like, of copper although it has a low import share in ASEAN (3.25%), as it has a better standing in comparison to Chinese RCA for the same HS code.

Code	Product Label	2015	2016	2017	2018	2019	Share in Imports (2019)	Trend
	metal article	1,05,889	1,29,832	1,65,193	1,72,132	1,49,042		
761510	Table, kitchen or other household articles and parts thereof, and pot scourers and scouring . . .	85,231	1,06,520	1,17,603	1,31,373	1,23,098	82.59	
732394	Table, kitchen or other household articles, and parts thereof, of iron other than cast iron . . .	17,812	19,021	41,445	35,503	21,094	14.15	
741810	Table, kitchen or other household articles and parts thereof, and pot scourers and scouring . . .	2,846	4,291	6,145	5,256	4,850	3.25	

Thailand has an increasing demand in good volumes for Copper based kitchenware and tableware articles (HS code 741810) among all the countries in the ASEAN region, growing at the rate of 5% in the past year in the metal-based household article category. However,

in the presence of ASEAN-India FTA on the select product, preferential import tariff rate of 5% is applied in Thailand while the MFN rate of duty is 20%.

Metal article	Value imported in 2019 (USD thousand)	Quantity imported in 2019	Unit value (USD/unit)	Annual growth in value between 2018-2019 (%)
Indonesia	40703	13121	3102	-3
Malaysia	25043	6261	4000	-24
Singapore	22759	0	-	-14
Thailand	21950	3568	6152	5
Viet Nam	17836	2692	6626	-12
Philippines	13940	4320	3227	-2
Myanmar	4750	8015	593	-66
Cambodia	1296	362	3580	109
Brunei Darussalam	482	135	3570	-13
Lao People's Democratic Republic	283	489	579	10

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES

One of the most widely used metals in earlier times in Thailand was thong lueang, or brass. Upper-class betel chewers had brass betel paraphernalia. Besides these betel utensils there were also trays for floral offerings made to monks, ornamental water bowls (called khan in Thai) and, in every household, a brass wok for making sweets or fruit preserves



In Myanmar Suitable **servicing spoons** of metal or even Chinaware is put into curries and bowls



Majority ASEAN countries use chopsticks. Hence, metal chopsticks in various designs can be sold here, highlighting reusability and environmental sustainability as key marketing factor.



In Indonesia, spoons and forks are used (never knives). Hence Knives in cutlery set for export in Indonesia should be avoided.



Kan Nam bowls (water bowls of brass) are still used but not for drinking, instead they are used during the songkran (the Thai new year) for pouring water over Buddha statues to ritualistically wash them. They are also used during the celebrations to hold scented water to splash gently on other people.



6.3.2 BONE CHINA & PORCELAIN MADE HOME PRODUCTS

WHERE DOES INDIA STAND IN BONE CHINA & PORCELAIN INDUSTRY FOR HOME PRODUCTS?


India's share in exports is growing but very less as compared to top exporters. Considering the changing demands and world turning to vegan friendly, India stands a chance to exports these in coming future. Comparative advantage of India loses against China in Bone china and porcelain-based tableware and kitchenware household articles. India needs to make effort to sustain its comparative advantage in it considering declining values of RCA in past 5 years. Other competing countries for prime export potential products for Indian porcelain and bone china-based household articles include Germany.

PROSPECTS FOR INDIAN BONE CHINA & PORCELAIN INDUSTRY ACROSS GLOBAL MARKETS

The global Bone China market is anticipated to rise at a considerable rate during the forecast period, between 2020 and 2025. In 2020, the market was growing at a steady rate and with the rising adoption of strategies by key players, the market is expected to rise over the projected horizon. However, the low durability of ceramic tableware is one of the major factors anticipated to hamper the growth of the ceramic tableware market. In Asia-Pacific, China is the largest producer, exporter and consumer, but most of Chinese manufacturers are supplying the low-end products, low price and fierce competition. Japanese and other European brands are dominating the high-end market. India, Indonesia and Thailand also are important producers, but most of players are small- and medium-sized manufacturers and supplying the low-and-medium-grade products.

UNITED STATES OF AMERICA

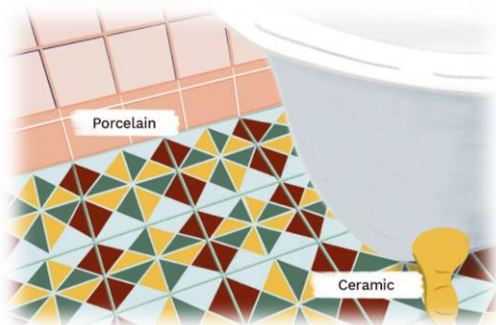
Import Trends of porcelain-based household articles in USA has been erratic. However, Indian exporters have a huge potential for HS code 691110 i.e., Tableware and kitchenware of porcelain or bone china as it has a better stand in comparison to Chinese RCA for the same HS code.

Code	Product label	2015	2016	2017	2018	2019	Trend	Share in Imports
	Bone China & pore	461435	428369	431963	427226	387063		
691110	Tableware and kitchenware, of porcelain or china (excluding ornamental articles, pots, jars, ...)	461435	428369	431963	427226	387063		100%

As is indicated in the table below, the average tariff is 25% for all major suppliers to USA for bone china & porcelain.

Exporting country to USA	Value imported in 2019(US \$ Thousand)	Share in USA imports (%)	Unit Value (USD /unit)	Average tariff (estimated) applied by USA
China	233610	60%	15	25%
Indonesia	36969	10%	26	25%
United Kingdom	19543	5%	38	25%
Germany	17627	5%	43	25%
Thailand	17359	4%	20	25%
France	16655	4%	92	25%

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES




Bone china is the strongest of the porcelain or china ceramics, its high strength allows it to be produced in thinner cross-sections than other types of porcelain. Lenox was the only major manufacturer of bone china in the United States and has supplied presidential services to the White House. It closed production in the US permanently in March 2020



Handcrafted bone china & porcelain products have potential for US market citing different type of designs or pottery like blue & indigo pottery.

EUROPEAN UNION

Import Trends of porcelain-based household articles in EU has been erratic. However, Indian exporters have a huge potential for HS code 691110 i.e., Tableware and kitchenware of porcelain or bone china as it has a better stand in comparison to Chinese RCA for the same HS code.

Code	Product label	2015	2016	2017	2018	2019	Trend	Share in Imports
	Bone China & pore	461435	428369	431963	427226	387063		
691110	Tableware and kitchenware, of porcelain or china (excluding ornamental articles, pots, jars, ...)	461435	428369	431963	427226	387063		100%

Italy has an increasing demand for tableware and kitchenware of porcelain or bone china (HS code 691110) i.e., 6% among all the countries in the European Union. However, for Italy instead of MFN duty of 12% , Preferential tariff of 8.4% for GSP country is applied.

Importers	Value imported in 2019(US \$ Thousand)	Quantity imported in 2019, Tons	Unit Value (USD tons)	Annual growth in value between 2018-2019, %
Germany	241759	72726	3324	1
Italy	162968	46167	3530	6
United Kingdom	160266	48030	3337	6
France	121532	37380	3251	-6
Netherlands	96774	33710	2871	16
Spain	78025	23816	3276	-5
Austria	71820	13157	5459	-8
Poland	59867	17673	3387	7
Belgium	58836	20867	2820	-1
Sweden	57995	8431	6879	-4

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES

Germans collect Bottle caps in Gentränke Shops (Shops selling drinks on the go). Also, German Culture promotes sustainability.



Bowls made of bone china or porcelain can be used as collecting bowl



It's the number one classic Swedish souvenir: **The Dala horse**, or Dalecarlian horse. Originally it comes from the region of Dalarna.



These days Dala horse is a traditional gift in Sweden for any kind of life celebration including weddings and graduations. Considered good luck symbol. The horse itself was considered as a status symbol and highly valued property in the Swedish household.

Porcelain tiles are available that are remarkably good at mimicking natural stone such as marble or even wood grains. This makes porcelain tile an excellent choice where you want the look of wood without wood's susceptibility to water damage. It is best for used for appearance.

European style Santos rose wood tile



JAPAN

Import Trends of porcelain-based household articles in Japan has been erratic. However, Indian exporters have a huge potential for HS code 691110 i.e., Tableware and kitchenware of porcelain or bone china as it has a better stand in comparison to Chinese RCA for the same HS code.

Code	Product label	2015	2016	2017	2018	2019	Trend	Share in Imports
	Bone China & pore	155266	146436	136508	125072	120708		
'691110	Tableware and kitchenware, of porcelain or china (excluding ornamental articles, pots, jars, ...	155266	146436	136508	125072	120708	↘	100%

As is indicated in the table below, except for China all other major suppliers enjoy duty free exports to Japan.

Exporting country to Japan	Value imported in 2019(US \$ Thousand)	Share in Japan imports (%)	Unit Value (USD /unit)	Average tariff (estimated) applied by Japan
China	73684	61%	3446	2.3%
Thailand	12617	10%	13380	0.0%
Indonesia	6485	5%	12400	0.0%
Sri Lanka	5439	5%	12087	0.0%
France	5205	4%	70338	0.0%
Germany	4742	4%	53886	0.0%
United Kingdom	3480	3%	28525	0.0%
Hungary	2654	2%	156118	0.0%
Italy	2370	2%	21944	0.0%



It is rude to directly handover money to someone in Japan which arises a demand of *cash tray*

LATIN AMERICA

Import Trends of porcelain-based household articles in LAC has been erratic. However, Indian exporters have a huge potential for HS code 691110 i.e. Tableware and kitchenware of porcelain or bone china as it has a better stand in comparison to Chinese RCA for the same HS code.

Code	Product Label	2015	2016	2017	2018	2019	Share in	Trend
	Porcelain article	1,88,419	1,72,795	1,76,527	1,97,118	1,76,526		
691110	Tableware and kitchenware, of porcelain or china (excluding ornamental articles, pots, jars, . . .	1,88,419	1,72,795	1,76,527	1,97,118	1,76,526	100	

Mexico and Chile have an increasing demand for tableware and kitchenware of porcelain or bone china (HS code 691110) among all the countries in the LAC region. However, in the absence of any trade remedy on the select product, import tariff rate of 15% is applied in Mexico and 6% in Chile.

bone china & porcelain article	Value imported in 2019 (USD thousand)	Quantity imported in 2019	Unit value (USD/unit)	Annual growth in value between 2018-2019 (%)
Mexico	28014	7812	3586	-22
Panama	26277	0	-	N/A
Chile	22324	53555	417	-14
Peru	20700	16577	1249	21
Brazil	13261	5036	2633	-34
Dominican Republic	10662	1715	6218	11
Colombia	7083	6213	1140	-22
Guatemala	7014	8837	794	27
Ecuador	5814	4518	1287	-34
Argentina	4549	1347	3377	-10
Costa Rica	3486	1865	1869	1
Cuba	3162	882	3585	N/A
Venezuela, Bolivarian Republic of	2688	0	-	N/A

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Latin Americans in general have a taste for bright and happy colors and patterns, hence porcelain cutlery should have colorful and floral designs on it to suit their preference.





Brazilian use cutlery for eating everything. Hence, we can market aesthetic porcelain cutlery and toothpick holders to this country.





Mexican porcelain kitchenware and tableware are generally brightly coloured with vibrant floral and geometric patterns.



Chile porcelain kitchenware are color coordinated with simple designs and patterns.

CIS

Import Trends of porcelain based household articles in CIS has been on a rise for the past five years. Hence, Indian exporters have a huge potential for HS code 691110 i.e. Tableware and kitchenware of porcelain or bone china as it has a better stand in comparison to Chinese RCA for the same HS code and a good import demand from CIS.

Code	Product Label	2015	2016	2017	2018	2019	Share in Imports (2019)	Trend
	Porcelain article	70,598	73,399	1,05,848	1,35,681	1,41,787		
691110	Tableware and kitchenware, of porcelain or china (excluding ornamental articles, pots, jars, ...)	70,598	73,399	1,05,848	1,35,681	1,41,787	100	

Russian Federation and Ukraine have an increasing demand for tableware and kitchenware of porcelain or bone china (HS code 691110) i.e. 3% and 23% respectively among all the countries in the CIS region. However, in the absence of any trade remedy on the select product, import tariff rate of 12% is applied in Russian Federation and 10% in Ukraine.

bone china porcelain article	Value imported in 2019 (USD thousand)	Quantity imported in 2019	Unit value (USD/unit)	Annual growth in value between 2018-2019 (%)
Russian Federation	85873	31582	2719	3
Ukraine	18559	8290	2239	23
Kazakhstan	10111	4949	2043	-17
Belarus	6592	2860	2305	-5
Uzbekistan	5509	7345	750	117
Azerbaijan	4928	1027	4798	-21
Georgia	3169	883	3589	-6
Moldova, Republic of	2719	938	2899	47
Turkmenistan	1924	986	1951	N/A
Armenia	1084	134	8090	-21
Tajikistan	988	0	-	-33
Kyrgyzstan	331	122	2713	33

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



The horse is the most central part of Kazakh culture. Many Kazakhs own horses and keep pictures of them in their houses or offices. Hence porcelain cutlery with horse images on it can be marketed well.



Russia has imperial porcelain kitchenware company, popularly known as Lomonosov porcelain. It has royal designs, Russian nobility caricatures and has immense usage of gold colors to depict Russian heritage and vintage taste.



AFRICA

Import trends of porcelain based household articles in Africa has been on a rise for the past five years. Hence, Indian exporters have a huge potential for HS code 691110 i.e. Tableware and kitchenware of porcelain or bone china as it has a better stand in comparison to Chinese RCA for the same HS code and a good import demand from Africa.

Code	Product Label	2015	2016	2017	2018	2019	Share in Imports (2019)	Trend
	Porcelain article	1,56,757	1,63,467	1,70,057	2,81,287	3,76,842		
691110	Tableware and kitchenware, of porcelain or china (excluding ornamental articles, pots, jars, ...)	1,56,757	1,63,467	1,70,057	2,81,287	3,76,842	100	

bone china porcelain article	Value imported in 2019 (USD thousand)	Quantity imported in 2019	Unit value (USD/unit)	Annual growth in value between 2018-2019 (%)
Libya, State of	84123	24527	3430	N/A
Algeria	56040	26211	2138	N/A
Egypt	34276	12440	2755	-17
Morocco	33890	29879	1134	31
Tanzania, United Republic of	28810	0		N/A
Sudan	23288	12466	1868	N/A
South Africa	19489	22021	885	-12
Djibouti	19430	4709	4126	N/A
Cameroon	12878	9539	1350	N/A
Kenya	5646	9416	600	-3
Angola	5543	8425	658	-38
Nigeria	5211	7610	685	-7
Congo, Democratic Republic of the	5007	1976	2534	N/A

Morocco and South Africa have an increasing demand for tableware and kitchenware of porcelain or bone china (HS code 691110) among all the countries in the African region. However, in the absence of any trade remedy on the select product, high import tariff rate of 30% is applied in Morocco and South Africa.

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Moroccan porcelain and bone china kitchenware and tableware has very intricate patterns, with a dominance of blue color in it.

ASEAN

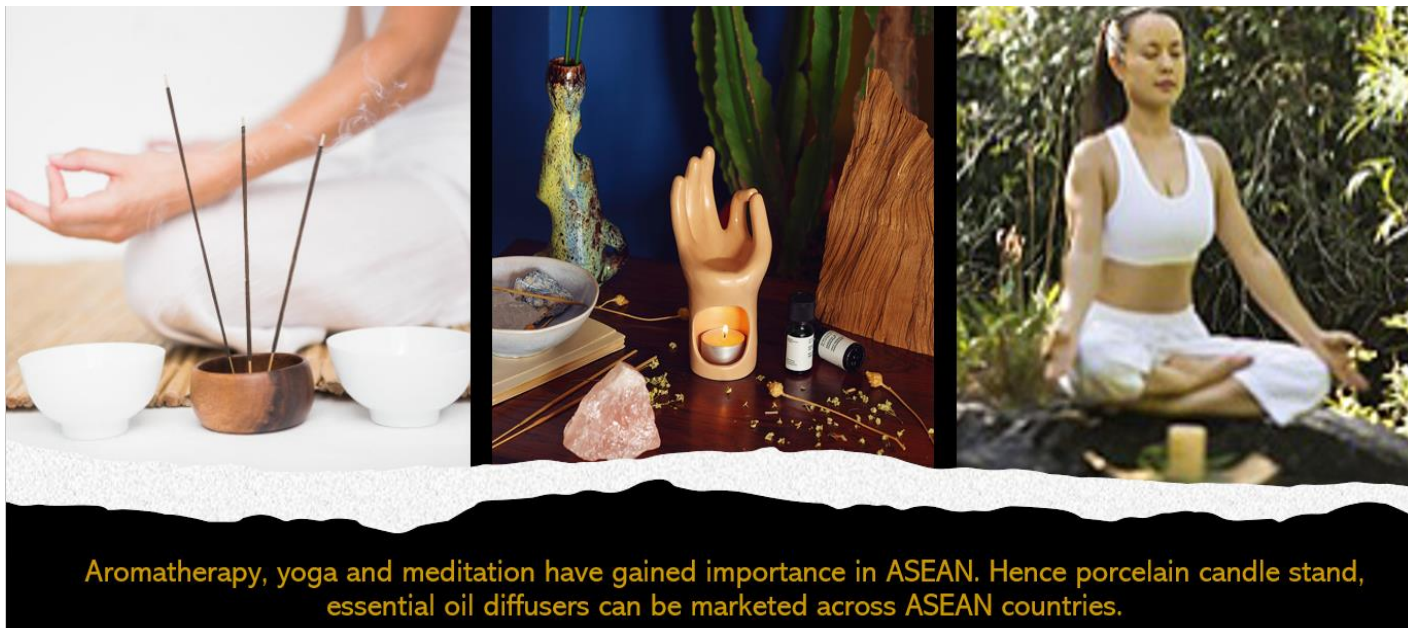
Import trends of porcelain based household articles in ASEAN has been on a rise for the past five years. Hence, Indian exporters have a huge potential for HS code 691110 i.e. Tableware and kitchenware of porcelain or bone china as it has a better stand in comparison to Chinese RCA for the same HS code and a good import demand from ASEAN.

Code	Product Label	2015	2016	2017	2018	2019	Share in Imports (2019)	Trend
	Porcelain article	88,664	95,496	1,02,195	1,10,664	1,16,465		
691110	Tableware and kitchenware, of porcelain or china (excluding ornamental articles, pots, jars, . . .	88,664	95,496	1,02,195	1,10,664	1,16,465	100	

bone china porcelain article	Value imported in 2019 (USD thousand)	Quantity imported in 2019	Unit value (USD/unit)	Annual growth in value between 2018-2019 (%)
Singapore	23974	0	-	40
Malaysia	19031	11239	1693	-11
Philippines	18291	17716	1032	4
Indonesia	15727	24220	649	-12
Cambodia	12361	11538	1071	90
Viet Nam	10851	2498	4344	-22
Thailand	10009	6268	1597	-3
Myanmar	5328	9103	585	4
Brunei Darussalam	522	158	3304	11
Lao People's Democratic Republic	371	105	3550	2

Singapore and Malaysia have an increasing demand for tableware and kitchenware of porcelain or bone china (HS code 691110) among all the countries in the ASEAN region. Despite the absence of any trade remedy on the select product, import tariff rate of 0% is applied in Singapore. In the presence of India-Malaysia CECA agreement, a preferential tariff of 25% is applied in Malaysia while MFN rate is 30%.

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES





The pestle and mortar and the cutting board are also subjects of great interest for any food lover in Thailand. pestle and mortar sets can be seductive as collectables, too, and cooks who are susceptible may want to own a lot of them. Mortars are used throughout Asia. The stone pestle and mortars used in Thailand have round knobs on either side, big enough to grasp, so that the mortar could be held still with the left hand when something was being pounded.



Modern-style pestle and mortars are made from black marble and are manufactured in China, although they are designed and sold in Ikea, in Bang Na, another interesting variant of the traditional type. It does provides Indian bone china and terracotta exporters an opportunity to look ahead of South East Asian countries.



PHOTOS: SUTHON SUKPHISIT

VARIETY: An Indonesian stone pestle and mortar.

In Indonesia, pestles and mortars are carved from volcanic rock. The mortars tend to be flat and shallow and the pestles are curved, with the part held in the hand much smaller than the business end. They are used more for crushing than for the kind of hard pounding done in some other countries, but are attractive and useful. Mortars in China also have these knobs, but they are in the shape of small lion's heads. One like that would certainly attract attention in the kitchen.



Need for design innovation



Singaporean porcelain and bone china kitchenware majorly consists of chop stick holder, soup bowls, soup spoon, rice container, tea cups and tea pots. Singaporean signs and rooster are particularly popular designs on porcelain kitchen and table ware.



6.3.3 CERAMIC BASED HOME ARTICLES



WHERE DOES INDIA STAND IN GLOBAL CERAMIC BASED HOME ARTICLES?

The ceramic products are produced both in organized as well as in unorganized sector. Small and medium enterprises (SMEs) account for more than 50 % of the total market in India, offering a wide range of articles including crockery, art ware, sanitary ware, ceramic tiles, refractory and stoneware pipes, among others.

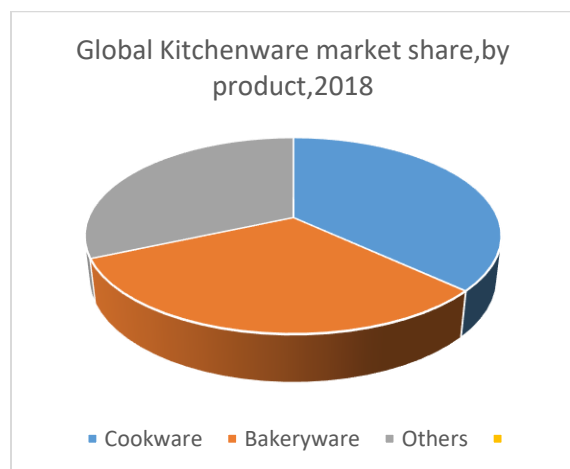
India is the 6th largest consumer of ceramic tiles and the 8th largest manufacturer of this product.

Comparative advantage of India has been better off than China in case of other ceramic household articles, however India loses against China in ceramic based tableware, kitchenware and other household and toilet articles. India needs to make effort to sustain its comparative advantage in other ceramic household articles considering declining values of RCA in past 5 years. Other competing countries for prime export potential products for Indian ceramic based household article includes Spain and USA for other ceramic household articles and Portugal and UK for ceramic based tableware, kitchenware and other household and toilet articles.

GLOBAL CERAMIC BASED HOME ARTICLES TREND: WAY FORWARD FOR INDIA

The global ceramic sanitary ware market size was valued at USD 40.2 billion in 2018. The growing popularity of ceramic materials in the construction industry on account of their cost-effectiveness and excellent resistance to chemicals and scratches is expected to remain a favorable factor. Furthermore, shifting inclination towards sanitation and hygiene is projected to promote consumer spending on the usage of luxury items with aesthetic appeal in the near future.

Consequently, growth of the hospitality industry as a result of a positive outlook towards the tourism sector in countries including China, Japan, and Australia is projected to expand the scope of ceramic-based advanced materials over the next few years.



In countries such as India, a large population prefers to cook their meal on their own. Thus, it increases the demand for cookware products. Increasing health awareness among consumers regarding the adverse effects of junk food. Changing trends have influenced the young bachelors to cook their food instead of consuming junk food. These are the prominent factors for segment growth.

PROSPECTS FOR INDIAN CERAMIC-BASED HOME ARTICLES ACROSS GLOBAL MARKETS

Asia Pacific is expected to expand at the fastest CAGR of 14.3% from 2019 to 2025. Infrastructural development and expansion of middle-class income groups in emerging economies including China and India are expected to play a crucial role in expanding the industry size in commercial and residential applications. North America accounted for over 20.0% share of the global revenue in 2018. Increased consumer awareness regarding luxury sanitary products with aesthetic appeal in the key markets including U.S and Canada is expected to remain a favorable factor for the industry.

UNITED STATES OF AMERICA

Import trends of Ceramic based household articles in USA have been found to be high in Tableware, kitchenware, other household articles and toilet articles, of ceramics other than porcelain or china (691200), but its RCA for India is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 691490 i.e., Ceramic articles, n.e.s since it has a decent import share in USA (10%), and it has a better standing in comparison to Chinese RCA for the same HS code. As is indicated in the table below, all other major suppliers enjoy duty free exports to USA for ceramic articles n.e.s. (excluding porcelain or bone china)

Code	Product label	2015	2016	2017	2018	2019	Trend	Share in Imports
	Ceramic	1156363	1119427	1127367	1252678	1260659		
'691200	Tableware, kitchenware, other household articles and toilet articles, of ceramics other than ...	1023862	969819	980392	1110216	1136479		90%
'691490	Ceramic articles, n.e.s. (excluding of porcelain or china)	132501	149608	146975	142462	124180		10%

Exporting country to USA	Value imported in 2019(US \$ Thousand)	Share in USA imports (%)	Unit Value (USD /unit)	Average tariff (estimated) applied by USA
Spain	26090	21%	109	0%
Japan	24854	20%		0%
China	22712	18%		0%
Italy	10912	9%	10	0%
Mexico	7929	6%	64	0%
Viet Nam	7085	6%	89	0%
Germany	5571	4%		0%
India	3083	2%	13	0%
Canada	2618	2%	86	0%

Ceramic tableware can be predominantly cut down into three different categories, namely beverageware, tableware, and flatware. In the United States, the market for tableware is robust and is expected to witness substantial growth in the upcoming years. Some of the major factors fuelling the growth of ceramics tableware in the United States include a rising number of home renovation projects, increasing household units, and the increasing installation of modular kitchens.

The ceramic dinnerware segment includes plates, bowls, mugs, saucers, and cups. The ceramic tableware products are witnessing an increasing demand in this category in the US market, due to their aesthetic appeal and attractive features, such as more extended durability. The companies such as Saint Gobain, Morimura Group and Kyocera Corp. are some of the major ceramic manufacturers. Lenox, Noritake, Wedgwood, Royal Doulton, and Mikasa dominate the ceramic dinnerware market in the United States.

EUROPEAN UNION

Import trends of Ceramic based household articles in EU have been found to be high in Tableware, kitchenware, other household articles and toilet articles, of ceramics other than porcelain or china (691200), but its RCA for India is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 691490 i.e., Ceramic articles, n.e.s since it has a decent import share in EU (26%), and it has a better standing in comparison to Chinese RCA for the same HS code.

Code	Product label	2015	2016	2017	2018	2019	Trend	Share in Imports
	Ceramic	1273088	1290882	1420418	1621041	1632747		
'691200	Tableware, kitchenware, other household articles and toilet articles, of ceramics other than ...	971670	956446	1058820	1212440	1201034		74%
'691490	Ceramic articles, n.e.s. (excluding of porcelain or china)	301418	334436	361598	408601	431713		26%

France & Germany have an increasing demand for Other ceramic articles (HS code 691490) among all the countries in the EU, dealing in high import volumes in the ceramic based household article category.

Importers	Value imported in 2019(US \$ Thousand)	Quantity imported in 2019, Tons	Unit Value (USD tons)	Annual growth in value between 2018-2019, %
Germany	274828	90868	3024	0
United Kingdom	254026	109091	2329	6
France	217131	83093	2613	0
Netherlands	144763	58148	2490	-4
Italy	116411	47918	2429	-1
Poland	91500	33849	2703	11
Belgium	88052	28486	3091	-20
Spain	77069	37366	2063	-3
Austria	51562	13605	3790	5
Denmark	48499	22006	2204	15



Europe Aromatherapy Diffuser Market is projected to grow at a CAGR of 7.22% during the forecast period 2020-2025. Also, in France orange color can be used by mixing copper in clay as it signifies earth there. **Hand-made diffuser of famous blue and indigo pottery with handcrafted painting will be a huge market.**



- Board games are an essential element of hobbies in Scandinavian and Nordic Cultures.
- Tafl games are a family of ancient Nordic and Celtic strategy board games played on a checkered or latticed gameboard with two armies of uneven numbers
- The impact of the Viking culture can be found throughout Norway, even in the games they play.

.Nordic countries are a Promising Market for Ceramic made Board Game Pieces

JAPAN

Import trends of Ceramic based household articles in Japan have been found to be high in Tableware, kitchenware, other household articles and toilet articles, of ceramics other than porcelain or china (691200), but its RCA for India is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 691490 i.e., Ceramic articles, n.e.s since it has a decent import share in Japan (42%), and it has a better standing in comparison to Chinese RCA for the same HS code

Code	Product label	2015	2016	2017	2018	2019	Trend	Share in Imports
	Ceramic	136883	142528	135744	134752	127972		
691200	Tableware, kitchenware, other household articles and toilet articles, of ceramics other than ...	80901	86123	81414	81695	74688		58%
691490	Ceramic articles, n.e.s. (excluding of porcelain or china)	55982	56405	54330	53057	53284		42%

Exporting country to Japan	Value imported in 2019(US \$ Thousand)	Share in Japan imports (%)	Unit Value (USD /unit)	Average tariff (estimated) applied by Japan
China	29272	55%	2383	0%
Taipei, Chinese	4291	8%	10002	0%
Viet Nam	3936	7%	983	0%
Korea, Republic of	3914	7%	8070	0%
Thailand	3689	7%	3660	0%

As is indicated in the table above, India is not the top importers of Japan despite being duty free in this product.

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Tea drinking is a ceremony in Japan and consumers behavior prefer sustainability



Ikebana is a traditional Japanese art form that developed through the custom of offering flower at Buddhist altars. Pots of IKEBANA can be handmade.

LATIN AMERICA

Ceramic art was produced on Colombia's Caribbean coast earlier than anywhere else in the Americas outside the lower Amazon basin, with relics dating back to 3100 BC. Hence Columbia's local players are pretty strong in ceramic industry. Countries like Mexico, Columbia, Peru, Venezuela and Ecuador love bulls. Hence ceramic and bone china tableware with bull designs on it will be a great way to attract LAC buyers. Import Trends of Ceramic based household articles in LAC has been found to be high in Tableware, kitchenware, other household articles and toilet articles, of ceramics other than porcelain or china (691200), but its RCA for India is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 691490 i.e. Ceramic articles, n.e.s since it has a decent import share in LAC (21.57%) and it has a better standing in comparison to Chinese RCA for the same HS code.

Code	Product Label	2015	2016	2017	2018	2019	Share in Imports (2019)	Trend
	ceramic article	2,34,268	2,14,503	2,34,484	2,71,988	2,42,004		
691200	Tableware, kitchenware, other household articles and toilet articles, of ceramics other than . . .	1,65,098	1,61,936	1,79,251	2,08,904	1,89,800	78.43	
691490	Ceramic articles, n.e.s. (excluding of porcelain or china)	69,170	52,567	55,233	63,084	52,204	21.57	

Mexico and Chile have an increasing demand for Other ceramic articles (HS code 691490) among all the countries in the LAC region, dealing in high import volumes in the ceramic based household article category. However, in the absence of any trade remedy on the select product, high import tariff rate of 15% is applied in Mexico and 6% is applied in Chile.

ceramic article	Value imported in 2019 (USD thousand)	Quantity imported in 2019	Unit value (USD/unit)	Annual growth in value between 2018-2019 (%)
Mexico	91204	0	-	-8
Peru	23534	21753	1082	-9
Chile	22342	13588	1644	-12
Brazil	21693	10012	2167	-19
Colombia	15443	9747	1584	13
Costa Rica	7663	2418	3169	4
Argentina	7647	2740	2791	-35
Bolivia, Plurinational State of	7618	9706	785	-2
Ecuador	6948	6070	1145	-4
Guatemala	5863	5435	1079	-14
Paraguay	4943	3036	1628	-21
Dominican Republic	4364	1611	2709	8
Panama	3174	0	-	N/A

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Burnished Mexican ceramic pottery



Ceramics in Mexico date back thousands of years before the **Pre-Columbian** period, when **ceramic arts** and **pottery** crafts developed with the first advanced civilizations and cultures of **Mesoamerica**. With one exception, pre-Hispanic wares were not glazed, but rather **burnished** and painted with colored **fine clay slips**. The **potter's wheel** was unknown as well; pieces were shaped by molding, coiling and other methods. Animal figurines including birds, frogs, and elephants are seen all over Chile. These figurines have been made in Chile for long from ceramic.



Bullfighting or *corrida de toros* is a 500-year-old traditional Mexican sport played in a bullring for the entertainment of the audience. This sport, brought to Mexico by Spanish *conquistadores* (conquerors), Mexico has the largest bullfighting ring in the world.

Appreciating great connect of Mexicans for bullfighting and their connect with the animal "bull", design patterns resembling the same would work well in the country.



Brazilians love floral pattern and paintings. Hence ceramic tableware with floral designs and patterns would attract their attention.

In Brazilian culture, living in a community is vital to maintain a high level of social involvement, and consider personal relations of primary importance in all human interactions.

Due to the fact Brazilians are highly involved with social life, many friends, family members, or business partners join together to associate.





In Brazilian culture, living in a community is vital. Due to the fact Brazilians are highly involved with social life, many friends, family members, or business partners join together to associate. **Dinner sets of bone china can be curated for congregation and dinner/lunch meets**, celebrating the essence of socializing in its marketing.

CIS

Import trends of Ceramic based household articles in CIS has been found to be high in Tableware, kitchenware, other household articles and toilet articles, of ceramics other than porcelain or china (691200), but its RCA for India is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 691490 i.e. Ceramic articles, n.e.s. since it has a better standing in comparison to Chinese RCA for the same HS code.

Code	Product Label	2015	2016	2017	2018	2019	Share in Imports (2019)	Trend
	ceramic article	1,26,766	1,28,068	2,03,809	2,22,394	2,07,629		
691200	Tableware, kitchenware, other household articles and toilet articles, of ceramics other than . . .	1,11,651	1,08,108	1,73,219	1,88,482	1,76,067	84.8	
691490	Ceramic articles, n.e.s. (excluding of porcelain or china)	15,115	19,960	30,590	33,912	31,562	15.2	

Russian Federation and Ukraine have an increasing demand for Other ceramic articles (HS code 691490) among all the countries in the CIS region, dealing in high import volumes in the ceramic based household article category. Ukraine has a growth rate of 15% for the previous year in the ceramic based household article segment. However, in the absence of any trade remedy on the select product, import tariff rate of 10% is applied in Ukraine. Russian federation applies a preferential tariff of 11.25% (while MFN duty is 15%) on Indian import of the HS code on account of EAEU for developing countries.

ceramic article	Value imported in 2019 (USD thousand)	Quantity imported in 2019	Unit value (USD/unit)	Annual growth in value between 2018-2019 (%)
Russian Federation	87455	50692	1725	-29
Kazakhstan	39411	31788	1240	28
Ukraine	19623	10616	1848	15
Kyrgyzstan	14481	15262	949	48
Azerbaijan	12006	8037	1494	5
Belarus	11552	14317	807	35
Georgia	9014	4168	2163	-15
Armenia	7185	3887	1848	25
Moldova, Republic of	3704	2089	1773	4
Uzbekistan	1975	2335	846	72
Tajikistan	1081	0	-	22
Turkmenistan	142	62	2290	N/A

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES





Russians drink their tea in teacups filled to the brim with hot tea. Kazakhs drink their tea in small wide-mouthed saucers called kasirs that they never fill more than halfway (usually only a quarter full). The intent is that the tea should never get cold, and the passing of the empty cup by a guest or a family member to the woman pouring tea serves as a way to keep them interacting, a way of showing respect. Cue can be taken from this while designing tea cups for these markets.



Gzhel is a Russian style of blue and white ceramics. All kinds of ceramic potter in blue and white color code is a niche in Russian federation.



Matryoshka nesting dolls are kept in every Russian household as a part of their culture, and ceramic items like mugs with these dolls printed on it is widely accepted in Russian market.



Earthenware and ceramics have been known to the people resident on the Ukrainian territory since as early as the fourth to fifth millennia BC. The discovered ancient pieces are attributed to the so-called Trypillya culture, highly-evolved for that period. Ceramics from the Kosiv district in Western Ukraine are known for their greenish and reddish-brown colors on white background, adorned with the images of birds, animals and people. Ceramics from the village of Opishne are renowned for their natural colors and intricately decorated vases and plates, traditionally featuring images of sheep, bears, goats and horses.

AFRICA

Import share of Ceramic based household articles in Africa has been found to be high in Tableware, kitchenware, other household articles and toilet articles, of ceramics other than porcelain or china (691200), but it has a decreasing trend in the past 5 years and its RCA for India is poor . Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 691490 i.e. Ceramic articles, n.e.s. since it has a decent import share in LAC (17.98%), has an overall increasing trend and has a better standing in comparison to Chinese RCA for the same HS code.

Code	Product Label	2015	2016	2017	2018	2019	Share in Imports (2019)	Trend
	ceramic article	1,23,022	1,10,987	1,22,147	97,965	91,041		
691200	Tableware, kitchenware, other household articles and toilet articles, of ceramics other than . . .	1,09,972	98,277	1,03,337	77,497	74,668	82.02	
691490	Ceramic articles, n.e.s. (excluding of porcelain or china)	13,050	12,710	18,810	20,468	16,373	17.98	

South Africa has an increasing demand for Other ceramic articles (HS code 691490) among all the countries in the African region, dealing in high import volumes in the ceramic based household article category. However, in the absence of any trade remedy on the select product, high import tariff rate of 20% is applied in South Africa.

ceramic article	Value imported in 2019 (USD thousand)	Quantity imported in 2019	Unit value (USD/unit)	Annual growth in value between 2018-2019 (%)
South Africa	27523	29641	929	-7
Egypt	5830	719	8108	5
Angola	5270	5809	907	-15
Morocco	3842	2198	1748	10
Algeria	3660	3608	1014	N/A
Tunisia	3230	2790	1158	-12
Nigeria	3227	4395	734	231
Uganda	2678	6606	405	-5
Ghana	2497	7151	349	-15
Namibia	2483	1159	2142	13
Madagascar	2135	3130	682	57
Gabon	2064	5046	409	N/A
Congo, Democratic Republic of the	1915	1300	1473	N/A

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Africans in general have an inclination for wildlife and hence prefer animal prints. Innovation in ceramic articles by incorporating animal features and designs is desirable.



A traditional South African Zulu ceramic pot is a large, burnished, black, wide-mouthed vessel with a surface pattern of raised bumps, brightly colored enamel paint, a necklace of beads (another marker of Zulu identity), and/or intricate geometric sgraffito. They are fired twice in outdoor bonfires. They are used as beer pots in South Africa.

ASEAN

ASEAN ceramics market is to reach a market size of US\$ 69.08 billion by 2025. Ceramic tiles were the largest segment for ASEAN ceramics, accounting for 25.5% of the ASEAN ceramics industry revenues in 2016. Import Trends of Ceramic based household articles in ASEAN has been found to be high in Tableware, kitchenware, other household articles and toilet articles, of ceramics other than porcelain or china (691200), but its RCA for India is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 691490 i.e. Ceramic articles, n.e.s. since it has a decent import share in ASEAN (25.82%) and it has a better standing in comparison to Chinese RCA for the same HS code.

Code	Product Label	2015	2016	2017	2018	2019	Share in Imports (2019)	Trend
	ceramic article	2,06,317	2,51,233	2,55,855	2,87,280	2,73,596		
691200	Tableware, kitchenware, other household articles and toilet articles, of ceramics other than . . .	51,498	60,917	64,231	80,405	70,649	74.18	
691490	Ceramic articles, n.e.s. (excluding of porcelain or china)	1,54,819	1,90,316	1,91,624	2,06,875	2,02,947	25.82	

Thailand has an increasing demand for Other ceramic articles (HS code 691490) among all the countries in the ASEAN region, dealing in high import volumes in the ceramic based household article category. However, in the presence of Indo-ASEAN FTA, a preferential tariff of 0% on the select product is applied on Indian imports in Thailand.

ceramic article	Value imported in 2019 (USD thousand)	Quantity imported in 2019	Unit value (USD/unit)	Annual growth in value between 2018-2019 (%)
Thailand	171157	16720	10237	0
Viet Nam	21266	6414	3316	-10
P hilippines	20839	17494	1191	-15
S ingapore	18667	0	-	-11
C ambodia	17188	30598	562	-28
Malays ia	13573	5749	2361	-10
I ndones ia	3372	1908	1767	39
M yanmar	3248	6323	514	17
Lao People's Democratic Republic	3222	1049	3072	170
B runei Darus alam	1064	709	1501	-32

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Thailand's long-standing fame for spas and spa tourism can be leveraged by exporting Thai ceramic elephant aroma burner, elephant because it is the national animal of Thailand and an integral part of their culture.



Benjarong ware is a kind of painted Thai ceramics porcelain. Actual decoration can have anywhere between three and eight colors. For the decoration, repetitive forms, usually geometric or flower-based, are used.

A design is usually named after the decoration base name and a background color (for example, Phum Kao Bin on dark blue). Blue and white colored pottery with a dash of gold and Thai elephants are widespread in Thai ceramic articles.



For Myanmar, dishes should be small but deep, unlike the large serving dishes of the West. For relishes, pickles and dips Burmese use 3-4-inch diameter bowls. For normal curries, fried vegetables and salads they use 5-7-inch diameter bowls. Suitable serving spoons of metal or even Chinaware are put into curries and bowls.



Tea drinking behavioural patter across the world and its impact on the design of Ceramic



Egypt is a large importer of tea, and it's common to drink [unsweetened black tea](#) throughout the day. Hibiscus tea is often a specialty at Egyptian weddings.



Five Yixing clay teapots showing a variety of styles from formal to whimsical

In the [culture of China](#) teacups are very small, normally holding no more than 30ml of liquid. They are designed to be used with [Yixing](#) teapots or [Gaiwan](#).

Morocco

The tea is served in three batches in tall glasses and you get to experience a new flavour each time. The flavours are then meant for you to reflect on the meaning of life in aspects of love and death. Typically, the first batch of tea is light in flavour so it is explained as “gentle as life”, the second is comparatively stronger hence, “as strong as love”. And the third is bitter of all and is called “bitter as death”.



Russia

Russia is known to have embraced tea later than most countries but has still managed to come up with its own one-of-a-kind tea called *Zavarka*. As part of the culture, the drinkers would use a traditional samovar (an ornate metal container) which holds the boiling water and the person who is responsible for pouring the water would dictate the intensity of the tea brew.



Best known for their iced tea called “Cha-yen”, Thailand iced tea is made with strongly brewed tea poured over ice and served cold.



Britain

The tea culture of Britain is as famous as the royal family. Facts show that over 160 million cups of tea are consumed in the UK each day!

Russians drink their tea in teacups filled to the brim with hot tea.



China



In Russian-speaking cultures and West Asian cultures influenced by the [Ottoman Empire](#) tea is often served in a glass held in a separate metal container with a handle, called a [zarf](#), or in Russian a [podstakannik](#).

The [podstakannik](#), or tea glass holder, is a holder with a handle, most commonly made of metal that holds a drinking glass ([stakan](#)). Their primary purpose is to be able to hold a very hot glass of tea, which is usually consumed right after it is brewed.



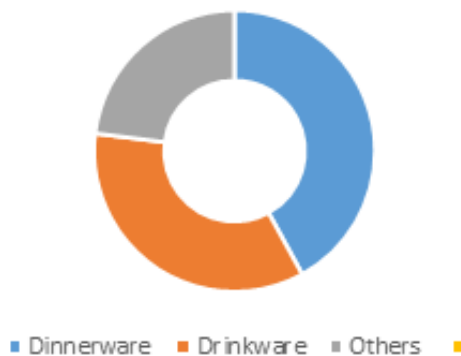
- In Europe, fine porcelain tea cups made of porcelain (Limoges porcelain from a [kaolin](#) base heated in ovens or China porcelain) were a delicacy for enjoying tea time. The cups are made with a handle and are paired with a saucer in a set, they feature hand painted decoration and gold or silver patterns especially lining the rim and the handle.



6.3.4 GLASSWARE

Global glassware market reached USD 9,953.89 Million in 2017 and is expected to gain revenue of USD 13,644.36 Million by the end of 2025, expanding at a CAGR of 13.2% over the forecast period i.e. 2017-2025.

Global Glassware market share, by product, 2018



Dinnerware segment held the largest share of more than 40%. It consists of a wide range of dishes, including basic plates and bowl, which are used to serve a meal. Drinkware products are projected to witness the fastest growth in the coming years owing to the increasing consumption of both alcoholic and non-alcoholic drinks. The surge in the number of bars, pubs, and other fine dining places have been boosting the demand for glass drinkware in the foodservice industry.

WHERE DOES INDIA STAND IN GLASSWARE INDUSTRY FOR HOME ARTICLES?

The major glass producing countries in the world are China, Germany, Vietnam, USA, UK, and Japan. The main glass consuming regions are Europe, China, and North America. India, with an emerging and rapidly expanding industrial infrastructure, have a particular opportunity to increase their competitiveness by applying energy-efficient best practices from the outset in new industrial facilities and supply glass-based articles to markets. Comparative advantage of India has been better off than China in case of articles of glass, however India loses against China in glass mirrors and glassware for kitchen and table purposes.

GLASSWARE INDUSTRY FOR HOME ARTICLES TREND: WAY FORWARD FOR INDIA

Consumers prefer glass products as they do not have pores and they eliminate the existence of the bacteria. As a result, health-conscious consumers are shifting towards glass tableware from plastic products. Glass tableware products are available in transparent, colored, and matte forms.

Geographically, Europe dominated the global glassware market by contributing a market share of 34.44%. The increase in the urbanization globally, positively impacted the consumption and utilization of glassware among the migrating population.



Asia Pacific dominated the market, accounting for more than 35% share of the global revenue. The region is also anticipated to witness the fastest growth in the coming years. Changing lifestyle and increasing adoption of luxury tableware are fueling the growth of the product in this region. Also, the growing trend of luxury dining is expected to expand the scope for premium glass products soon. The surge in investments in the hotel and catering industry in Asia Pacific economies including India and China has boosted the growth of the glass tableware market. Factors including rising purchasing power, rapid urbanization, growth of the hospitality sector, and increasing brand awareness in the afore-mentioned countries are expected to open new avenues for glass tableware over the next few years.

PROSPECTS FOR INDIAN GLASSWARE INDUSTRY FOR HOME ARTICLES ACROSS GLOBAL MARKETS

UNITED STATES OF AMERICA

Size of Glass Product Manufacturing in the US Market is \$26.2bn in 2021. High urbanized population across North America is driving the utilization of durable and attractive glassware products. The change in consumer behavior on the back of urbanization implicates the consumer's process of selection. The easy availability of a wide range of products in the selection of luxury and semi luxury products delineates the growth of glassware industry in urbanized regions.

Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 702000 i.e., other articles of glass although it has a moderate import share in USA (26%), as it has a better stand in comparison to Chinese RCA for the same HS code and has an increasing import demand for the past 4 years.

Code	Product label	2015	2016	2017	2018	2019	Trend	Share in Imports
	glass & Gw	970672	928392	944628	1049525	1000927		
'700992	Glass mirrors, framed (excluding rear-view mirrors for vehicles, optical mirrors, optically ...	487583	489421	503587	582817	505302		50%
'702000	Articles of glass, n.e.s.	272245	221146	234085	238261	263980		26%
'701349	Glassware for table or kitchen purposes (excluding glass having a linear coefficient of expansion ...	210844	217825	206956	228447	231645		23%

Exporting country to USA	Value imported in 2019(US \$ Thousand)	Share in USA imports (%)	Unit Value (USD /unit)	Average tariff (estimated) applied by USA
Japan	58362	22%		5%
China	58083	22%		5%
Germany	40640	15%		5%
Switzerland	25333	10%	16	5%
Korea, Republic of	23763	9%		0%
Turkey	16272	6%	12	5%
Italy	11297	4%	3.67	5%
Canada	7813	3%	12	0%
United Kingdom	5926	2%		5%

As is indicated in the table above, India is not the top importers of USA and has MFN duty of 5% in this product.



The change in the food preferences due to urbanization also exhibit the positive trend in Glassware market. The structural taste change from one taste preference to the other evince increased utilization of glass products. Uses in social gatherings have been substantially rising due to the high concentration of urbanized population.

EUROPEAN UNION

Import Trends of glass-based household articles in EU has been found to be high in glassware for table and kitchen purposes (701349), but its RCA for India is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 702000 i.e., other articles of glass although it has a moderate import share in EU (48%), as it has a better stand in comparison to Chinese RCA for the same HS code and has an increasing import demand for the past 4 years.

Code	Product label	2015	2016	2017	2018	2019	Trend	Share in Imports
	glass & Gw	1768980	1903246	2051369	2194889	2226871		
702000	Articles of glass, n.e.s.	829206	911421	991851	1066419	1076362		48%
701349	Glassware for table or kitchen purposes (excluding glass having a linear coefficient of expansion ...	525875	567845	588917	610820	597610		27%
700992	Glass mirrors, framed (excluding rear-view mirrors for vehicles, optical mirrors, optically ...	413899	423980	470601	517650	552899		25%

Importers	Value imported in 2019(US \$ Thousand)	Quantity imported in 2019, Tons	Unit Value (USD tons)	Annual growth in value between 2018-2019, %
Germany	474285	125722	3772	-4
United Kingdom	335141	108059	3101	10
France	276202	68498	4032	3
Netherlands	169508	65912	2572	-6
Italy	145945	49084	2973	4
Poland	122704	32924	3727	14
Belgium	120397	57046	2111	8
Spain	85287	12388	6885	-11
Austria	80804	48046	1682	0
Denmark	62743	19977	3141	-3

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES

- Belgian Trappist Monks are renowned for their crisp and refreshing beers including Einkels, Dubbels, Tripels, and Quads. This Trappist Style Ale is a solid base recipe to start your foray into Belgian ales
- *Belgium is a big market to popularize Trappist Beer Making Kit*



Eastern Europe increasingly important in global pet care market. Declining birth rates, the rise of one-person households and growing rates of divorce all contribute to the rise in the status of pets in Germany and other European markets. Essential Oils for Pets need to be diluted for end use. Even aromatherapy is projected to grow in Europe, which requires a huge market for glass bottles for essential oils both for dogs and humans.





JAPAN

Import Trends of glass-based household articles in Japan has been found to be high in glassware for table and kitchen purposes (701349), but its RCA for India is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 702000 i.e., other articles of glass although it has a moderate import share in Japan (66%), as it has a better stand in comparison to Chinese RCA for the same HS code and has an increasing import demand for the past 4 years.

Code	Product label	2015	2016	2017	2018	2019	Trend	Share in Imports
	glass & Gw	209624	221451	243431	313782	320925		
'702000	Articles of glass, n.e.s.	107186	120420	141805	202869	211833		66%
'700992	Glass mirrors, framed (excluding rear-view mirrors for vehicles, optical mirrors, optically ...)	53439	55253	55932	61060	65156		20%
'701349	Glassware for table or kitchen purposes (excluding glass having a linear coefficient of expansion ...)	48999	45778	45694	49853	43936		14%

Exporting country to Japan	Value imported in 2019(US \$ Thousand)	Share in Japan imports (%)	Unit Value (USD /unit)	Average tariff (estimated) applied by Japan
China	135657	64%	21130	0%
Korea, Republic of	40817	19%	14242	0%
Taipei, Chinese	10847	5%	9897	0%
United States of America	10337	5%	72796	0%
Germany	5389	3%	138179	0%

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



LATIN AMERICA

Import Trends of glass based household articles in LAC has been found to be high in glassware for table and kitchen purposes (701349), but its RCA for India is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 702000 i.e. other articles of glass although it has a moderate import share in LAC (27.2%), as it has a better stand in comparison to Chinese RCA for the same HS code and has an increasing import demand for the past 4 years.

Code	Product Label	2015	2016	2017	2018	2019	Share in Imports (2019)	Trend
	glass article	3,18,892	2,86,196	3,02,837	3,47,252	3,54,481		
701349	Glassware for table or kitchen purposes (excluding glass having a linear coefficient of expansion . . .	1,52,459	1,34,252	1,49,441	1,79,608	1,69,991	47.95	
702000	Articles of glass, n.e.s.	88,267	88,584	85,051	92,670	96,418	27.2	
700992	Glass mirrors, framed (excluding rear-view mirrors for vehicles, optical mirrors, optically . . .	78,166	63,360	68,345	74,974	88,072	24.85	

Chile has an increasing demand for other articles of glass (HS code 702000) among all the countries in the LAC region, growing at the rate of -4% in the past year in the glass based household article category. However, in the absence of any trade remedy on the select product, import tariff rate of 6% is applied in Chile.

Glass article	Value imported in 2019 (USD thousand)	Quantity imported in 2019	Unit value (USD/unit)	Annual growth in value between 2018-2019 (%)
Mexico	101981	6413	15902	31
Brazil	72403	50428	1436	1
Chile	33581	73258	458	-4
Peru	24022	11560	2078	-2
Argentina	16916	8771	1929	-41
Colombia	15390	5066	3038	-12
Ecuador	12743	6016	2118	-14
Panama	12507	0	-	N/A
Dominican Republic	8159	2104	3878	41
Costa Rica	7344	2493	2946	16
Bolivia, Plurinational State of	6814	4659	1463	22
Guatemala	6227	3148	1978	-8
Cuba	5649	793	7124	N/A

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



LAC countries like Mexico, Colombia, Peru, Venezuela and Ecuador love bulls. This gives a good export opportunity for bull shaped glass figurines.



About 2/3 of the population are Roman Catholics which gives us the scope for Christmas tree ornaments and lanterns made of glass. Avoid green color as it isn't considered auspicious due to its connection with Amazon forest which is the source of forest borne diseases.



Chilean wine is famous worldwide. Even domestically, Chile has a good consumption. Chile is wine haven for tourists as well. Hence market for wine glasses is huge in Chile

CIS

Import Trends of glass based household articles in CIS has been found to be high in glassware for table and kitchen purposes (701349), but its RCA for India is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 702000 i.e. other articles of glass although it has a moderate import share in CIS (33.77%), as it has a better stand in comparison to Chinese RCA for the same HS code and has an increasing import demand for the past 5 years.

Code	Product Label	2015	2016	2017	2018	2019	Share in Imports (2019)	Trend
	glass article	1,94,302	2,04,099	2,36,859	2,64,440	2,82,003		
701349	Glass ware for table or kitchen purposes (excluding glass having a linear coefficient of expansion . . .	99,800	1,07,650	1,29,833	1,49,949	1,44,296	51.17	
702000	Articles of glass, n.e.s.	63,921	68,150	72,670	79,359	95,243	33.77	
700992	Glass mirrors, framed (excluding rear-view mirrors for vehicles, optical mirrors, optically . . .	30,581	28,299	34,356	35,132	42,464	15.06	

Russian Federation and Ukraine has an increasing demand for other articles of glass (HS code 702000) among all the countries in the CIS region, growing at the rate of -1% and 7% respectively in the past year in the glass based household article category. However, in the absence of any trade remedy on the select product, import tariff rate of 10%-15% is applied in Russian federation and 10% in Ukraine.

Glass article	Value imported in 2019 (USD thousand)	Quantity imported in 2019	Unit value (USD/unit)	Annual growth in value between 2018-2019 (%)
Russian Federation	142668	58832	2425	-1
Ukraine	48216	23943	2014	7
Belarus	19715	7131	2765	13
Kazakhstan	18390	9973	1844	13
Azerbaijan	17762	7234	2455	99
Georgia	8915	3843	2320	15
Uzbekistan	7815	32470775	0.24	102
Moldova, Republic of	5352	2071	2584	0
Armenia	5092	2912	1749	6
Kyrgyzstan	5089	2022	2517	18
Tajikistan	2541	0	-	52
Turkmenistan	448	102	4392	N/A

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



AFRICA

Import Trends of glass based household articles in Africa has been found to be high in glassware for table and kitchen purposes (701349), but its RCA for India is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 702000 i.e. other articles of glass although it has a low import share in Africa (21.18%), as it has a better stand in comparison to Chinese RCA for the same HS code and has an increasing import demand for the past 3 years.

Code	Product Label	2015	2016	2017	2018	2019	Share in Imports (2019)	Trend
	glass article	1,95,890	1,93,158	1,97,689	2,18,444	2,77,717		
701349	Glass ware for table or kitchen purposes (excluding glass having a linear coefficient of expansion . . .	1,09,932	1,19,686	1,27,157	1,37,511	1,72,337	62.05	
702000	Articles of glass, n.e.s.	48,043	37,260	33,995	41,066	58,811	21.18	
700992	Glass mirrors, framed (excluding rear-view mirrors for vehicles, optical mirrors, optically . . .	37,915	36,212	36,537	39,867	46,569	16.77	

Egypt has an increasing demand for other articles of glass (HS code 702000) among all the countries in the African region, growing at the rate of 24% in the past year in the glass based household article category. However, in the absence of any trade remedy on the select product, import tariff rate of 10% is applied in Egypt.

Glass article	Value imported in 2019 (USD thousand)	Quantity imported in 2019	Unit value (USD/unit)	Annual growth in value between 2018-2019 (%)
Egypt	53593	24739	2166	24
Algeria	50215	32632	1539	N/A
South Africa	30551	20894	1462	8
Morocco	26211	16460	1592	10
Libya, S tate of	19882	5091	3905	N/A
Sudan	16016	12581	1273	N/A
Tunisia	9298	7388	1259	-12
Kenya	8566	7734	1108	-7
Djibouti	8212	2188	3753	N/A
Tanzania, United R epublic of	8152	4191	1945	N/A
Angola	4803	4936	973	-16
Cameroon	3352	826	4058	N/A
Ethiopia	3312	1926	1720	N/A

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Arabic culture has wide usage of fragrance in daily lives. It can be a good opportunity for Indian attar manufacturers and pretty small decorated glass bottle manufacturers to work together for attar and attar glass bottle exports.

ASEAN

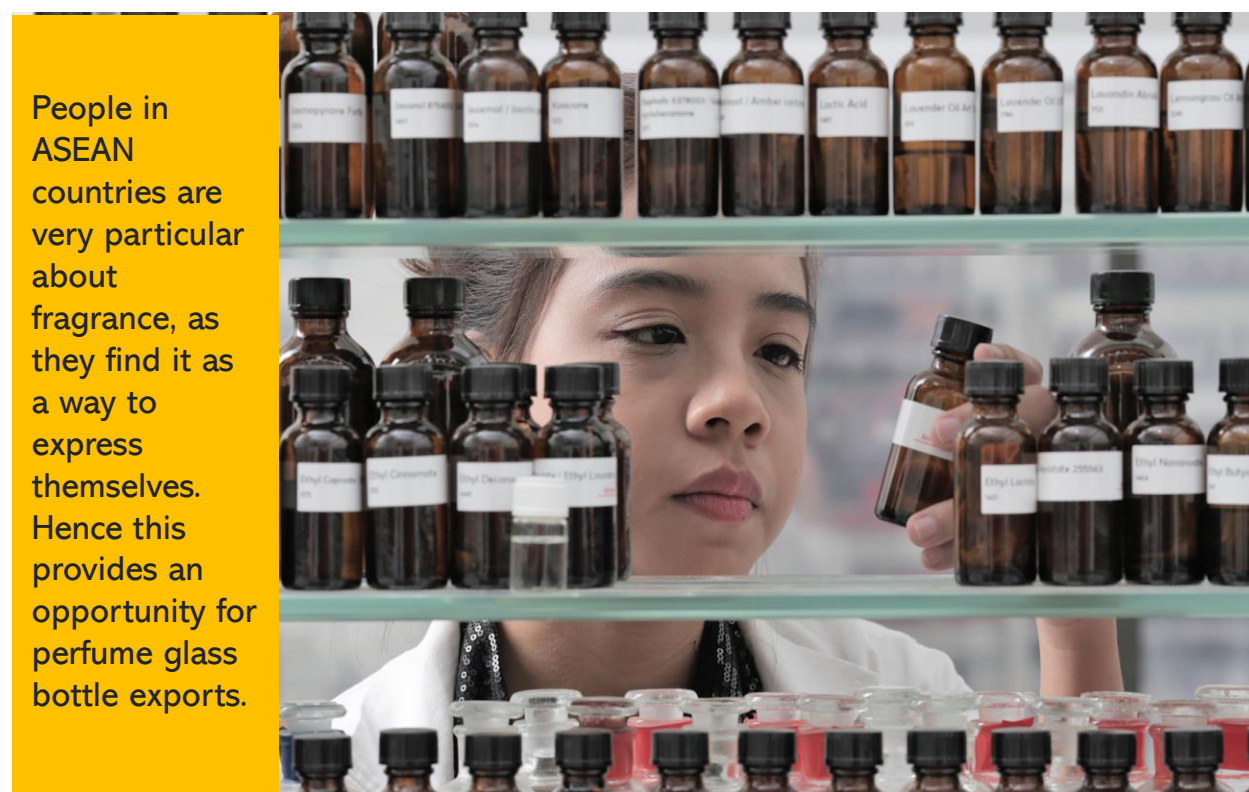
Import Trends of glass based household articles in ASEAN has been found to be high in glassware for table and kitchen purposes (701349), but its RCA for India is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 702000 i.e. other articles of glass although it has a very low import share in ASEAN (10.8%), as it has a better stand in comparison to Chinese RCA for the same HS code and has an increasing import demand for the past 5 years.

Code	Product Label	2015	2016	2017	2018	2019	Share in Imports (2019)	Trend
	glass article	4,92,257	5,21,350	6,57,818	9,05,229	10,65,447		
701349	Glassware for table or kitchen purposes (excluding glass having a linear coefficient of expansion . . .	1,06,761	1,08,655	1,02,755	1,13,198	1,15,094	85.89	
702000	Articles of glass, n.e.s.	3,59,748	3,81,659	5,17,108	7,51,165	9,15,155	10.8	
700992	Glass mirrors, framed (excluding rear-view mirrors for vehicles, optical mirrors, optically . . .	25,748	31,036	37,955	40,866	35,198	3.3	

Singapore has an increasing demand for other articles of glass (HS code 702000) among all the countries in the ASEAN region, growing at the rate of 32% in the past year in the glass based household article category. Despite the absence of any trade remedy on the select product, import tariff rate of 0% is applied in Singapore.

Glass article	Value imported in 2019 (USD thousand)	Quantity imported in 2019	Unit value (USD/unit)	Annual growth in value between
Singapore	591119	0	-	32
Malaysia	162140	25363	6393	31
Viet Nam	136559	15829	8627	-5
Thailand	84202	19672	4280	-12
Philippines	44039	26975	1633	-3
Indonesia	43720	21768	2008	3
Myanmar	1788	2638	678	-48
Cambodia	1136	1280	888	6
Brunei Darussalam	581	224	2594	-29
Lao People's Democratic Republic	163	121	1347	-31

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES





Essential Oils Market to Rise at 9.65% CAGR, Young Living's Expansion to Southeast Asia to Give Tailwinds to growth. The global market for essential oils was worth US\$ 7.03 Bn in 2018 and is anticipated to reach US\$ 14.6 Bn by 2026.





6.3.5 BROOMS & BRUSHES

Today, India is the third largest producer of coconut in the world. The Southern state of India- Kerala produces roughly **45 %** of the country's coconuts, with around **92 %** of total production lying in Kerala's neighbor's and the other Southern Indian States. While Indian coir industry has already been utilizing waste coconut husks, it forms only **28.41 %** of their total availability. The government of India suggests the coir industry to collect at least **60 %** of the total coconut husks produced in the country for fibre extraction.

PROSPECTS FOR INDIAN BROOMS ACROSS GLOBAL MARKETS

UNITED STATES OF AMERICA

Import Trends of brooms and brushes in USA has been declining. However, Indian exporters have a huge potential for HS code 960310 i.e., brooms and brushes as it has a better stand in comparison to Chinese RCA for the same HS code.

Code	Product label	2015	2016	2017	2018	2019	Trend	Share in Imports
	Brooms & Brushes	25129	22831	20799	18737	16921		
'960310	Brooms and brushes, consisting of twigs or other vegetable materials bound together, with or ...	25129	22831	20799	18737	16921	↘	100%

As is indicated in the table below, India does not have duty free status in USA as an MFN rate of **8%** is applied. However, Indian market is one of the largest markets in USA. This arises a question of the meagre share of India which is **0.1%** against Mexico of **83%**. This arises a need for India to understand the USA consumer closely & have trade agreement with USA for being competitive in its market.

Exporting country to USA	Value imported in 2019(US \$ Thousand)	Share in USA imports (%)	Unit Value (USD /unit)	Average tariff (estimated) applied by USA
Mexico	14052	83%	2.22	0%
Sri Lanka	1569	9%	1.01	8%
China	425	3%	0.34	8%
Viet Nam	329	2%	1.17	8%
Thailand	91	1%	0.77	8%
India	73	0%	0.91	8%
Japan	69	0%	1.11	8%
Philippines	43	0%	2.17	8%
Taipei, Chinese	38	0%	1.89	8%

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Natural Boot brushes can be sold in America as they are very particular about cleaning.

Import Trends of brooms and brushes in EU has been erratic. However, Indian exporters have a huge potential for HS code 960310 i.e., brooms and brushes as it has a better stand in comparison to Chinese RCA for the same HS code.

Code	Product label	2015	2016	2017	2018	2019	Trend	Share in Imports
	Brooms & Brushes	33699	34013	32939	36345	33703		
'960310	Brooms and brushes, consisting of twigs or other vegetable materials bound together, with or ...	33699	34013	32939	36345	33703		100%

France has an increasing demand for brooms and brushes (HS code 960310) among all the countries in the European Union. France enjoys a Preferential tariff as GSP country as 0% in this product.

Importers	Value imported in 2019(US \$ Thousand)	Quantity imported in 2019, Tons	Unit Value (USD tons)	Annual growth in value between 2018-2019, %
United Kingdom	6948	0		18
France	5458	1611	3388	-2
Italy	3859	1989	1940	-8
Germany	3826	1418	2698	-30
Netherlands	1818	680	2674	-11
Belgium	1667	1375090	1.21	-6
Hungary	1060	564	1879	-21
Croatia	918	437	2101	2
Ireland	847	181	4680	6
Greece	796	320	2488	13

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES

French Cosmetics Industry is moving towards sustainability. Paper packaging is a raging trend being widely followed by some key Cosmetics Giant




Cold countries in EU households on an average use mechanised cleaning machines like vacuum cleaner, hence small brush components can be exported as supplementary parts.

Boot cleaner for snow made of natural coconut coir for cold countries

JAPAN

Import Trends of brooms and brushes in Japan has been erratic. However, Indian exporters have a huge potential for HS code 960310 i.e., brooms and brushes as it has a better stand in comparison to Chinese RCA for the same HS code.

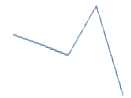
Code	Product label	2015	2016	2017	2018	2019	Trend	Share in Imports
	Brooms & Brushes	25542	26473	25775	24824	26084		
'960310	Brooms and brushes, consisting of twigs or other vegetable materials bound together, with or ...	25542	26473	25775	24824	26084		100%

As is indicated in the table below, India does not lie in top importer in Japan as an MFN rate of 2.7% is applied. However, Indian market enjoys duty free tariff in this product.

Exporting country to Japan	Value imported in 2019(US \$ Thousand)	Share in Japan imports (%)	Unit Value (USD /unit)	Average tariff (estimated) applied by Japan
China	14467	55%	2410	2.50%
Sri Lanka	4308	17%	4232	0.00%
Thailand	2890	11%	8426	0.00%
Indonesia	2434	9%	4888	0.00%
Viet Nam	971	4%	2617	0.00%
Taipei, Chinese	590	2%	6413	2.50%
Cambodia	366	1%	2905	0.00%
Germany	31	0%	31000	0.00%
Korea, Republic of	11	0%		2.50%

LATIN AMERICA

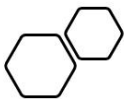
Import Trends of brooms and brushes in LAC has been pretty erratic. However, Indian exporters have a huge potential for HS code 960310 i.e. brooms and brushes as it has a better stand in comparison to Chinese RCA for the same HS code.

Code	Product Label	2015	2016	2017	2018	2019	Share in	Trend
960310	Brooms and brushes, consisting of twigs or other vegetable materials bound together, with or without handles	4,536	4,388	4,221	5,015	3,577	100	

Dominican Republic has an increasing demand for brooms and brushes (HS code 960310) among all the countries in the LAC region. However, in the absence of any trade remedy on the select product, import tariff rate of 20% is applied in Dominican Republic.

broom & brushes	Value imported in 2019 (USD thousand)	Quantity imported in 2019	Unit value (USD/unit)	Annual growth in value between 2018-2019 (%)
Dominican Republic	983	284	3461	-2
Chile	400	258	1553	-20
Peru	261	76	3434	88
Mexico	233	110775	2.1	47
Suriname	212	121	1752	112
Costa Rica	209	76	2750	-2
Aruba	182	36	5056	-16
Trinidad and Tobago	137	0	-	N/A
Bolivia, Plurinational State of	114	98	1163	-44
Brazil	108	91	1187	21
Guyana	107	41	2610	-19
Jamaica	72	89	809	125
Nicaragua	72	42	1714	414


MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



- Brazil is a land of beaches, hence, beach broom can be a good proposition there.
- Brazilian people are pretty tall on an average, so the broom stick should be long enough to complement their height.



Import Trends of brooms and brushes in CIS has been rising for the past 3 years. Hence, Indian exporters have a huge potential for HS code 960310 i.e. brooms and brushes as it has a better stand in comparison to Chinese RCA for the same HS code.

Code	Product Label	2015	2016	2017	2018	2019	Share in Imports (2019)	Trend
960310	Brooms and brushes, consisting of twigs or other vegetable materials bound together, with or without handles	6,875	5,835	5,270	6,719	7,739	100	

Georgia has an increasing demand for brooms and brushes (HS code 960310) among all the countries in the CIS region. Despite the absence of any trade remedy on the select product, import tariff rate of 0% is applied in Georgia.

broom & brushes	Value imported in 2019 (USD thousand)	Quantity imported in 2019	Unit value (USD/unit)	Annual growth in value between 2018-2019 (%)
Russian Federation	3147	3302	953	48
Kazakhstan	2465	5074	486	20
Georgia	1011	667	1516	-16
Belarus	615	430	1430	-7
Kyrgyzstan	186	799	233	-38
Azerbaijan	111	67	1657	-17
Armenia	97	149	651	14
Tajikistan	64	0		-38
Ukraine	33	13	2538	-43
Uzbekistan	9	1167	-	350
Moldova, Republic of	1	0	-	0


MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Georgian households on an average use [mechanised](#) cleaning machines like vacuum cleaner, hence small brush components can be exported as supplementary parts. Also, outdoors and porch is cleaned using broom with plastic bristles, basically to remove dried fallen leaves and dust.

AFRICA

Import Trends of brooms and brushes in Africa has been on a constant downfall. However, Indian exporters have a huge potential for HS code 960310 i.e. brooms and brushes as it has a better stand in comparison to Chinese RCA for the same HS code.

Code	Product Label	2015	2016	2017	2018	2019	Share in Imports (2019)	Trend
960310	Brooms and brushes, consisting of twigs or other vegetable materials bound together, with or without handles	16,533	14,721	16,423	13,112	12,399	100	

Nigeria and Morocco have an increasing demand for brooms and brushes (HS code 960310) among all the countries i.e. 87% and 42% last year in the African region. However, in the absence of any trade remedy on the select product, a very high import tariff rate of 20% is applied in Nigeria and in 30% Morocco.

broom & brushes	Value imported in 2019 (USD thousand)	Quantity imported in 2019	Unit value (USD/unit)	Annual growth in value between 2018-2019 (%)
Nigeria	1378	1083	1272	87
South Africa	864	3482273	0.25	-24
Angola	825	934	883	-46
Morocco	785	316	2484	42
Namibia	713	166	4295	-13
Senegal	713	1374	519	55
Botswana	657	209	3144	3
Uganda	565	797	709	25
Zambia	492	390	1262	12
Madagascar	473	383	1235	13
Ghana	468	696	672	-39
Eswatini	438	113	3876	31
Kenya	349	0	-	-13

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



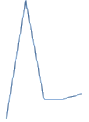
Jumping the broom is a traditional act performed at African weddings. After vows are exchanged, the newlyweds hold hands and jump over a broom to seal the union. Such decorated wedding brooms can be targeted with the back story to be used in marketing the product.

Brooms made from palm frond are excessively used in Nigeria, despite mechanical means, because of its environmental friendliness and biodegradability. Palm frond broom production can be done machinery or Hand depending on your capacity. Using machinery (mechanically) after cutting Fresh palm fronds from the palm tree.



ASEAN

Import Trends of brooms and brushes in ASEAN has been rising for the past 3 years. Hence, Indian exporters have a huge potential for HS code 960310 i.e. brooms and brushes as it has a better stand in comparison to Chinese RCA for the same HS code.

Code	Product Label	2015	2016	2017	2018	2019	Share in Imports (2019)	Trend
960310	Brooms and brushes, consisting of twigs or other vegetable materials bound together, with or without handles	22,105	34,367	24,072	24,041	24,657	100	

Malaysia has an increasing demand for brooms and brushes (HS code 960310) i.e. 24% among all the countries in the ASEAN region. In the presence of India-Malaysia CECA trade agreement on the select product, preferential import tariff rate of 5% is applied in Malaysia.

broom & brushes	Value imported in 2019 (USD thousand)	Quantity imported in 2019	Unit value (USD/unit)	Annual growth in value between 2018-2019 (%)
Malaysia	9293	28741303	0.32	24
Philippines	7724	4049	1908	-18
Cambodia	3064	1444	2122	210
Viet Nam	1870	835	2240	-1
Thailand	1019	9057941	0.11	-55
Singapore	796	1574513	0.51	-21
Myanmar	458	342	1339	54
Brunei Darussalam	275	248469	1.11	2
Indonesia	119	59	2017	-69
Lao People's Democratic Republic	39	18	2172	56

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES

Penyapu Jerami or paddy sweep broom is used in Malaysian households. It spreads out from the base and is held by a stick. Nowadays plastic and nylon is also used in place of paddy.





6.3.6 BASE METAL WORKS

PROSPECTS FOR ACROSS GLOBAL MARKETS

UNITED STATES OF AMERICA

Import Trends of photograph frames in USA has been on a downfall. However, Indian exporters have a huge potential for HS code 830630 i.e., Photograph frames of base metal; mirrors of base metal as it has a better stand in comparison to Chinese RCA for the same HS code.

Code	Product label	2015	2016	2017	2018	2019	Trend	Share in Imports
	Base metal	109548	104723	100319	107877	89999		
'830630	Photograph, picture or similar frames, of base metal; mirrors of base metal (excluding optical ...	109548	104723	100319	107877	89999	↘	100%

As is indicated in the table below, India does not have duty free status in USA as an MFN rate of 2.70% is applied. However, Indian market is one of the largest markets in USA. This arises a question of the meagre share of India which is 5% against China of 77%. This arises a need for India to understand the USA consumer closely.

Exporting country to USA	Value imported in 2019(US \$ Thousand)	Share in USA imports (%)	Unit Value (USD /unit)	Average tariff (estimated) applied by USA
China	69425	77%	6323	2.70%
India	4374	5%	8493	2.70%
Korea, Republic of	3904	4%	90791	0.00%
Taipei, Chinese	2633	3%	6700	2.70%
Sweden	1967	2%	6601	2.70%
Viet Nam	1642	2%	7202	2.70%

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Also, for special occasions like Thanksgiving, Easter , metal frames for picture , metal bases jewellery box can capture the market .



EUROPEAN UNION

Import Trends of photograph frames in EU has been increasing. This poses an huge potential to Indian exporters for HS code 830630 i.e., Photograph frames of base metal; mirrors of base metal as it has a better stand in comparison to Chinese RCA for the same HS code.

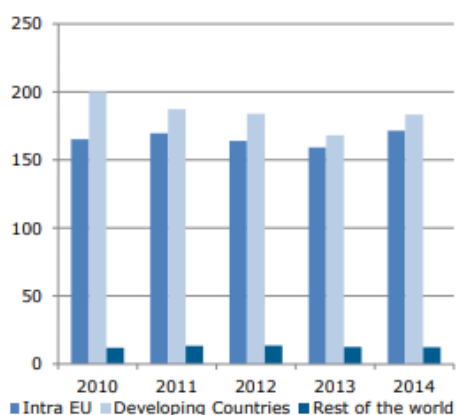
Code	Product label	2015	2016	2017	2018	2019	Trend	Share in Imports
	Base metal	132243	132939	134134	139142	139181		
'830630	Photograph, picture or similar frames, of base metal; mirrors of base metal (excluding optical ...	132243	132939	134134	139142	139181		100%

France and Netherland have an increasing demand for photograph frame and mirrors of base metal (HS code 830630) i.e.,5% & 19% respectively last year among all the countries in the European Union. However, MFN import tariff rate of 2.7% is applied in both the countries.

Importers	Value imported in 2019(US \$ Thousand)	Quantity imported in 2019, Tons	Unit Value (USD tons)	Annual growth in value between 2018-2019, %
Germany	31745	6935	4578	-4
United Kingdom	29889	0		0
France	14671	3095	4740	5
Netherlands	10791	2066	5223	19
Italy	6103	948	6438	-4
Spain	5651	1022	5528	-16
Czech Republic	4517	923	4892	29
Denmark	4338	905	4793	-1
Austria	4219	440	9589	3
Sweden	4146	891	4653	-7

With the increasing popularity of putting up frames in the home, frames have developed new functions.

European imports of picture & Frames by origin, in euro million



Source: Trademap

Depending on various uses, frames have a spectrum of styles: from almost invisible to more expressive. Generally, frames for artworks are neutral, as the consumer's focus is on the framed painting or drawing rather than on the frame itself. Photo and mirror frames are more relevant for Developing Country exporters, as the consumer makes a conscious choice for a particular type and style of a frame that is in line with the style of the interior of the home.

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES

Low end: inexpensive



Mid end: accessible design and price



High end: premium materials and techniques



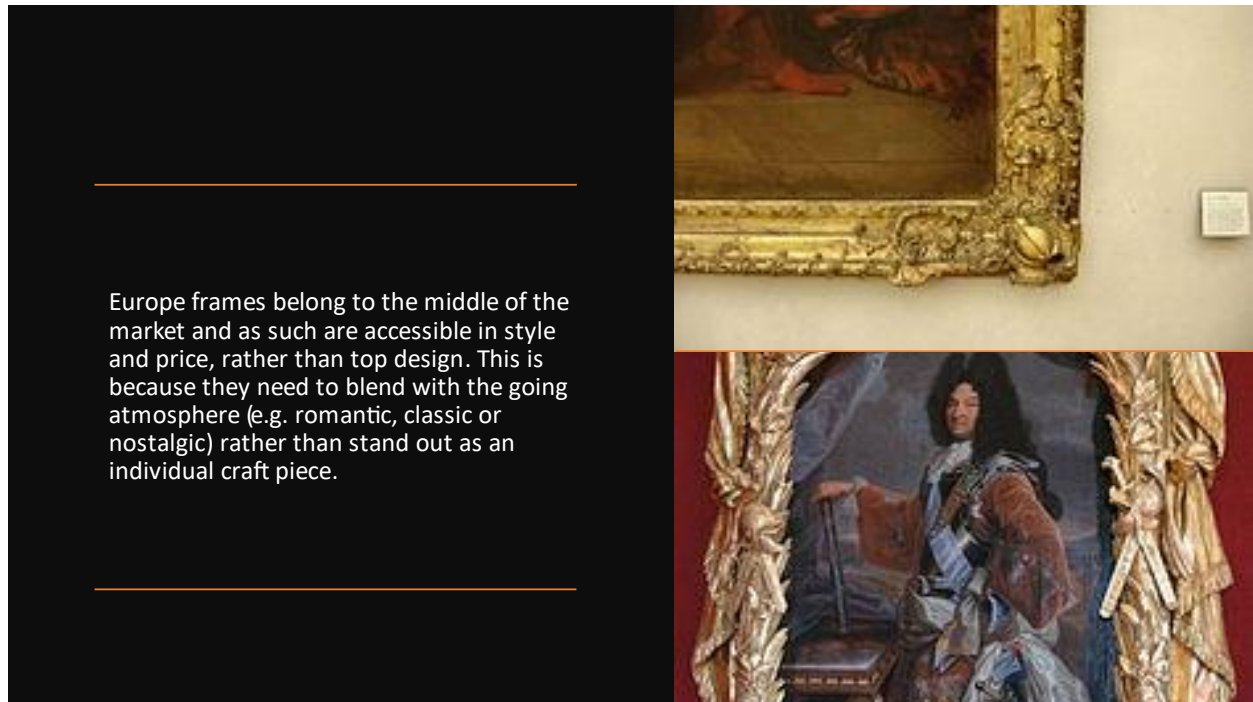
What trends offer opportunities on the European market for picture and mirror frames?

Frames have become typical decorative items, taking pride of place on walls and throughout the home. Also, frames have developed new directions.

- Both in mirrors and photo frames, clustering is popular. Consumers randomly group their frames on the wall or buy ready-made clusters of frames.
- 'Making Your Own' has already been a trend for quite long in-home decoration. We should offer materials to accessorise or style the frames or put them together themselves in a way that suits the occasion or the consumer's taste.
- Mid-market, frames are an important accessory. Reaching the right atmosphere in this market is more important than individual product excellence.
- We must become aware of our target consumers, which can be the average consumer, or dedicated target groups such as young women, infants, or, beyond the consumer market, interior decorators for projects in the contract market. Alternatively, a moment in the seasonal calendar (Valentine, Easter, Christmas etc.) can be chosen to position one's business in frames.

In the European market, frames generally follow the normal segmentation of home decoration, but vary somewhat in having a very broad lower and middle segment, and quite a small top segment. Overall, frames are affordable and accessible.

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Europe frames belong to the middle of the market and as such are accessible in style and price, rather than top design. This is because they need to blend with the going atmosphere (e.g. romantic, classic or nostalgic) rather than stand out as an individual craft piece.



'Green' offers are rare in frames, so we can open new segments using frames that are sustainable in terms of material use, clean production, socially responsible practices, efficient transport solutions, and other formats that will help the consumer to feel good about your product's contribution to the planet and its people.

We can offer base of metal and use biodegradable items for decoration

JAPAN

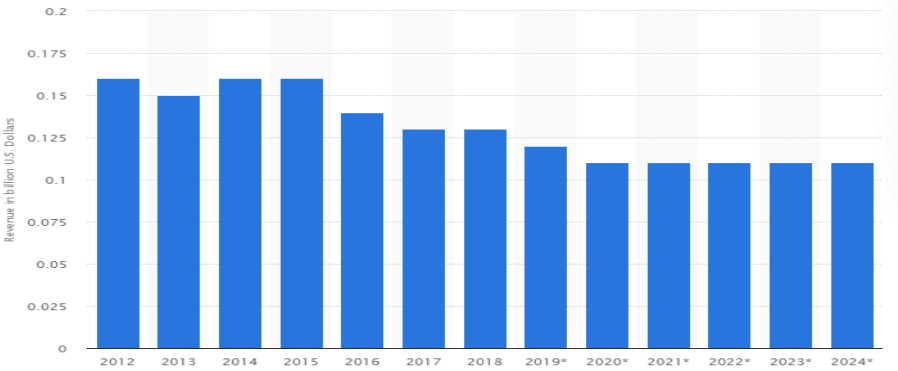
Import Trends of photograph frames in Japan has been on a downfall. However, Indian exporters have a huge potential for HS code 830630 i.e., Photograph frames of base metal; mirrors of base metal as it has a better stand in comparison to Chinese RCA for the same HS code.

Code	Product label	2015	2016	2017	2018	2019	Trend	Share in Imports
	Base metal	12142	10793	9858	10123	8463		
'830630	Photograph, picture or similar frames, of base metal; mirrors of base metal (excluding optical ...	12142	10793	9858	10123	8463		100%

As is indicated in the table below, despite enjoying duty free status in Japan as against an MFN rate of 3.1% for China and USA, Indian imitation jewelry could only capture a meagre share of total Japanese imports.

This is also even though Indian products made of base metal is decently priced. This highlights the need for Indian companies to understand the consumer preferences in Japan.


Exporting country to Japan	Value imported in 2019(US \$ Thousand)	Share in Japan imports (%)	Unit Value (USD /unit)	Average tariff (estimated) applied by Japan
China	5549	66%	9856	3.10%
Malaysia	923	11%	6500	0%
Indonesia	715	8%	4673	0%
Italy	460	5%	115000	0%
United States of America	218	3%	43600	3.10%
Korea, Republic of	112	1%	56000	4.60%
Denmark	105	1%	26250	0.00%
Taipei, Chinese	105	1%	10500	3.10%
Spain	59	1%	59000	0.00%



It is projected that the revenue of Mirror frames and picture frames in Japan will amount to approximately 0,1 billion U.S. Dollars by 2024


MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES

- Mirror items, photographs , picture made of base metal can be a gifting option for a country like Japan which is prone to earthquake. These items are durable and has market which can be captured. Some points to remember for Japanese gifting market is
- Best sales seasons in Japan are March and April. Christmas, Valentine's Day (16 February), White Day (16 March) are also prime gift-giving times.
- Fancy Mirror, photo frames can be good gifting options for men/ women



LATIN AMERICA

Import Trends of photograph frames in LAC has been on a downfall. However, Indian exporters have a huge potential for HS code 830630 i.e. Photograph frames of base metal; mirrors of base metal as it has a better stand in comparison to Chinese RCA for the same HS code.

Code	Product Label	2015	2016	2017	2018	2019	Share in	Trend
830630	Photograph, picture or similar frames, of base metal; mirrors of base metal (excluding optical elements)	11,689	9,816	10,344	9,428	8,915	100	

Mexico and **Brazil** has an increasing demand for photograph frame and mirrors of base metal (HS code 830630) among all the countries in the LAC region. However, in the absence of any trade remedy on the select product, import tariff rate of 15% is applied in Mexico and 16% in Brazil.

photograph frame	Value imported in 2019 (USD thousand)	Quantity imported in 2019	Unit value (USD/unit)	Annual growth in value between 2018-2019 (%)
Mexico	2172	0	-	-4
Brazil	1855	468	3964	12
Colombia	764	688	1110	20
Dominican Republic	527	147	3584	-14
Jamaica	468	140	3343	69
Panama	400	70	5714	N/A
Chile	382	99	3853	-11
Ecuador	335	75	4467	-18
Peru	323	42	7690	-6
Bahamas	193	12	16083	N/A
Paraguay	174	41	4244	-19
Argentina	160	49	3265	-67
Honduras	157	51	3078	1

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



CIS

Import Trends of photograph frames in CIS has been pretty erratic. However, Indian exporters have a huge potential for HS code 830630 i.e. Photograph frames of base metal; mirrors of base metal as it has a better stand in comparison to Chinese RCA for the same HS code.

Code	Product Label	2015	2016	2017	2018	2019	Share in Imports (2019)	Trend
830630	Photograph, picture or similar frames, of base metal; mirrors of base metal (excluding optical elements)	3,110	2,772	4,311	3,124	4,984	100	

Russian Federation and Azerbaijan have an increasing demand for photograph frame and mirrors of base metal (HS code 830630) i.e. 28% and 2% respectively last year among all the countries in the CIS region. However, in the absence of any trade remedy on the select product, import tariff rate of 15% is applied in Russian Federation and 15% in Azerbaijan.

photograph frame	Value imported in 2019 (USD thousand)	Quantity imported in 2019	Unit value (USD/unit)	Annual growth in value between 2018-2019 (%)
Russian Federation	2123	367	5785	28
Kyrgyzstan	1599	704	2271	403
Azerbaijan	367	168	2185	2
Kazakhstan	299	105	2848	41
Ukraine	231	20	11550	-15
Belarus	164	42	3905	27
Moldova, Republic of	87	4	21750	190
Georgia	56	8	7000	-22
Armenia	43	4	10750	-10
Tajikistan	9	0	-	50
Uzbekistan	6	0	-	-65

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



SVG
DXF
PNG
JPG
PDF

TOMMY & TILLY
PAPER DESIGN


The horse is probably the most central part of Kazakh culture. Kazakhs love horses, riding them for transportation in the villages, using them for farming, racing them for fun, and eating them for celebrations. Many Kazakhs own horses and keep pictures of them in their houses or offices.



Russian metallic photo frames have a royal and vintage feel to them. They are seldom adorned with a bow or crown like structure on the top. The frame part is pretty broad.

AFRICA

Import Trends of photograph frames in Africa has been erratic. However, Indian exporters have a huge potential for HS code 830630 i.e. Photograph frames of base metal; mirrors of base metal as it has a better stand in comparison to Chinese RCA for the same HS code.

Code	Product Label	2015	2016	2017	2018	2019	Share in Imports (2019)	Trend
830630	Photograph, picture or similar frames, of base metal; mirrors of base metal (excluding optical elements)	7,623	5,444	5,778	6,102	5,940	100	

South Africa and **Uganda** have an increasing demand for photograph frame and mirrors of base metal (HS code 830630) i.e. 6% and 58% respectively last year among all the countries in the African region. However, in the absence of any trade remedy on the select product, import tariff rate of 0% is applied in South Africa and 25% in Uganda.

photograph frame	Value imported in 2019 (USD thousand)	Quantity imported in 2019	Unit value (USD/unit)	Annual growth in value between 2018-2019 (%)
South Africa	2616	855	3060	6
Kenya	446	195	2287	25
Uganda	291	438	664	58
Morocco	275	30	9167	-18
Algeria	204	40	5100	N/A
Angola	178	233	764	-33
Botswana	172	45	3822	-33
Egypt	160	55	2909	76
Namibia	156	42	3714	3
Tunisia	156	35	4457	-13
Cameroon	113	19	5947	N/A
Mauritius	112	24	4667	4
Madagascar	95	4	23750	850

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Africans have perennial love for animal prints, hence photo frames with animal designs can be exported in such market

ASEAN

Import Trends of photograph frames in ASEAN has been increasing for the past 3 years. Hence, Indian exporters have a huge potential for HS code 830630 i.e. Photograph frames of base metal; mirrors of base metal as it has a better stand in comparison to Chinese RCA for the same HS code and good import potential in ASEAN.

Code	Product Label	2015	2016	2017	2018	2019	Share in Imports (2019)	Trend
830630	Photograph, picture or similar frames, of base metal; mirrors of base metal (excluding optical elements)	14,966	16,554	15,117	16,411	18,468	100	

photograph frame	Value imported in 2019 (USD thousand)	Quantity imported in 2019	Unit value (USD/unit)	Annual growth in value between 2018-2019 (%)
Philippines	5385	3419	1575	-22
Singapore	4944	0	-	54
Indonesia	3386	411	8238	37
Thailand	1747	556	3142	4
Viet Nam	1378	231	5965	151
Malaysia	1281	689	1859	-2
Brunei Darussalam	158	23	6870	65
Cambodia	77	42	1833	126
Lao People's Democratic Republic	71	11	6289	9
Myanmar	41	2	20500	-46

Philippines and Indonesia have an increasing demand for photograph frame and mirrors of base metal (HS code 830630) among all the countries in the ASEAN region. In the presence of ASEAN-India FTA on the select product, preferential import tariff rate of 0% is applied in Philippines and preferential tariff of 12% in Indonesia while MFN rate is 15%.

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



6.4 LIFESTYLE

Indian Lifestyle product exports have been divided into Six prime categories (i) Festive Décor and hangings (ii) Metal and Instruments (iii) Wooden Articles (iv) Paper and plaiting handicrafts (v) Ceramics and Glass Items (vi) Paintings, Artwork and Manufactured items.



5.4.1 DÉCOR AND HANGING	
42022910	Hanging of other material
34060010	Candles
33019031	Fixed oil based
33074900	Exclusive agarbatti
94051010	Hanging lamp
95051000	Articles for christmas festivities
94051020	Wall lamps
94053000	Christmas tree lighting
95059010	Magical equipment
97019092	Plastic restaurant decoration

5.4.2 METALS INSTRUMENTS	
83061000	Bells gongs and the like
83062190	Other ornmt pited with prcs metal
83062990	Others
83062910	Othr statuettes(e xcluding works of art)
92029000	Other string musical instruments
92059010	Flutes
92059090	All other wind musical instruments

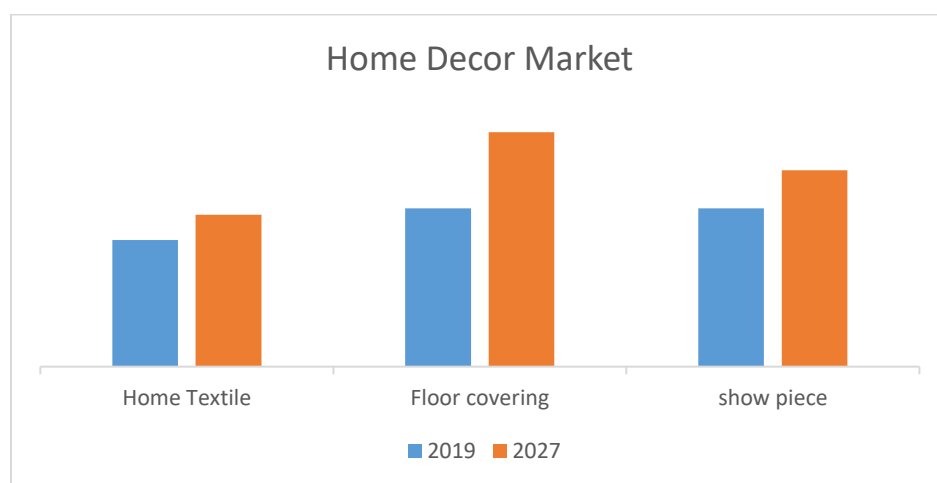
5.4.3 WOODEN ARTICLES	
44140000	Wooden frames for paintings photographs mirrors or similar objects
44191900	Other
44199090	Other
44201000	Statuets and other ornamnts of wood
95030010	Dolls of wood
97019091	Domestic artcls of wood (hnd decorated)

5.4.4 PAPER AND PLAITING HANDICRAFTS	
46012900	Other
46019900	Othr plaiting materials (excl veg materls)
46021911	Palm leaf basket etc.
46021919	Palm leaf items other then baskets
46021990	Others
48237030	Articles of papr mache other than artware and moulded/pressed of wood pulp
48239018	Product consistings of sheets of paper/ rboard, impregngted,coted or covered with plastics.
48021010	Hand made paper
48021020	Hand-made paperboard

5.4.5 MANUFACTURED ITEMS AND ARTWORK	
96020090	Othr under hdng 9602
97011010	Madhubani paintings(on txtls)
97011020	Kalamkari paintings(on txtls)
97011030	Rajasthani paintings(on txtles)
97050010	Stuffed animals and birds (taxidermy)
97030010	Original sclptrs and statuary in metal
97030090	Orignl sclptrs and statuary in othr matrls
97060000	Antiques of an age excdng one hundred yrs
96062200	Buttons ofbase mtl,nt cvrd wth txtl mtrl
96140000	Pipes and pipe bowls
42023110	Jewellery boxes
42023910	Jewellery box
39231020	Watchbox jewellery box and similar container of plastics
97030090	Orignl sclptrs and statuary in othr matrls
97060000	Antiques of an age excdng one hundred yrs

	High value, growing
	Low value, growing
	High value, declining
	Low value, declining

The global home decor market was valued at \$616.6 billion in 2019 and is estimated to reach \$838.6 billion by 2027, registering a CAGR of 3.9% from 2020 to 2027. The home décor market is growing nationally at 20%. South India is growing at a faster clip of 25 to 30%. As expected to grow at a CAGR of 4.0% throughout the forecast period. The adoption of home decor products has been significantly high in mature regions such as the U.S., Canada, and Germany, while consumer demand in emerging countries such as China, Brazil, and India is anticipated to increase at a steady pace.



- Festive Décor & Hangings and Artwork and manufacturing Items amount to approx. similar amount of export value, amounting to 1687 and 1134 INR cr approx respectively.
- Prime exportable products under Festive décor and hanging category includes Candles, articles for Christmas festivities and other odoriferous products for deodorizing rooms which have been witnessing better acceptance and rising export demand. Indian exporters have been witnessing declining demand for Wall lamp and Magical Equipment.
- Prime export items under Metal and Instruments includes Bells, with price metal plated ornament and musical instruments. Prime export items under Wooden Article, include dolls of wood and domestic articles of wood which have witnessed rising trend along with a decent share in exports. Under Paper and plaiting handicrafts, Palm leaf Items, Palm leaf Basket, where we can see a decline in paper artware and moulded or pressure pulp decline
- Prime export items under manufactured items and artwork are hand-decorative stuffed animals and birds and madhubani painting are going good whereas buttons of base metal and antique are declining.



6.4.1 DÉCOR & HANGINGS

WHERE DOES INDIA STAND IN GLOBAL DÉCOR AND HANGINGS?

The home decor and interiors industry in India has witnessed a boom. The booming urban Indian middle class over the last 5 years. This has also coincided with the share of organized retail in this space doubling from 5% to 10% in the same period. For a \$20BN market with an 8% CAGR, this is significant. However, these are still early days. Where in the world china is the biggest player in the candles and wall lamp category with around 21% in the world market share so there is a huge opportunity for the Indian product to take a lead. The United States, UK and Australia is the biggest market of India exporting product. In the current scenario, China is the biggest export of decorative. So India has a great opportunity.

PROSPECTS FOR INDIAN DECOR ACROSS GLOBAL MARKETS

UNITED STATES OF AMERICA

US is one of the most rising markets in the world, for the product categories listed below. US import demand had shown rise for the last 5 years, the demand for décor and hanging in the US is expected to gain more traction.

USA	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Decor and hangings	6759240	7054802	7632897	8402160	8257363		
'940510	Chandeliers and other electric ceiling or wall lighting fittings (excluding for lighting public	3848394	4067342	4410407	4831452	4343656	52.60%	
'950510	Christmas articles (excluding candles and electric lighting sets, natural Christmas trees	2223367	2280902	2453605	2685916	2960181	35.85%	
'340600	Candles and the like	413470	422986	474748	540582	579325	7.02%	
'330749	Preparations for perfuming or deodorising rooms, incl. odoriferous preparations used	258413	268709	279039	324547	349856	4.24%	
'420229	Handbags, whether or not with shoulder strap, incl. those without handle, with outer	15596	14863	15098	19663	24345	0.29%	

Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 950510 i.e Christmas articles as it has increasing demand, growing for the last 5 years, and the best RCA amongst all. People celebrate Christmas Day in many ways. It is often combined with customs from pre-Christian winter celebrations. Many people decorate their homes, visit family or friends, and exchange gifts. Many people decorate their homes and gardens with lights, Christmas trees, and much more.

People in America like to decorate the outsides of their houses with lights and sometimes even statues of Santa Claus, Snowmen, and Reindeer. Some cookies and a glass of milk are often left out as a snack for Santa on Christmas Eve! The worldwide market for Christmas Lights and Christmas Decorations is expected to grow at a CAGR of roughly 12% over the next five years, will reach 96 million US\$ in 2023, from 54 million US\$ in 2017. India is witnessing a 20% growth year on year.

Country	Value imported in 2019 (US \$ thousand)	Quantity imported	Unit Value	Annual growth	Average tariff
China	5100819	N/A	N/A	-3	0
Mexico	1499104	N/A	N/A	-9	0
Canada	615840	N/A	N/A	15	0
Viet Nam	293471	N/A	N/A	20	0
India	131473	N/A	N/A	20	0
Germany	95954	N/A	N/A	13	0
Italy	67813	N/A	N/A	4	0

As is indicated in the table above, China is largest exporter for HS code 950510 with tariff of 0% in MFN. Mexico is the closest competitor. India here to perform better in market India need to have competitive advantage in future too.

EUROPEAN UNION

European import has grown significantly and consistently. Most of these imports are intra-European and despite China being one of the leading developing country suppliers, Chinese imports have been declining though over the years.

EU	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Decor and hangings	9326973	9706174	10344682	10839470	10899983		
'940510	Chandeliers and other electric ceiling or wall lighting fittings (excluding for lighting public	5290935	5568690	6098782	6437124	6434018	59.03%	
'340600	Candles and the like	1660459	1752791	1803205	1844673	1785825	16.38%	
'950510	Christmas articles (excluding candles and electric lighting sets, natural Christmas trees	1185290	1243668	1233164	1262218	1290075	11.84%	
'330749	Preparations for perfuming or deodorising rooms, incl. odoriferous preparations used	1013022	998662	1051636	1137195	1211380	11.11%	
'420229	Handbags, whether or not with shoulder strap, incl. those without handle, with outer	177267	142363	157895	158260	178685	1.64%	

Import trends of festive décor and hangings in the EU is high in Chandeliers and other wall fittings but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 950510 i.e Christmas articles as it has increasing demand, growing for the last 3 years, and the best RCA amongst all. Netherland registered a growth of 191% in the festive décor category in the last year and has an increasing demand for Christmas Articles (HS code 950510) among all the countries in Japan. However, in the absence of any trade agreement, a high import duty rate of 15% is applied here.

Importers	Value imported in 2019(US \$ Thousand)	Quantity imported in 2019, Tons	Unit Value (USD tons)	Annual growth in value between 2018-2019, %
Germany	1971076	291330	6766	-5
United Kingdom	1456415	179676	8106	5
France	1337606	149973	8919	0
Netherlands	922082	141950	6496	4
Italy	629863	81695	7710	-7
Spain	579891	33424	17350	0
Austria	565171	58676	9632	19
Belgium	524738	82308	6375	-2
Poland	519708	69052	7526	8
Sweden	329046	52865	6224	-2
Czech Republic	259388	40871	6347	0

Netherlands has an increasing demand for Wooden product (HS code 701890) i.e., 4% among all the countries in the European Union. As is indicated in the table above, Netherlands is largest exporter for HS code 950510 with tariff of 4%. India here to perform better in market India need to have competitive advantage in future too.

In the Netherlands, people celebrate Christmas both on the 25th and the 26th of December. During Dutch Christmas people spend two days with their family, playing games, watching movies, and eating some traditional Christmas food. Christmas in Amsterdam is a fairy-tale mix of twinkle lights, majestic trees adorned in brightly colored baubles, and crackling hearths that warm hands and hearts. In the Netherlands, the Christmas tree is called the paradise tree. One can buy artificial trees or real pine trees. Some people build wooden Christmas pyramids and decorate them with evergreens and candles. Celebrants of Christmas decorate the trees with small electric lights and other items of adornment such as glass baubles, bells, and stars. Many also visit local markets to shop for Christmas decorations, music, snacks, and gifts.

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



JAPAN

Japan is one of the biggest importers of Indian products. Import Trends of festive décor and hangings in Japan is high in Chandeliers and other wall fittings but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 9505 10 i.e Christmas articles as it has increasing demand, growing for the last 3 years, and the best RCA amongst all.

JAPAN	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Decor and hangings	584708	577451	598399	629461	627950		
'940510	Chandeliers and other electric ceiling or wall lighting fittings (excluding for lighting)	341580	330477	352290	357776	340356	54.20%	
'330749	Preparations for perfuming or deodorising rooms, incl. odoriferous preparations used	175934	179861	182364	209795	226988	36.15%	
'340600	Candles and the like	36132	36872	32833	30172	30891	4.92%	
'950510	Christmas articles (excluding candles and electric lighting sets, natural Christmas trees)	30210	29299	30075	30410	28918	4.61%	
'420229	Handbags, whether or not with shoulder strap, incl. those without handle, with outer	852	942	837	1308	797	0.13%	

In Japan, however, Christmas is known more as a day to spread happiness, rather than being viewed as a religious celebration. As a result, Christmas Eve is often celebrated more than Christmas Day. Christmas Eve is similar to the way we celebrate Valentine's Day in the UK; it is seen as a romantic day where loved ones get together and exchange gifts. Due to this, trying to book a table at a restaurant on Christmas Eve in Japan is nearly impossible. The decorations of the Christmas celebrations in Japan include all the traditional elements. The Nativity scene is given a corner in every house. They also have turkey for Christmas dinner, Christmas trees, evergreens, and mistletoe in their stores and homes, and even their version of Santa.

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Christmas celebrations in Japan are a time to spread happiness and romance. They involve illumination! The country lights up during this time of the year, from shopping centers to restaurants, to public areas. Japan takes Christmas displays a step further than most countries, decorating their most famous landmarks with unique festive lighting displays.

Country	Value imported in 2019 (US \$ thousand)	Quantity imported in	Unit Value (USD/ton)	Annual growth in	Average tariff (estimated)
China	440348	40809	10790	2	3.2
Thailand	52032	9751	5336	0	0
United States of America	18642	923	20197	7	3.2
Viet Nam	17821	3957	4504	-6	0
Korea, Republic of	17479	4235	4127	-28	3.2
Italy	12685	327	38792	0	0
Taipei, Chinese	10859	540	20109	-10	3.2

As is indicated in the table above, despite enjoying duty-free status in Japan as against an MFN rate of 3.2% for China, Korea, and the USA, Indian décor and hanging.

LATIN AMERICA

Import Trends of festive décor and hangings in LAC is high in Chandeliers and other wall fittings but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 950510 i.e Christmas articles as it has increasing demand, growing for the last 3 years, and the best RCA amongst all.

LAC	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Decor	1,261,802	1,222,405	1,333,187	1,395,064	1,280,410		
940510	Chandeliers and other electric ceiling or wall lighting fittings (excluding for lighting public ...	677,859	692,159	792,718	818,061	718,958	56.2%	
950510	Christmas articles (excluding candles and electric lighting sets, natural Christmas trees	287,161	247,877	240,818	266,043	275,378	21.5%	
330749	Preparations for perfuming or deodorising rooms, incl. odoriferous preparations used	172,955	165,508	179,054	196,013	186,438	14.6%	
340600	Candles and the like	61,900	58,907	58,839	66,836	59,176	4.6%	
420229	Handbags, whether or not with shoulder strap, incl. those without handle, with outer surface ...	61,927	57,954	61,758	48,111	40,460	3.2%	

Christmas festivities in South America are very religious affairs, with the entire region boasting over 91% adherence to Christianity. Cities are adorned with all manner of festive decorations and restaurants open until very late on the 24th. Buenos Aires and Lima are particularly festive. Rio is renowned for its enormous floating Christmas tree, which stands 53m-tall and weighs 350 tonnes. The world's largest floating Christmas tree drifts about in Rio's lagoon for all of December and will be removed by the 6th January, the traditional day of the Epiphany. By mid-December, Rio also holds a 'lighting' of all the Christmas decorations.

- About 2/3 of the population are Roman Catholics in LAC.
- Countries such as Peru and Brazil have seen rapid growth in their consumption of decorative products. During the holiday season, nativities, wreaths, lights, and Christmas trees decorate Panama City's neighborhoods that compete for the best

ornamental creations. Christmas markets that sell lovely handicrafts are also commonplace.

- In Argentina, Christmas is decorated with garlands of green, gold, and red hues, while the front door is adorned with a wreath bearing white flowers. These Christmas decorations also include slightly more alternative decorations, where cotton balls serve as white snowflakes.

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



THE APIPHANY

The Epiphany, which falls on the 6th January every year, manages to eclipse Christmas celebrations in most of South America. This is the day when the Latino world celebrates the arrival of the Three Kings bearing gifts for Jesus. The Día de los Reyes Magos, or day of the Three Wise Men, is yet another day of festivities and culminates in the removal of all Christmas decorations.



Piñatas may be shaped like a seven-pointed star, where each point represents one of the seven deadly sins. Piñatas are made of papier-mâché or clay, and are filled with candy. Children play the piñata game blindfolded, and attempt to puncture the figure so all the candy comes out.





Dominican Republic has an increasing demand for Christmas Articles (HS code 950510) among all the countries in the LAC region, growing at the rate of 9% in the past year in the décor category. However, in the absence of any trade agreement, high import duty rate of 20% is applied here.

Country	Value imported in 2019 (US \$ thousand)	Quantity imported in 2019	Unit Value (USD/ton)	Annual growth in value between 2018 & 2019 (%)
Mexico	354219	0	1133	-7
Brazil	174345	42735	4080	-1
Chile	109922	34673	3170	-14
Columbia	104416	20155	5181	-7
Peru	88676	13570	6535	1
Panama	60767	0	10322	N/A
Argentina	56009	7902	7088	-28
Dominican Republic	40491	6170	6563	9

Christmas trees and decorations used in Dominican Republic can go from simple to very elaborate. Many of the decorations are white in color to give the illusion of snow. A Dominican tradition is the lighting and decorating of the Charamicos (which in Dominican slang is a dry tree branch). These items are Dominican folk art and can be found in abundance around the country during the Christmas season.

One can see Charamicos being made and sold on many of the street corners and in open places along the roads. These decorations are fashioned from straw, tree branches and pliable wood. They are made in the form of angels, cows, deer, some giraffe looking animals, pots, and wreaths. The nicer ones are painted in white and adorned with balls, ribbons and lights.



CIS

Import Trends of festive décor and hangings in CIS has been found to be high in Chandeliers and other wall fittings but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 950510 i.e Christmas articles as it has an increasing demand, growing for the last 3 years and the best RCA amongst all.

CIS	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Decor	508,583	496,956	651,797	754,503	860,097		↗
940510	Chandeliers and other electric ceiling or wall lighting fittings (excluding for lighting public ...	308,156	317,494	427,805	493,178	584,113	67.9%	↗
950510	Christmas articles (excluding candles and electric lighting sets, natural Christmas trees	86,156	69,249	94,743	116,019	132,267	15.4%	↗
330749	Preparations for perfuming or deodorising rooms, incl. odoriferous preparations used	80,769	74,117	91,600	100,053	101,077	11.8%	↗
340600	Candles and the like	18,900	20,807	25,293	30,985	31,893	3.7%	↗
420229	Handbags, whether or not with shoulder strap, incl. those without handle, with outer surface ...	14,602	15,289	12,356	14,268	10,747	1.2%	↔

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Ukraine - Christmas in Ukraine is celebrated on the 7th January because, like many countries where the main Church is the Orthodox Church, they use the old 'Julian' calendar for their church festivals. During Soviet rule, Christmas was downsized in Ukraine, so now many families are returning to the tradition and the holiday grows more and more festive every year.



Ukrainians continue the Christmas tradition, adorning their trees with fake spiders and cobwebs made from crystals, silver and gold tinsel, glitter, and paper. These are called made of paper and silver wire, called 'pavuchy' (which means 'little spider'). By decorating the tree with spiders, the people in the household hope it will bring them luck and good fortune in the coming year.

Uzbekistan registered a growth of 191% in the festive décor category in the last year, and has an increasing demand for Christmas Articles (HS code 950510) among all the countries in the CIS region. However, in the absence of any trade agreement, high import duty rate of 15% is applied here.

Country	Value imported in 2019 (US \$ thousand)	Quantity imported in 2019	Unit Value (USD/ton)	Annual growth in value between 2018 & 2019 (%)
Russia	509968	88490	5763	11
Ukraine	95079	20822	4566	27
Kazakhstan	69295	14895	4652	26
Belarus	64118	15708	4082	9
Georgia	25966	3848	6748	14
Azerbaijan	24432	4965	4921	-3
Uzbekistan	23446	0	-	191
Moldova	13744	2090	6576	23
Armenia	12065	2756	4378	-4



Just like other nations, Uzbek people celebrate New Year with Christmas tree in the houses and central squares of the cities, decorate the city with festive lights and buy presents. The central square of Tashkent becomes the centre of festive events.

Decorations are set up for the upcoming Christmas season in Tashkent, Uzbekistan

AFRICA

Import Trends of festive décor and hangings in Africa has been found to be high in Chandeliers and other wall fittings but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 950510 i.e Christmas articles as it has an increasing demand, growing for the last 3 years and the best RCA amongst all.

Africa	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Decor	446,017	431,608	407,589	420,406	423,924		
940510	Chandeliers and other electric ceiling or wall lighting fittings (excluding for lighting public	234,355	242,693	222,126	233,545	234,509	55.3%	
340600	Candles and the like	64,611	54,593	56,003	54,257	60,865	14.4%	
330749	Preparations for perfuming or deodorising rooms, incl. odoriferous	51,192	48,287	43,026	51,205	53,842	12.7%	
420229	Handbags, whether or not with shoulder strap, incl. those without handle with outer surface	69,281	67,770	68,142	61,421	49,330	11.6%	
950510	Christmas articles (excluding candles and electric lighting sets, natural	26,578	18,265	18,292	19,978	25,378	6.0%	

- While the majority of countries in Africa celebrate Christmas on December 25th, it's not the same everywhere. The Coptic Christians in Egypt and Ethiopia actually celebrate Christmas on January 7th as they follow the older Julian calendar.
- People in Ghana celebrate Christmas from the 20th of December to the first week in January with lots of different activities. In Ghana, the Yuletide festivities get started as soon as December arrives, with shops, streets and homes decorated in twinkling lights and ornaments. There's also double the celebration in Ghana, as Christmas falls at the same time as the end of the cocoa harvest. The African Christmas trees are just a little different from your usual pine or fir tree. One can find everything from Cypress trees to mango and palm trees bedazzled with little ornaments like bells and candles across Africa.

Mauritius registered a highest growth of 20% in the festive décor category in the last year among all the countries, and has an increasing demand for Christmas Articles (HS code 950510) in the African region. **Since the import duty MFN is 0% here, it is advantageous for India to target this country.**

Importers	2015	2016	2017	2018	2019	Annual growth in value between 2018 & 2019	Trend
Africa Aggregation	446017	431608	407589	420406	423924		
Morocco	53522	58069	68737	71544	77932	9	
South Africa	66078	54492	54695	59364	54036	-9	
Libya, State of		21538		18228	27911	N/A	
Algeria	44427	50989	46324	28918	25127	N/A	
Egypt	46025	28646	19320	20811	22791	10	
Angola	20678	21204	32675	22314	20677	-7	
Mauritius	7975	9247	10958	12794	15310	20	
Tunisia	10685	10878	10685	11423	11875	4	

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



In Mauritius, the traditional Mauritian fir tree Filao, pine, cypress or araucaríea decorated. Fir trees are on sale only a few days before Christmas on the main streets, although in recent years the artificial trees gained ground not only for its practicality but also for ecological reasons.

ASEAN

Import Trends of festive décor and hangings in ASEAN has been found to be high in Chandeliers and other wall fittings but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 950510 i.e Christmas articles as it has an increasing demand, growing for the last 3 years and the best RCA amongst all.

ASEAN	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Decor	726,808	775,988	889,340	944,684	946,662		
940510	Chandeliers and other electric ceiling or wall lighting fittings (excluding for	353,723	394,582	422,111	424,233	422,902	44.7%	
420229	Handbags, whether or not with shoulder strap, incl. those without	227,752	231,815	304,468	328,759	312,962	33.1%	
330749	Preparations for perfuming or deodorising rooms, incl. odoriferous	98,429	103,848	113,091	130,008	141,214	14.9%	
950510	Christmas articles (excluding candles and electric lighting sets, natural	22,515	23,446	24,774	29,613	37,906	4.0%	
340600	Candles and the like	24,389	22,297	24,896	32,071	31,678	3.3%	

Philippines registered a highest growth of 20% in the festive décor category in the last year among all the countries, and has an increasing demand for Christmas Articles (HS code 950510) in the ASEAN region. Though the MFN duty is 10%, but India avails the benefit of 0% import duty because of the India-ASEAN FTA.

Importers	2015	2016	2017	2018	2019	Annual growth in value between 2018 & 2019	Trend
Thailand	150,263	178,670	197,614	243,479	239,829	-1	
Singapore	179,387	146,174	163,182	180,159	184,400	2	
Philippines	75,850	82,279	86,163	112,126	134,443	20	
Malaysia	141,313	175,604	181,346	171,572	132,883	-23	
Viet Nam	62,681	80,156	96,786	119,906	131,121	9	
Indonesia	85,282	80,483	112,370	79,282	85,504	8	
Myanmar	13,201	13,787	31,677	18,208	16,049	-12	

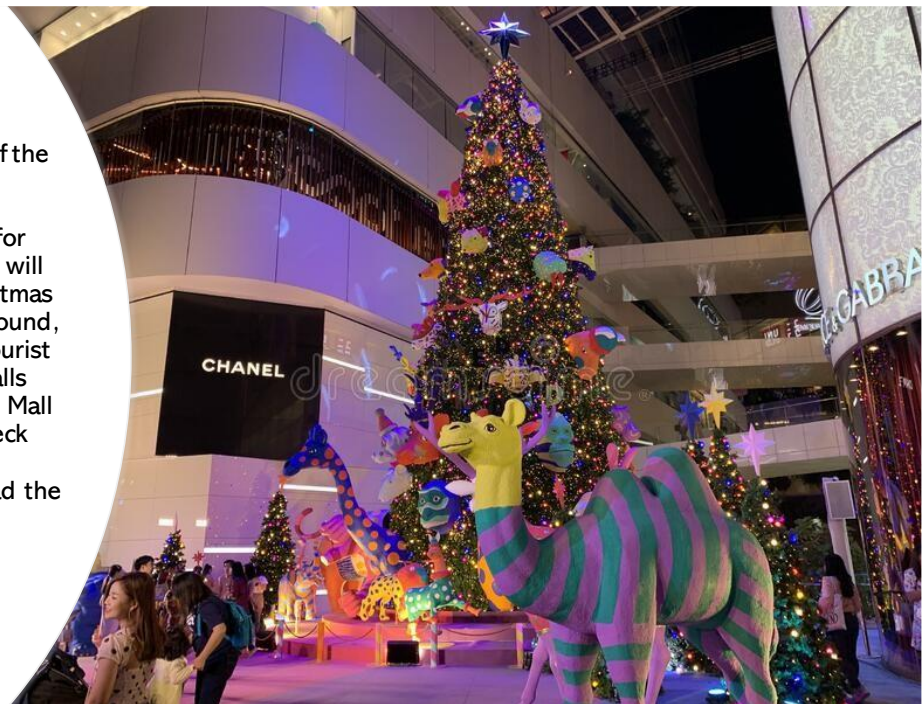
- **Most Filipinos are Christians with about 80% of people being Catholics.** It's the only Asian country with so many Christians. Because of this, Christmas is the most important holiday in the Philippines.
- The Philippines is one of two predominantly Catholic countries in Asia and Christmas is the most enthusiastically celebrated holiday on the calendar. **The country is known for celebrating the world's longest Christmas season, which begins September 1st.**

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES

Indonesia In Bali, the roads are lined with towering penjors (a traditionally Hindu decoration of tall, curved bamboo poles decorated with yellow coconut leaves) and their Christmas trees are made of chicken feathers handmade by locals.



Thailand - The majority of the country's population are Buddhists, so there's no public holiday allocated for Christmas. However, you will still be able to find Christmas decorations scattered around, particularly at popular tourist attractions. Shopping malls in Bangkok, like Paragon Mall and MBK Mall, love to deck the halls with tinsel and Christmas lights to spread the Christmas cheer.





In Philippines, parols (made of plastic bottles and straws) are used, perhaps the ultimate icon of the Filipino Christmas, it holds a religious symbol as representing the star of Bethlehem and today is often used to decorate streets, backyards and front porches.

- Parols are star-shaped lanterns that represent the star of Bethlehem, which guided the Three Kings. Early parols were made of bamboo, rice paper, and oil lanterns. Now, the art form of making parols has become as intricate as they are beautiful.
- It's traditionally made from bamboo strips and colored Japanese paper or cellophane paper and represents the star that guided the Wise Men. It is the most popular Christmas decoration in the Philippines.



6.4.2 MUSICAL INSTRUMENT

The global musical instruments market size was valued at USD 7.5 billion in 2018. An increase in the penetration of digital musical instruments is anticipated to drive the market over the forecast period. The global musical instrument market 2020-2024 and is poised to grow by USD 1.17 bn during 2020-2024, progressing at a CAGR of 3% during the forecast period. The report on the global musical instrument market 2020-2024 provides a holistic analysis. This is due to the sudden increase in music lovers and people started developing as a hobby.

Bells of bronze dating from approximately 1000 BCE have been excavated in India, from the 22nd dynasty (945–730) in Egypt, and from about 700 in Assyria. An intimate connection existed in ancient India between bell sound and mystic experience, and today a handbell is still rung in temple ceremonies in India and other areas of Buddhist influence. Bronze is an alloy of copper and tin used for making bells, cymbals, and gongs. This type of bronze is called ‘bell metal’.Gongs have been around since the Bronze Age, where they were used in Shamanic healing ceremonies announce the start of ceremonies. According to Gong Healing:

“Gong Baths and gong bath therapy has been used longer than any other instrument for holistic sound healing.”

The gong is one of the instruments from different cultures or ethnic groups who use them to achieve states of deep relaxation that allows us to experience a state of complete neutrality, as when we sleep. The Gongs resonate harmonically with the cosmic cycles, which have been known since antiquity as the "music of the spheres". Transmitting powerful vibrational energy, inducing higher planes of consciousness are powerful tools in the field of physical and spiritual healing.

WHERE DOES INDIA STAND IN GLOBAL MUSICAL INSTRUMENTS?

India is the inheritor of one of the most ancient and evolved music systems in the world. The continuity of the musical traditions of India is established through a study of musical texts and numerous visual references one finds of musical instruments in painting and sculpture from prehistoric times to the present day. Musical instruments are the tangible and material representation of music which is an auditory art. Revenue in the Musical Instruments segment is projected to reach US\$4,248m in 2021. The market is expected to grow annually by 10.6% (CAGR 2021-2025).

PROSPECTS FOR INDIAN MUSICAL INSTRUMENTS ACROSS GLOBAL MARKETS

UNITED STATES OF AMERICA

Import Trends of metals handicrafts and Musical instruments in USA region is high in HS code 830629 but its RCA is poor.

USA	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Metals and Instruments	875795	835443	851669	943556	937673		
'830629	Statuettes and other ornaments, of base metal, not plated with precious metal (excluding works ...	695502	656200	679238	764667	755485	80.57%	
'920600	Percussion musical instruments, e.g. drums, xylophones, cymbals, castanets, maracas	122180	121675	114286	117635	119628	12.76%	
'830610	Bells, gongs and the like, non-electric, of base metal (excluding musical instruments)	58113	57568	58145	61254	62560	6.67%	

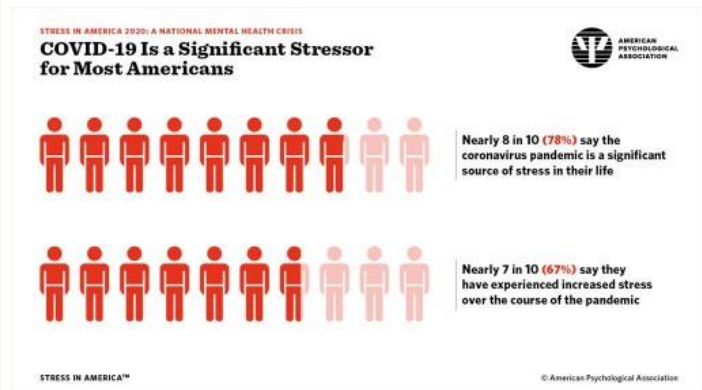


Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 830610 i.e bells, gongs, and the like of base metals as it has a better RCA amongst all products. India's avg tariff is 5.8%. So this hampers the opportunity for the Indian product.

Importers	Value imported in 2019(US \$ Thousand)	Quantity imported in 2019, Tons	Unit Value (USD tons)	growth in value between 2018-2019,	Average tariff (estimated) applied by the country (%)
China	710021	N/A	N/A	-1	5.8
India	96481	N/A	N/A	-2	5.8
Taipei, Chinese	20862	N/A	N/A	-4	5.8
Canada	16013	N/A	N/A	5	0
Thailand	15088	N/A	N/A	-4	0
Mexico	10108	N/A	N/A	7	0
Germany	9128	N/A	N/A	19	5.8



The New York Times
Americans Are Among the Most Stressed People in the World



Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 830610 i.e bells, gongs, and the like of base metals as it has a better RCA amongst all products. India's avg tariff is 5.8%. so this hampers the opportunity for the Indian product.

EUROPEAN UNION

Bell metal was used to cast many early Spanish, Portuguese and Malay cannons, most notably the Malay cannon known erroneously as Rentaka. Import Trends of metals handicrafts and Musical instruments in the EU region has been found to be the highest in HS code 830629 (Statuettes and other ornaments of base metals) but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 830610 i.e bells, gongs, and the like of base metals as it has a better RCA amongst all products.

EU	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Metals and Instruments	665799	668619	721641	767284	773212		
'830629	Statuettes and other ornaments, of base metal, not plated with precious metal (excluding works ...	489571	485248	526902	559457	555631	71.86%	
'920600	Percussion musical instruments, e.g. drums, xylophones, cymbals, castanets, maracas	139674	143021	151474	165465	168397	21.78%	
'830610	Bells, gongs and the like, non-electric, of base metal (excluding musical instruments)	36554	40350	43265	42362	49184	6.36%	

Germany registered a growth of -5% in the musical instruments category in the last year and has an increasing demand for Bells, gongs, and the like (HS code 830610) among all the countries in the EU region.

Most households have metallic bells in their house. They believe keeping copper and tin bells with them can help to be successful. During the Nazi era Between 1939 and 1945, 175,000 bells across Europe were taken by Nazi Germany. They were transported to collection points, known as Glockenfriedhöfe, or bell cemeteries, the biggest of them in Hamburg. Some 150,000 were delivered to foundries and melted down to make shell casings and armaments.

Importers	Value imported in 2019(US \$ Thousand)	Quantity imported in 2019, Tons	Unit Value (USD tons)	Annual growth in value between 2018-2019, %
European Union	773212	99098	7803	N/A
Germany	220549	27699	7962	-5
Netherlands	103032	18901	5451	3
United Kingdom	102305	13532	7560	7
France	87445	9599	9110	1
Belgium	36418	4222	8626	23
Spain	32723	3866	8464	-4
Austria	30935	2879	10745	12
Italy	25495	2784	9158	-11
Denmark	22257	2189	10168	11
Sweden	21107	2647	7974	9

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Major shops in Germany use manual doorbell as a signal that the presence of the customer.

JAPAN

India's avg tariff is 5.8%. so this hampers the opportunity for the Indian product.

Importers	Value imported in 2019(US \$ Thousand)	Quantity imported in 2019, Tons	Unit Value (USD tons)	Annual growth in value between 2018-2019, %	Average tariff (estimated) applied by the country (%)
China	32658	1422	22966	-11	0
United States of America	6907	79	87430	26	0
Taipei, Chinese	4828	262	18427	-17	0
Thailand	3390	141	24043	6	0
India	1375	123	11179	18	0
Canada	1182	19	62211	15	0
Indonesia	1181	49	24102	-1	0

As is indicated in the table above, Germany is largest exporter for HS code 830610 with tariff of 4%. India avg tariff is also 0% here to perform better in market India need to have competitive advantage in future too.

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Around 31% population in Japan follows Buddhism where gong become an integral part of Japanese culture. In many Shinto shrines there are special bells in a round shape with a long rope. At large shrines there are many bells and they are quite big, and in contrast at small shrines there is often just one bell of a small size.



Small bells are used as wind chimes

Bells are used for reaching kami gods

Bells are often attached to special guardian talismans called ogonori. The sound of a bell is considered to bring good luck and drive away misfortunes.

LATIN AMERICA

Import Trends of metals handicrafts and Musical instruments in LAC region has been found to be high in HS code 830629 (Statuettes and other ornaments of base metals) but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 830610 i.e bells, gongs and the like of base metals as it has a better RCA amongst all products.

LAC	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Metals and instruments	85,211	78,253	79,750	83,801	73,435		
830629	Statuettes and other ornaments, of base metal, not plated with precious metal	40,155	37,524	39,257	42,335	38,915	53.0%	
920600	Percussion musical instruments, e.g. drums, xylophones, cymbals, castanets,	41,042	36,745	35,769	36,400	30,549	41.6%	
830610	Bells, gongs and the like, non-electric, of base metal (excluding musical	4,014	3,984	4,724	5,066	3,971	5.4%	

Peru has an increasing demand for Bells, gongs and the like (HS code 830610) in the LAC region. Since the import duty MFN is 0% here, it is advantageous for India to target this country.

Country	Value imported in 2019 (US \$ thousand)	Quantity imported in 2019	Unit Value (USD/ton)	Annual growth in value between 2018 & 2019 (%)
Mexico	16874	0		-3
Brazil	11235	2462	4563	0
Chile	8071	1459	5532	-14
Colombia	4814	981	4907	3
Peru	4562	627	7276	11
Guatemala	3759	547	6872	-17
Panama	3531	0	8367	N/A
Ecuador	2710	386	7021	-15
Dominican Republic	2551	258	9888	-4

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Sound has been used for healing by most ancient cultures including Peruvian shamans who conduct healing through powerful medicinal songs called **icaros**.

- The significance of a bell; Symbology varies, sound has long been known for its healing benefits. Calling on, celebrating, honouring something or someone, represents the archetypal energy of the feminine or the masculine, with each bell having its own unique tone.
- Often bells are paired with one representing the earth, pachamama or otherwise known as the feminine as the red path and a second, Inti, the Sun or the masculine on the white path.
- Patterns such as, The sun, Chacana, Eagle, Women-Pachamama are just a few.
- Meanings - Eagle, higher self, flight and vision, Women - feminine, pachamama, grounding, Chacana - encompasses all perfectly, sacred geometry holding all things in equal, Llama - wealth, happiness & vitality, Tumi - Medicine God, creator, life, death and renewal!

CIS

Import Trends of metals handicrafts and Musical instruments in the CIS region has been found to be the highest in HS code 830629 (Statutes and other ornaments of base metals) but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 830610 i.e bells, gongs and the like of base metals as it has a better RCA amongst all products.

CIS	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Metals and instruments	21,191	16,603	23,425	25,905	30,697		
830629	Statuettes and other ornaments, of base metal, not plated with precious metal (excluding	17,881	13,493	19,019	19,845	24,188	78.8%	
920600	Percussion musical instruments, e.g. drums, xylophones, cymbals, castanets, maracas	1,788	1,747	2,844	4,088	4,419	14.4%	
830610	Bells, gongs and the like, non-electric, of base metal (excluding musical instruments)	1,522	1,363	1,562	1,972	2,090	6.8%	

Uzbekistan registered a growth of 30% in the musical instruments category in the last year, and has an increasing demand for Bells, gongs and the like (HS code 830610) among all the countries in the CIS region. However, in the absence of any trade agreement, high import duty rate of 20% is applied here.

Country	Value imported in 2019 (US \$ thousand)	Quantity imported in 2019	Unit Value (USD/ton)	Annual growth in value between 2018 & 2019 (%)
Russian Federation	15279	2677	5708	-4
Kyrgyzstan	5546	2509	2210	1311
Ukraine	2399	552	4346	2
Kazakhstan	2229	419	5397	20
Belarus	1914	461	4152	-7
Azerbaijan	1027	186	5522	19
Georgia	902	115	7843	10
Uzbekistan	475	0	353	30
Moldova, Republic of	403	45	8956	10
Armenia	364	72	72800	3

India can popularize gong therapy through the Indian Cultural Centre in Uzbekistan, established in 1995 and renamed as Lal Bahadur Shastri Centre for Indian Culture in 2005. They organise regular yoga classes in its premises in Uzbekistan.

AFRICA

Import Trends of metals handicrafts and Musical instruments in the African region has been found to be the highest in HS code 830629 (Statutes and other ornaments of base metals) but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 830610 i.e bells, gongs and the like of base metals as it has a better RCA amongst all products.

Africa	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Metals and instruments	31,683	25,557	22,991	32,002	40,759		
830629	Statuettes and other ornaments, of base metal, not plated with precious metal (excluding	17,037	13,696	14,538	21,980	29,175	71.6%	
920600	Percussion musical instruments, e.g. drums, xylophones, cymbals, castanets, maracas	12,879	10,497	7,092	8,118	9,325	22.9%	
830610	Bells, gongs and the like, non-electric, of base metal (excluding musical instruments)	1,767	1,364	1,361	1,904	2,259	5.5%	





Egypt registered a growth of 15% in the musical instruments category in the last year, and has an increasing demand for Bells, gongs and the like (HS code 830610) among all the countries in the African region. However, in the absence of any trade agreement, high import duty rate of 30% is applied here.

Country	Value imported in 2019 (US \$ thousand)	Quantity imported in 2019	Unit Value (USD/ton)	Annual growth in value between 2018 & 2019 (%)
South Africa	7079	101394	70	-7
Libya, State of	6988	-	7571	N/A
Algeria	4844	-	2992	N/A
Nigeria	3867	2327	1662	42
Egypt	3140	1178	2666	15
Morocco	2462	639	3853	19
Mauritius	1237	47677	26	2
Djibouti	1228	915	1342	N/A
Ghana	1084	636	1704	-13

- Musical instruments in Africa are not only used for making music, they are also used to communicate to both man and spirit, translating and emitting daily experiences and events. They serve a variety of roles: some may be confined to religious or ceremonial occasions, others are used in a more secular fashion for entertainment.
- Drumming is an essential part of the African healing dance experience where the energy of the drums forms an important triad of music, dance and song.
- In Ancient Egypt, music therapy was a staple in temples.

ASEAN

Import Trends of metals handicrafts and Musical instruments in the ASEAN region has been found to be the highest in HS code 830629 (Statuettes and other ornaments of base metals) but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 830610 i.e bells, gongs and the like of base metals as it has a better RCA amongst all products.

ASEAN	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Metals and instruments	51,393	54,642	44,972	50,984	48,702		
830629	Statuettes and other ornaments, of base metal, not plated with precious metal	32,856	34,420	24,657	30,709	29,255	60.1%	
920600	Percussion musical instruments, e.g. drums, xylophones, cymbals, castanets,	14,853	16,545	16,180	15,855	14,807	30.4%	
830610	Bells, gongs and the like, non-electric, of base metal (excluding musical	3,684	3,677	4,135	4,420	4,640	9.5%	

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



TRADITIONAL GONGS ARE USED TO CALL THE VIETNAMESE CHILDREN'S TO SCHOOL.



The space of gong culture in the Vietnam Central Highlands (Vietnamese: Không gian văn hóa Cồng Chiêng Tây Nguyên) is a subregion in Central Vietnam that is home to cultures that value gongs. It includes provinces of Kon Tum, Gia Lai, Dak Lak, Dak Nông, and Lam Dong. In the length of Vietnam cultural history, the gong culture acknowledges gongs as a privileged connection between men and the supernatural, where each gong houses a deity whose power corresponds to the gong's age.

In **Vietnam cultural** history, gongs were played to celebrate a new and prosperous rice season and express the sacred belief of communicating with the supernatural powers. In all of the most important festivals in a year of the Highlanders, from infant's ear-blowing ceremony, mourning ritual to the buffalo-stabbing ceremony, the attractive and sweet melody of gongs play an undeniable part in connecting people in the same community.

Closely linked to daily life and the cycle of the seasons, their belief systems form a mystical world where the gongs produce a privileged language between men, divinities and the supernatural world. Behind every gong hides a god or goddess who is all the more powerful when the gong is older. Every family possesses at least one gong, which indicates the family's wealth, authority and prestige, and also ensures its protection. While a range of brass instruments is used in the various ceremonies, the gong alone is present in all the rituals of community life and is the main ceremonial instrument.

Each instrumentalist carries a different gong measuring between 25 and 80 cm in diameter. The maximum size of gongs can reach 90 to 120 cm in diameter. From three to twelve gongs are played by the village ensembles, which are made up of men or women. Gong festival is an annual festival held in provinces which are famous for gong culture, including Đắk Lắk — an important and favorable place due to its crucial position in Tay Nguyen's culture, politics and society.

Xylophones reach their highest development in Southeast Asia. They vary in form from the simplest log type to the highly developed orchestral instruments found in Indonesia. Xylophones of the Indonesian gamelan, or percussion orchestra (and some mainland ensembles), have various complementary compasses.

Indonesia registered a growth of 3% in the musical instruments category in the last year, and has an increasing demand for Bells, gongs and the like (HS code 830610) among all the countries in the ASEAN region. Though the MFN duty is 12.5%, but India avails the preferential tariff of 5% import duty under the India-ASEAN FTA.

Country	Value imported in 2019 (US \$ thousand)	Quantity imported in 2019	Unit Value (USD/ton)	Annual growth in value between 2018 & 2019 (%)
Singapore	13488			-7
Thailand	10976	122909	89	2
Malaysia	7717	71892	107	-22
Indonesia	6235	1142	5460	3
Philippines	4026	1452	2773	-15
Viet Nam	3774	350	10783	23
Cambodia	1814	290	6255	104
Myanmar	537	124	4331	20
Brunei Darussalam	99	410	241	-85
Lao	36	4	9000	-18



- Although metal instruments are expensive to make, compared with those of wood or bamboo, they will not mold or deteriorate in Indonesia's hot, steamy climate.
- In **Indonesia** and East Asia tuned gongs are united to form gong chimes. The horizontal gong chimes of Indonesia (called bonang in Java) are outstanding components of Southeast Asian orchestras and have been known since the 10th or 11th century. Frames of Thai gong chimes arch upward at both ends to form an upright semicircle.
- The **Gamelan** is the national instrument of Indonesia. A miniature orchestra, it is an ensemble of 50 to 80 instruments, including tuned percussion comprised of bells, gongs, drums and metallophones (xylophone-like instruments with bars made from metal instead of wood). The wood frames for the instrument are usually painted red and gold.
- Today, gamelan is an important feature of shadow puppet shows, dances, rituals, and other performances in Indonesia. Most Indonesians today have embraced this ancient musical form as their national sound. Important island-wide festivals, such as Galungan, call for ten days of prayer, music and dance. Most villages boast several gamelans owned by the local music club.



6.4.4 CERAMIC & GLASS

The major glass producing countries in the world are Germany, USA, UK, China, and Japan. The major importing countries are USA, Germany, Japan, France, Italy, and Australia. The main consuming regions are Europe, China, and North America, that together account for 74 per cent of global demand for glass. Europe is the most mature glass market and has the highest proportion of value-added products. Lower quality float and sheet glass production is gradually being replaced by high quality float glass across the globe.

Global Ceramics Industry

The ceramic ratio between consumption and production has been stable at around 94 per cent. Ceramic production has been increasing at a cumulative rate of close to 6 per cent. Asia is the most significant region by production, as well as consumption, accounting for more than 50 per cent of both. China is the leading country in the production of ceramic tiles with a share of 33 per cent at a total production of 2,200 million square meters, followed by Spain and Italy. Europe accounts for 30 per cent and USA accounts for 14 per cent of the total global production of ceramic tiles. In terms of consumption the pattern remains similar, with Asia accounting for 51 per cent, Europe for 26 per cent and USA accounting for 18 per cent of the total global ceramic tile consumption.

WHERE DOES INDIA STAND ?

Indian ceramic industry is dominated by ceramic tiles industry, with market of 4.9 bln EUR in 2017; overall ceramic industry expected to grow at ~9% CAGR to become ~7.5 bln EUR by 2022. Rising domestic consumption and exports to drive the ceramics industry - Major Export markets: Middle East and Europe - 20% of the total ceramics export is shipped to Saudi Arabia.

Indian flat glass market is expected to register a CAGR of 8% over the forecast period 2021 to 2026. The growth of the market can be attributed to the high demand from the construction & infrastructure industry and emerging application industries such as automotive, construction & solar energy.

- Rapid industrialization and urbanization in India, combined with the adoption of smart and energy-efficient technology as advanced construction practice have a positive influence on the flat glass demand. Moreover, India's construction sector is likely to outpace other countries.
- Indian real estate industry is likely to reach USD 1 trillion by 2030 and may contribute approximately 13% to the country's GDP by 2025. This is likely to increase the demand for flat glass and propel its market in the region.

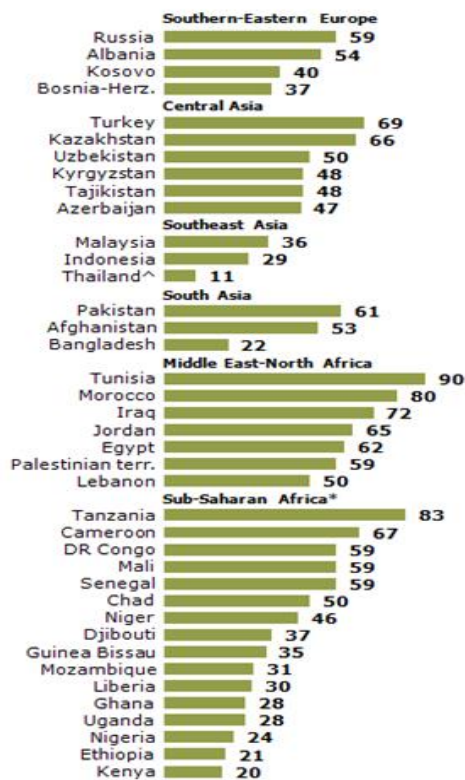
GLOBAL TREND IN GLASS ITEMS: WAY FORWARD FOR INDIA

The fascinating history of eye beads reminds us that gemstone and glass beads have always been more than adornment. Eye beads can bring peace of mind, ward off evil, expel bad luck and bring good fortune to its wearer. More recently, their meaning has expanded to include the cultivation of positive thoughts and happiness, too.

- In 20 of the 39 countries surveyed, half or more Muslims say they believe in the evil eye.
- Acceptance is generally highest in the Middle East and North Africa.

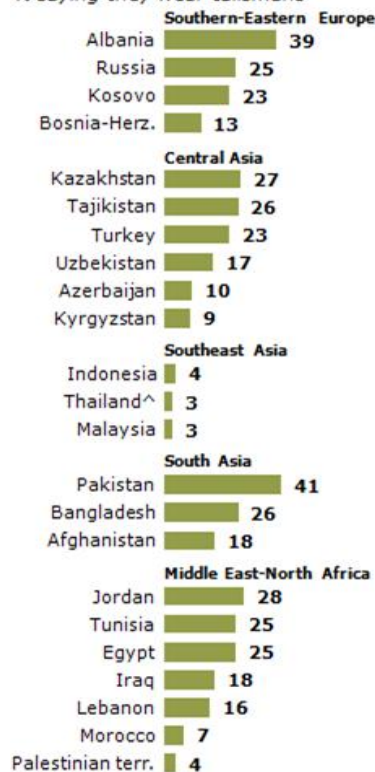
Belief in the Evil Eye

% saying people can cast harmful spells



Protection from Evil

% saying they wear talismans

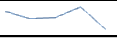



PROSPECTS FOR INDIAN GLASS & CERAMIC ACROSS GLOBAL MARKETS

UNITED STATES OF AMERICA

The ceramics industry is one of the rapidly advancing sectors in the USA. The ceramics market in the US is estimated to be over 13 billion US dollars. The ceramic industry started progressing with the knowledge gained during the 1970s and with the attribution of new technologies.

The current dip in the trade. So there is a view of opportunity that India can utilize. The avg tariff is expected 3.2% where we lose our upper hand. Ceramics are special materials having a plethora of applications in almost all disciplines. The importance of ceramics is underestimated as many people believe that ceramics are all about tiles and pottery. This is not true.

USA	Product Label	2015	2016	2017	2018	2019	Trend
	Ceramics and Glass	30733	30290	30319	31118	29516	
'701890	Glass eyes (excluding prosthetic articles); articles of glass beads, or of imitation pearls, ...	30733	30290	30319	31118	29516	



Whitewares. These are used as electrical insulators, spark plugs, crucibles, high-class potteries, crucible dishes, and laboratory equipment.



Glass. It is used for making decorative items, optical lenses, and household glassware.

Importers	Value imported in 2019(US \$ Thousand)	Quantity imported in 2019, Tons	Unit Value (USD tons)	Annual growth in value between 2018-2019, %	Average tariff (estimated) applied by the country (%)
India	11115	1043	10657	-1	3.2
China	9904	2827	3503	-20	3.2
Thailand	3430	3	1143333	35	0
Viet Nam	1010	7	144286	11122	3.2
Austria	922	3	307333	-7	3.2
Italy	798	3	266000	-28	3.2
Israel	742	5	148400	33	0

As is indicated in the table above, India is largest exporter for HS code 701890 with tariff of 0%.

EUROPEAN UNION

Import Trends of in Ceramic and Glass handicraft the EU region has been found to be the highest in HS code 701890 (Statutes and other ornaments of base metals) but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 701890 as it has a better RCA amongst all products.

EU	Product Label	2015	2016	2017	2018	2019	Trend
	Ceramics and Glass	72126	65715	69803	69030	74247	
'701890	Glass eyes (excluding prosthetic articles); articles of glass beads, or of imitation pearls, ...	72126	65715	69803	69030	74247	

Italy registered a growth of 8% in the ceramics and glass category in the last year and has an increasing demand for glass eyes (HS code 701890) among all the countries in the EU region.

The production of glass jars in 2019 (7% of the total production of empty glass packaging) registered a slight drop of -0.4%. The main area of use of the jars is that of food preserves (including fish products) with a share of 67.8%; the remaining 32.2% is divided into sauces, baby food, jams, yogurt, and fresh desserts, spices, and more. In 2019 approximately 485 t/000 of glass jars were used in Italy, of which 27% were destined for the oil/vinegar sector and 16.1% for legumes.

Other user sectors are homogenized products (9.2%), various sauces, both tomato-based and not (14.2%), fish products such as tuna, anchovies, and sardines (5.7%). The remaining 27.8% of glass jars are divided into the fruit in syrup, olives, corn, spices, jams, cream spreads, yogurt, and more.





Importers	Value imported in 2019(US \$ Thousand)	Quantity imported in 2019, Tons	Unit Value (USD tons)	Annual growth in value between 2018-2019, %
(EU 28) Aggregation	74247	11886	6247	N/A
United Kingdom	16405	4426	3707	58
Germany	10926	1586	6889	-3
Italy	9934	777	12780	8
Netherlands	7318	784	9334	5
Spain	5729	914	6268	0
Austria	4499	58	77569	-17
France	4385	449	9766	7
Belgium	4046	1134	3568	-2

Italy has an increasing demand for glass product (HS code 701890) i.e., 8% among all the countries in the European Union.

JAPAN

The trend in ceramics and glass handicraft products in the Japan region has been found to be high in HS code 701890 but its RCA is poor.

JAPAN	Product Label	2015	2016	2017	2018	2019	Trend
	Ceramics and Glass	5396	4842	4548	5223	5707	
'701890	Glass eyes (excluding prosthetic articles); articles of glass beads, or of imitation pearls, ...	5396	4842	4548	5223	5707	

Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 701890 i.e the like of ceramics as it has a better RCA amongst all products.



Importers	Value imported in 2019(US \$ Thousand)	Quantity imported in 2019, Tons	Unit Value (USD tons)	Annual growth in value between 2018-2019, %	Average tariff (estimated) applied by the country (%)
China	3635	90	40389	46	6.6
Viet Nam	848	8	106000	-26	0
Austria	361	1	361000	-33	5.4
Italy	194	1	194000	22	5.4
USA	187	1	187000	24	6.6
Korea, Republic of	90	0		246	6.6
Thailand	65	1	65000	-72	0

As is indicated in the table above, China is largest exporter for HS code 701890 but has tariff of 6.6% in MFN. Vietnam is the closest competitor for India here has Preferential tariff is 1.2% and to perform better in market India need to have competitive advantage in future too.

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Japanese people consume a very substantial amount of tea in their day-to-day life. So it creates a huge opportunity for our manufacturing sectors to full fill the demand.

LAC	Product Label	2015	2016	2017	2018	2019	Trend
	Ceramics	11,115	9,093	5,876	6,054	6,420	
701890	Glass eyes (excluding prosthetic articles); articles of glass beads, or of imitation pearls, ...	11,115	9,093	5,876	6,054	6,420	

Chile registered a growth of 5% in the ceramics and glass category in the last year and has an increasing demand for glass eyes (HS code 701890) among all the countries in the LAC region. MFN duty of 6% is applied here.

Country	Value imported in 2019 (the US \$ thousand)	Quantity imported in 2019	Unit Value (USD/ton)	Annual growth in value between 2018 & 2019 (%)
Brazil	1090	207	5266	14
Chile	971	2074	468	5
Mexico	899	0		-16
Panama	816	97	8412	N/A
Colombia	639	586	1090	66
Guatemala	300	88	3409	15
Ecuador	277	128	2164	44
Peru	181	82	2207	25
Argentina	157	73	2151	-5



Azabache Baby Brooch Evil Eye Protection Amulet Newborn Gift Mal de Ojo



- In Latin America the evil eye is known as "mal de ojo," and belief in it is especially widespread in rural areas. In [Mexico](#) and [Central America](#), infants are considered at special risk for the evil eye (mal de ojo, above) and are often given an amulet bracelet as protection, typically with an eye-like spot painted on the amulet.

- Across Latin America and Spain amulets are employed to protect against the evil eye. Universal amulets to prevent evil eye include red and black glass bead bracelets, amber, and silver with a blue eye painted on top.

- In Latin America, [Azabaches](#) (a gold bracelet or gold pin with a black or red coral charm) are worn to protect against the Mal de [Ojo](#), or evil eye.

CIS

CIS	Product Label	2015	2016	2017	2018	2019	Trend
	Ceramics	1,561	1,526	2,392	2,722	2,984	
701890	Glass eyes (excluding prosthetic articles); articles of glass beads, or of imitation pearls, . . .	1,561	1,526	2,392	2,722	2,984	

TURKEY

- Throughout Turkey the profusion of cobalt blue eyes, known as Nazar Boncugu, are hard to miss. From key rings, to magnets, decorated plates, coffee cups, wall hangings, art work, jewellery and t-shirts. This amulet, known also as the Nazar eye bead, is thought to protect the bearer from the menacing power of the evil eye.
- The blue color reminds people of fresh, cool water in an arid region of the world, where water is precious.
- In the Jewish faith, red is often associated with luck and luck, so red is also a popular color.

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Nazar amulets dangle from the front of houses, keep an eye on guests in hotel reception areas, cafes and businesses, are pinned on babies' clothing for protection, hang randomly from rear windows in cars, in buses – one on the driver's side and one on the passenger's side – and are even hammered into footpaths. In one case, a number of small Nazar eye beads were hammered around a manhole.



Kazakhstan registered a growth of 209% in the ceramics and glass category in the last year, and has an increasing demand for glass eyes (HS code 701890) among all the countries in the CIS region. However, without any trade agreement, the applied tariff duty is 9.4%.



Country	Value imported in 2019 (US \$ thousand)	Quantity imported in 2019	Unit Value (USD/ton)	Annual growth in value between 2018 & 2019 (%)
Russian Federation	1483	645	2299	-14
Kazakhstan	535	269	1989	209
Azerbaijan	237	106	2236	-1
Georgia	184	70	2629	47
Ukraine	144	26	5538	-31
Belarus	110	74	1486	24
Armenia	97	25	3880	-1
Uzbekistan	72	62	1161	125

Many Muslims in Central Asia also believe in the evil eye. Clear majorities in Turkey (69%) and Kazakhstan (66%) say the evil eye is real. About half in each of the other countries in the region share this view.

Khazakhstan

- Special amulets with eyes on them, known as “kozmonshak,” which literally means “beads with eyes,” are also thought to help ward off the evil eye. Similar amulets have become popular among car owners, who hang them in their vehicles in the belief they will bring an “open road” and luck.
- The baby's first smile was celebrated by giving it a bracelet against evil eye - kozmonshak, which consisted of black beads with white spots. The combination of black and white in this case functioned as a strongest guard.
- The Kazakh amulet represents a human eye, where the eyeball is a black bead, and the white spot on it show the iris and pupil, repelling an evil look and performing a protective function

AFRICA

Africa	Product Label	2015	2016	2017	2018	2019	Trend
	Ceramics	3,501	5,566	4,885	6,126	8,617	
701890	Glass eyes (excluding prosthetic articles); articles of glass beads, or of imitation pearls, ...	3,501	5,566	4,885	6,126	8,617	

Algeria has an increasing demand for glass eyes (HS code 701890) among all the countries in the African region. However, **without ant trade agreement, a very high tariff duty is applied at 30%.**

Country	Value imported in 2019 (US \$ thousand)	Quantity imported in 2019	Unit Value (USD/ton)	Annual growth in value between 2018 & 2019 (%)
Algeria	1829	304	6016	N/A
Libya, State of	1683	373	4512	N/A
Morocco	1179	125	9434	14
South Africa	936	887	1055	42
Tunisia	500	35	14286	77
Tanzania, United Republic of	326	149	2188	N/A
Angola	258	77	3351	30
Sudan	239	68	3515	N/A
Djibouti	230	74	3108	N/A
Egypt	220	140	1571	-20

- Another age-old Silk Road amulet: **hand-shaped hamsas**, plentiful in markets from Morocco to Israel. The graceful palms—which Jews call **Hands of Miriam** and Muslims know as Hands of Fatima—are rendered in brass, tin, enamel, and other materials. They're available to go on necklaces, wall hangings, door knockers, coffee mugs, and what are surely meant to be protective candles.
- One of the most powerful examples of evil eye amulets in the Africa is Hamsa, also known as the "**Hand of Fatima.**" Hamsa is a hand symbol with evil eyes on the palm of your hand. Hamsa can be used for wallpaper or jewelry to prevent evil eyes.





The Hamsa is a palm-shaped amulet popular throughout the Middle East and North Africa.



Hamsa Charm Amulet Bracelet with blue evil eye, colored glass beads

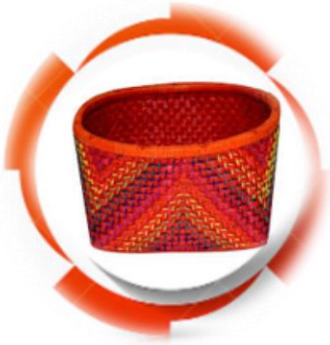
The hamza hand sometimes includes an evil eye symbol, which is thought to protect against the evil eye. It is often worn as a pendant on a necklace but also is found on key chains, house decorations, baby carriages, and other jewelry items.

ASEAN	Product Label	2015	2016	2017	2018	2019	Trend
	Ceramics	12,305	18,755	20,892	14,014	10,012	
701890	Glass eyes (excluding prosthetic articles); articles of glass beads, or of imitation pearls, ...	12,305	18,755	20,892	14,014	10,012	

Viet Nam registered a growth of 18% in the ceramics and glass category in the last year, and has an increasing demand for glass eyes (HS code 701890) among all the countries in the ASEAN region. MFN duty of 0% is applied here.

Country	Value imported in 2019 (US \$ thousand)	Quantity imported in 2019	Unit Value (USD/ton)	Annual growth in value between 2018 & 2019 (%)
Singapore	3290	0		-8
Thailand	2518	572	4681	-19
Viet Nam	1470	110	8995	18
Philippines	1447	273	15160	-72
Malaysia	502	177	3172	60
Indonesia	498	113	5940	1
Cambodia	156	44	6700	16
Myanmar	72	21	1250	620
Brunei Darussalam	59	23	18000	228
Lao PDR	0	0	8197	-100

Overall, reliance on talismans is least common in Southeast Asia, where only a small number of Muslims in Indonesia (4%), Thailand (3%) and Malaysia (3%) report wearing objects to ward off evil or misfortune.



6.4.4 BASKETWORK

The global Handmade Paper Decorations market size is projected to reach USD million by 2026, from USD million in 2020, at a CAGR during 2021-2026. The global paper products market size was estimated at USD 268.8 billion in 2018 and is expected to register a CAGR of 0.3% from 2019 to 2025. This growth is primarily attributed to the rising demand for packaging paper by major companies in the retail, FMCG, pharmaceutical, and hospitality industries.

Straw is plaited to produce products including straw hats and ornaments. Straw can be plaited for several purposes, including the thatching of roofs, to create a paper-making material, for ornamenting small surfaces as a "straw-mosaic", for plaiting into the door and table mats, mattresses, and for weaving and plaiting into light baskets and to create artificial flowers. Straw is also plaited to produce bonnets and hats.

WHERE DOES INDIA STAND IN THE MARKET OF PLAITING HANDICRAFTS?

The Indian paper and board industry offer many opportunities for the innovative use of limited resources. For a developing country like India, faced with increasing shortages of raw materials, energy sources, and capital, the development of the handmade paper industry offers considerable potential to meet the increasing demand for paper products in an environment-friendly way. Handmade paper production uses exclusively non-forest raw materials. This sector produces goods valued at \$2.5 million with a workforce of 5300 persons. The demand for paper and board in India will certainly continue to grow as the country's economy develops over the coming decades. Per capita consumption is expected to rise from the present 2.5 kg to 4 kg by the year 2000.

This figure is still rather low compared with consumption per capita in many industrialized countries. Total production of paper and board in India is predicted to rise in the next six years from 2.2 million to 4 million tonnes. The Indian paper products market is projected to grow from \$ 8.6 billion in 2018 to \$ 13.4 billion by 2024, exhibiting a CAGR of 7.8% during 2019-2024.

PROSPECTS FOR INDIAN PLAINTAIN ACROSS GLOBAL MARKETS

UNITED STATES OF AMERICA

Import trends of handicrafts of plaiting and paperwork in the USA region has been found to be the highest in HS code 460219 (basketwork) but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 460199 i.e plaiting materials, plaits, and similar products of non-vegetable material as it has a better RCA amongst all products.

USA	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Plaiting and Paper work	254837	242031	241541	268436	263566		
460219	Basketwork, wickerwork and other articles, made directly to shape from vegetable plaiting materials ...	239467	229159	234517	259010	253408	96.15%	
'460199	Plaiting materials, plaits and similar products of non-vegetable plaiting materials, flat-woven ...	5952	4826	3345	5575	8272	3.14%	
'480210	Handmade paper and paperboard of any size or shape	9418	8046	3679	3851	1886	0.72%	

The fastest-growing import markets in Bamboos used primarily for plaiting for the United States between 2017 and 2018 were Argentina(\$1.55M), Colombia (\$111k), and Guatemala (\$47.5k). As is indicated in the table above, China is largest exporter for HS code 460199 but has tariff of 2.7% in MFN. Vietnam is the closest competitor for India here has MNF tariff is 2.7% and to perform better in market India need to have competitive advantage in future too.

United States imported \$14.6M in Bamboos used primarily for plaiting, becoming the 1st largest importer of Bamboos used primarily for plaiting in the world. In the same year, bamboo used primarily for plaiting was the 3376th most imported product in the United States. United States imports Bamboos used primarily for plaiting primarily from China (\$11.3M), Argentina (\$1.9M), France(\$675k), Colombia (\$240k), and Guatemala (\$74.1k).



Importers	Value imported in 2019(US \$ Thousand)	Quantity imported in 2019, Tons	Unit Value (USD tons)	Annual growth in value between 2018-2019, %	Average tariff (estimated) applied by the country (%)
China	121289			-23	2.7
Viet Nam	59873	14779846	4.05	48	2.7
Philippines	29280	N/A	N/A	18	0
Indonesia	14012	N/A	N/A	13	0
Mexico	12901	N/A	N/A	42	0
India	4903	N/A	N/A	28	2.7
Canada	3188	N/A	N/A	-17	0

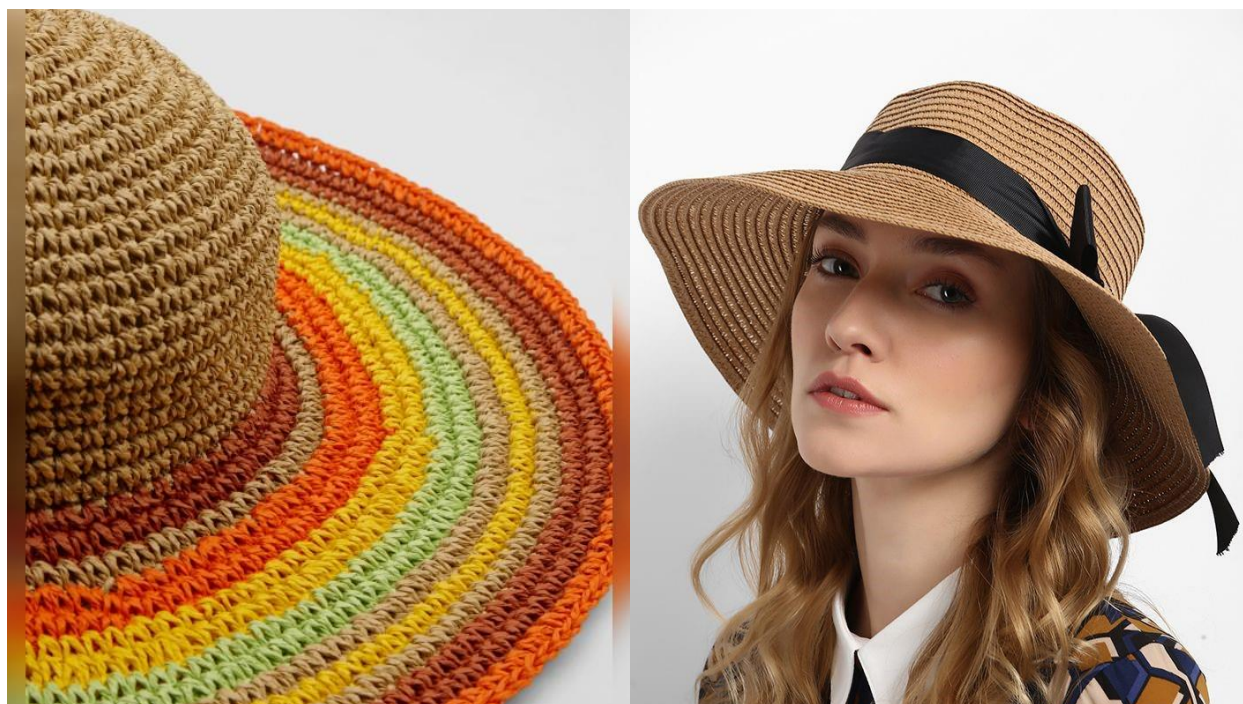
EUROPEAN UNION

Import Trends of handicrafts of plaiting and paperwork in the EU region has been found to be the highest in HS code 460219 (basketwork) but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 460199 i.e plaiting materials, plaits, and similar products of non-vegetable material as it has a better RCA amongst all products. The European Parliament has voted to ban single-use plastic cutlery, cotton buds, straws, and stirrers as part of a sweeping law against plastic waste that despoils beaches and pollutes oceans. The vote by MEPs paves the way for a ban on single-use plastics to come into force by 2021 in all EU member states. Against this background, there is an increase in the consumption of wooden cutlery and tableware instead of disposable plastic ones. Growing demand is supported by both expanding domestic production and accelerated growth in imports.

EU	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Plaiting and Paper work	370865	358851	371400	412581	442633		
'460219	Basketwork, wickerwork and other articles, made directly to shape from vegetable plaiting materials ...	292702	286669	291270	312084	351819	79.48%	
'480210	Handmade paper and paperboard of any size or shape	51783	47418	54434	75424	62868	14.20%	
'460199	Plaiting materials, plaits and similar products of non-vegetable plaiting materials, flat-woven ...	26380	24764	25696	25073	27946	6.31%	

UK registered a growth of 11% in the ceramics and glass category in the last year and has an increasing demand for glass eyes (HS code 460199) among all the countries in the EU region. The UK recorded the highest rates of growth concerning imports, among the main importing countries over the last eleven years, while the other leaders experienced more modest paces of growth.

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



A straw hat is a lightweight hat worn during the summer months. Historically a straw hat has always been made by using one, or more, of a wide range of materials. In the 1700s women's hats were often made using wood chip which was eminently suitable. The style is back in trend and demand rose.

Importers	Value imported in 2019(US \$ Thousand)	Quantity imported in 2019, Tons	Unit Value (USD tons)	Annual growth in value between 2018-2019, %
European Union (EU 28) Aggregation	442633	103852	4262	N/A
France	90330	30536	2958	6
Germany	69950	13727	5096	10
United Kingdom	52224	1838	28413	11
Netherlands	47812	13587	3519	-1
Spain	35715	8303	4301	13
Italy	24203	3742	6468	6
Poland	22691	9223	2460	9
Belgium	18699	3977	4702	28
Denmark	13385	3177	4213	-5

United Kingdom has an increasing demand for Wooden product (HS code 460199) i.e., 11% among all the countries in the European Union.

JAPAN

The trend Plaiting and paperwork handicraft product in the JAPAN region has been found to be high in HS code 460199 but its RCA is poor.

JAPAN	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Plaiting and Paper work	83833	80404	80614	77523	76000		
'460219	Basketwork, wickerwork and other articles, made directly to shape from vegetable plaiting materials ...	64940	61773	63771	60251	58121	76.48%	
'480210	Handmade paper and paperboard of any size or shape	13868	13366	12039	12594	12741	16.76%	
'460199	Plaiting materials, plaits and similar products of non-vegetable plaiting materials, flat-woven ...	5025	5265	4804	4678	5138	6.76%	

Japanese Hats have multiple uses in people's everyday lives. Primarily, it is used as a means of protection from the excessive heat from the sun or cold from the snow. It is used by people from different walks of life – from farmers tending the fields, to soldiers fighting in battle. Nowadays, hats serve a different function. People live in an age where they don't have to wear hats when traveling because of the availability of automobiles and other forms of transportation. This is in comparison to the earlier times when people needed to walk or ride a horse when traveling, exposing themselves to the harsh sunlight.

Importers	Value imported in	Quantity imported in	Unit Value	Annual growth in	Average tariff (estimated) applied
China	50304	6866	7327	-1	3
Taipei, Chinese	4831	724	6673	-2	3
Viet Nam	3734	618	6042	6	0
Philippines	3641	173	21046	-30	0
Thailand	2185	142	15387	10	0
Indonesia	2082	96	21688	10	0
Spain	1846	6	307667	181	0

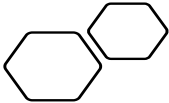
As is indicated in the table above, China is largest exporter for HS code 460199 with a tariff of 3% in MFN. Taipei, chinese is the closest competitor for India here has Preferential tariff is 0% and to perform better in market India need to have competitive advantage in future too.

LATIN AMERICA

Import Trends of handicrafts of plaiting and paperwork in the LAC region has been found to be the highest in HS code 460219 (basketwork) but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 460199 i.e plaiting materials, plaits and similar products of non-vegetable material as it has a better RCA amongst all products.

LAC	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Plaiting and paper	13,939	11,155	14,048	15,269	14,935		
460219	Basketwork, wickerwork and other articles, made directly to shape from	11,245	9,092	11,893	12,771	12,623	84.5%	
460199	Plaiting materials, plaits and similar products of non-vegetable plaiting	1,214	1,360	1,393	1,703	1,925	12.9%	
480210	Handmade paper and paperboard of any size or shape	1,480	703	762	795	387	2.6%	

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Handmade baskets made in Antigua market Guatemala Central America



Ecuadorian hats are light-colored, lightweight, and breathable, and often worn as accessories to summer-weight suits, such as those made of linen or silk. The tightness, the finesse of the weave, and the time spent in weaving a complete hat out of the toquilla straw characterize its quality. A Panama hat, also known as an Ecuadorian hat or a toquilla straw hat, is a traditional brimmed straw hat of Ecuadorian origin. Traditionally, hats were made from the plaited leaves of the *Carludovica palmata* plant, known locally as the toquilla palm or jipijapa palm, although it is a palm-like plant rather than a true palm.

Chile registered a growth of 6% in the paper and plaiting handicrafts category in the last year, and has an increasing demand for Plaiting materials (HS code 460199) among all the countries in the LAC region. The MFN duty of 6% is applied here.

Country	Value imported in 2019 (US \$ thousand)	Quantity imported in 2019	Unit Value (USD/ton)	Annual growth in value between 2018 & 2019 (%)
Brazil	3925	519	7563	16
Mexico	3392	0	9243	-5
Chile	1715	2200	780	6
Argentina	912	169	5396	-43
Panama	710	0	177500	N/A
Costa Rica	603	81	7444	84
Colombia	601	119	5050	72
Peru	499	95	5253	28
Uruguay	399	80	4988	8

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



The chupalla is a traditional Chilean horseman's hat made of straw. Many people in rural areas of Central Chile use it as well. In addition, it is often used when dancing the cueca (a Chilean folk dance) and during Chilean rodeos. The *chupalla* is essential to Chilean huaso dress. The name chupalla comes from a chupalla, a local name given to a bromelia plant that was used to make these hats. Today, chupallas are made of various types of straw, including rice and wheat.

CIS

Import Trends of handicrafts of plaiting and paperwork in the CIS region has been found to be the highest in HS code 460219 (basketwork) but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 460199 i.e plaiting materials, plaits and similar products of non-vegetable material as it has a better RCA amongst all products.

CIS	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Plaiting and paper	8,681	9,726	9,808	10,845	12,430		
460219	Basketwork, wickerwork and other articles, made directly to shape from	7,502	7,821	7,801	8,263	10,220	82.2%	
460199	Plaiting materials, plaits and similar products of non-vegetable plaiting	749	935	1,204	1,647	1,628	13.1%	
480210	Handmade paper and paperboard of any size or shape	430	970	803	935	582	4.7%	

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Traditional Romanian hats made of straws.

Straw hats are worn by men (and women) throughout Romania in the summer. Straw hats vary in style from region to region although regional differences are now becoming less common as the straw version of the trilby takes over.

Belarus registered a growth of 39% in the paper and plaiting handicrafts category in the last year, and has an increasing demand for Plaiting materials (HS code 460199) among all the countries in the CIS region. The general tariff is 10%, but India avails the preferential tariff for GSP countries at 7.5%.

Country	Value imported in 2019 (US \$ thousand)	Quantity imported in 2019	Unit Value (USD/ton)	Annual growth in value between 2018 & 2019 (%)
Russian Federation	9124	1894	4817	16
Ukraine	1068	153	6980	59
Belarus	567	128	4430	39
Tajikistan	509	0	920	-35
Kazakhstan	401	169	2373	-8
Georgia	196	29	6759	-13
Moldova, Republic of	190	24	7917	-21
Kyrgyzstan	135	156	865	322
Azerbaijan	120	22	5455	3
Armenia	58	8	7250	29

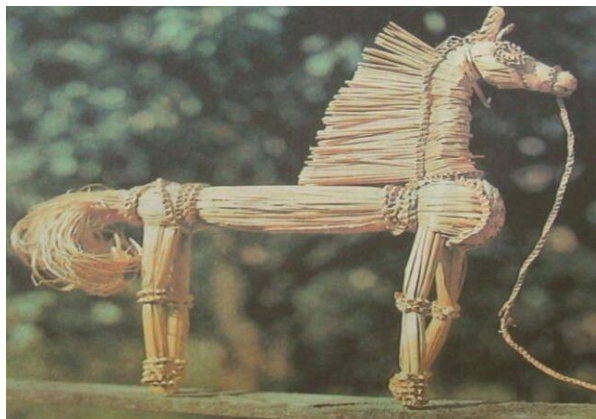
MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES

Straws used in Belarus

Rye straw is mainly used for weaving as it has the longest and the most durable stems among cereals. Wheat straw is suitable too but it is more rough, shorter and thicker compared to the rye straw.



A doll was a protector for women.



A horse always accompanied a man and was his friend, adviser and protector.



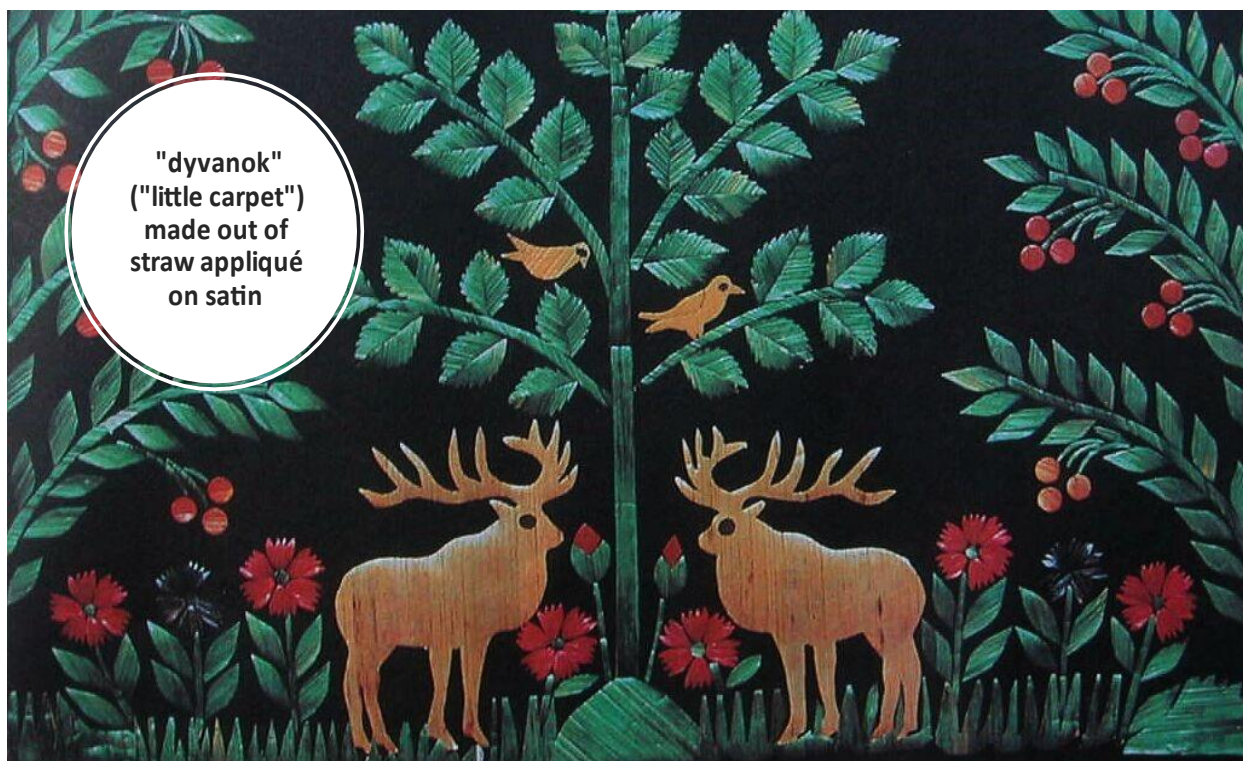
Birds represent our ancestors' souls



Beautiful and useful objects of everyday life were made out of straw and used for storage of goods and foods. All these boxes and baskets are made by straw weaving.



Belarusian men wear straw hats in summer



- Belarusian straw weaving techniques will get the status of historical and cultural heritage of Belarus.
- Acquiring the status of the national historical and cultural heritage will be the first step towards their inclusion in the **UNESCO World Heritage List**. The Culture Ministry intends to prepare the nomination file and send in to the UNESCO Committee for the Safeguarding of the Intangible Cultural Heritage in 2020.

AFRICA

Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 460199 i.e plaiting materials, plaits and similar products of non-vegetable material as it has a better RCA amongst all products. Also, the import trends of handicrafts of plaiting and paperwork in the African region has been found to be the highest in this code.

Africa	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Plaiting and paper	22,718	22,651	21,269	22,830	24,755		
460199	Plaiting materials, plaits and similar products of non-vegetable plaiting	8,287	9,222	9,755	14,512	16,090	65.0%	
480210	Handmade paper and paperboard of any size or shape	10,243	9,872	8,835	5,165	5,205	21.0%	
460219	Basketwork, wickerwork and other articles, made directly to shape from	4,188	3,557	2,679	3,153	3,460	14.0%	

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Straw hats can also be used as a chandelier.

NIGERIA

A prominent place among the Nigerian handicrafts is the weaving of palm fibers from raffia mats and a variety of straw or cane baskets for storage of cereals and even liquid. The woven products of the cities of Ikot Ekpene, Kano and Bida are especially valued.



Mats are made by plaiting fronds of raffia palm after which they are used as beddings or pieces of interior decoration. Fans, fishing baskets, shopping and wastepaper baskets, cane chairs are also made from palm fronds and canes.



95 million Nigerians are living without electricity

Nigeria has always been an electricity deficit country: straw made eco friendly fans for environmentally conscious customers

Import Prohibition in Nigeria

- ❖ Corrugated Paper and Paper Boards, and cartons, boxes and cases made from corrugated paper and paper boards
- ❖ All types of Bags and Suitcases

Niger has an increasing demand for Plaiting materials (HS code 460199) among all the countries in the African region. A very high MFN duty of 20% is applied here because there is no trade agreement of India with Niger.

Country	Value imported in 2019 (US \$ thousand)	Quantity imported in 2019	Unit Value (USD/ton)	Annual growth in value between 2018 & 2019 (%)
Tunisia	2908	357	8146	-5
Burkina Faso	2830	3483	813	1
South Africa	2340	671	3486	13
Mali	2270	1238	1834	-15
Niger	1099	2053	535	-4
Egypt	788	357	2206	65
Nigeria	684	750	912	116
Morocco	578	115	5026	99

ASEAN

Import Trends of handicrafts of plaiting and paperwork in the ASEAN region has been found to be the highest in HS code 460219 (basketwork) but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 460199 i.e plaiting materials, plaits and similar products of non-vegetable material as it has a better RCA amongst all products.

ASEAN	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Plaiting and paper	25,295	23,213	24,101	18,398	14,698		
460219	Basketwork, wickerwork and other articles, made directly to shape from	8,297	8,200	7,285	8,027	6,917	47.1%	
480210	Handmade paper and paperboard of any size or shape	14,482	11,857	13,705	6,987	4,339	29.5%	
460199	Plaiting materials, plaits and similar products of non-vegetable plaiting	2,516	3,156	3,111	3,384	3,442	23.4%	

Vietnam has an increasing demand for Plaiting materials (HS code 460199) among all the countries in the LAC region. Though the MFN duty is very high, 20%, but India avails a 0% duty benefit under the India-ASEAN FTA.

Country	Value imported in 2019 (US \$ thousand)	Quantity imported in 2019	Unit Value (USD/ton)	Annual growth in value between 2018 & 2019 (%)
Thailand	4636	1295	3580	-16
Viet Nam	4075	1278	3188	-32
Singapore	2659	1225	2171	20
Malaysia	1730	742	2332	-32
Philippines	693	340	2038	51
Cambodia	465	426	1092	20
Indonesia	219	24	9125	-76
Lao PDR	99	101	980	-28
Myanmar	94	88	1068	-29
Brunei Darussalam	28	9	3111	-74

Filipinos have lived their lives amidst articles fabricated through plaiting. The banig or plaited mat, has serviced the Filipino for sleeping or sitting, for drying grain, as sails of water-going vessels, and in the past, for bundling the deceased in burial.

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



A **banígis** is a handwoven mat usually used in East Asia and the Philippines for sleeping and sitting. This type of mat is traditionally made in the Philippines. Technically, it is not a textile. Depending on the region of the Philippines, the mat is made of buri (palm), pandanus or sea grass leaves. The leaves are dried, usually dyed, then cut into strips and woven into mats, which may be plain or intricate.

For mat designs, straw for floral and folial motifs and geometrics are dyed by boiling bundled straws in water with organic colouring agents, such as leaves, roots and bark chips.

In **Malaysia**, mats can be classified into two types: large, coarse mats for agricultural use; and finer ones for ceremonial or ritual purposes, mostly woven from processed pandanus strips dyed with chemical dyes and patterned.



Sedge mats are commonly found in Northern Vietnamese houses.

- The conical Asian hat is also known as the sedge hat, rice hat, paddy hat or coolie hat. Conical Asian hat is a simple style of conical hat originating in East and Southeast Asia, particularly Indonesia, Vietnam, Japan, and Korea.





6.4.5 ART WORKS/PAINTINGS

The global art market was valued at over 67 billion U.S. dollars in 2018, up from almost 64 billion the previous year. This increase is also shown in the volume of global art sales which reached approximately 40 million transactions in 2018, up from 39 million the previous year. When looking at different regions, North America held the highest share of the global art market, with Europe placing second.

WHERE DOES INDIA STAND IN THE MARKET OF PAINTING, ARTWORK, AND MANUFACTURED ITEMS?

India's art market is estimated to have been at around Rs14.6 billion (Rs1,460 crore), a decline of 6%. Growth in art and cultural initiatives is helping lay a strong foundation, positioning India as one of the major art destinations. With joint support from both private players and government bodies, the industry is likely to embark on a remarkable growth trajectory.

The Indian art industry has been dominated by art galleries; auction houses are slowly increasing their share in the overall market pie. The share of art galleries stood at 64% compared with 36% for auction houses.

Its 2019 annual auction turnover was up 29% versus the previous year, a faster pace of growth than any other Asian country, except South Korea. Just over 1,400 artworks sold in India in 2019, which – with an unsold rate of just 7% – was insufficient to satisfy domestic demand (the global average is above 30%). The country's annual Fine Art auction turnover total came to \$72.5 million in 2018, giving India 12th place in the global Art Market behind Australia.

PROSPECTS FOR INDIAN ART WORKS ACROSS GLOBAL MARKETS

UNITED STATES OF AMERICA

Import Trends of paintings and manufactured artwork items in the USA region has been found to be the highest in HS code 960200 (worked vegetable or mineral carving) but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 961400 i.e smoking pipes and pipe bowls as it has a better RCA amongst all products.

USA	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Art work and Mnf items	10045098	8188790	8761456	10186787	9807428		
'970110	Paintings, e.g. oil paintings, watercolours and pastels, and drawings executed entirely by ...	8312808	6470058	7044044	7775006	7665228	78.16%	
'970300	Original sculptures and statuary, in any material	1249725	1261180	1230630	1867410	1605043	16.37%	
'960200	Worked vegetable or mineral carving material and articles of these materials n.e.s.; moulded ...	192327	197867	220877	245339	252224	2.57%	
'970190	Collages and similar decorative plaques	260844	233069	236258	261484	245909	2.51%	
'961400	Smoking pipes, incl. pipe bowls, cigar or cigarette holders, and parts thereof, n.e.s.	29394	26616	29647	37548	39024	0.40%	

WHO IS USING E-CIGARETTES?

E-CIGARETTES ARE NOW THE MOST COMMONLY USED TOBACCO PRODUCT AMONG U.S. YOUTH.



Nearly 40 million U.S. adults still smoke cigarettes, and about 4.7 million middle and high school students use at least one tobacco product, including e-cigarettes. Every day, about 1,600 U.S. youth younger than 18 years smoke their first cigarette.

Importers	Value imported in 2019(US \$ Thousand)	Quantity imported in 2019, Tons	Unit Value (USD tons)	Annual growth in value between 2018-2019, %	Average tariff (estimated) applied by the country (%)
France	2901919	N/A	N/A	4	0
United Kingdom	1338669	N/A	N/A	-34	0
Italy	1130409	N/A	N/A	31	0
Germany	856117	N/A	N/A	-3	0
Spain	500316	N/A	N/A	-6	0
Belgium	333101	N/A	N/A	0	0
Switzerland	311483	N/A	N/A	-44	0
India	302969	N/A	N/A	228	0

As is indicated in the table above, France is largest exporter for HS code 961400 with a tariff of 0%. U.K is the closest competitor. For India here has Preferential tariff is 0% and to perform better in market India need to have competitive advantage in future too.

EUROPEAN UNION

Import Trends of paintings and manufactured artwork items in the EU region have been found to be the highest in HS code 960200 (worked vegetable or mineral carving) but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 961400 i.e smoking pipes and pipe bowls as it has a better RCA amongst all products.

EU	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Art work and Mnf items	6665659	4472637	4157073	4871269	4671456		
'970110	Paintings, e.g. oil paintings, watercolours and pastels, and drawings executed entirely by ...	5104043	3200345	2992421	3490451	3285983	70.34%	
'970300	Original sculptures and statuary, in any material	1043750	788815	663578	804780	805663	17.25%	
'960200	Worked vegetable or mineral carving material and articles of these materials n.e.s.; moulded ...	311071	298052	302994	329065	320997	6.87%	
'970190	Collages and similar decorative plaques	136249	106599	107725	143235	165713	3.55%	
'961400	Smoking pipes, incl. pipe bowls, cigar or cigarette holders, and parts thereof, n.e.s.	70546	78826	90355	103738	93100	1.99%	

Spain registered a growth of 13% in the paintings and manufactured artwork category in the last year, and has an increasing demand for smoking pipes and bowls (HS code 961400) among all the countries in the EU region.

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



The law in Spain only allows bars and cafés to sell tobacco in machines, but there are no cigarette machines in water pipe bars. The tobacco packets used for the pipe carry false information on the nicotine and tar content, lowering both and omitting to say it is tobacco on the packet

Importers	Value imported in 2019(US \$ Thousand)	Quantity imported in 2019, Tons	Unit Value (USD tons)	Annual growth in value between 2018-2019, %
European Union (EU 28)	4671456	48306	96705	N/A
United Kingdom	2448055	6226	393168	-2
Germany	588784	8951	65778	8
France	484453	4411	109828	-31
Italy	208403	1704	122267	-1
Austria	193302	739	261572	17
Belgium	167478	2559	65447	15
Spain	138015	14286	9661	13
Netherlands	100769	2345	42981	-37
Denmark	73254	345	212330	133

JAPAN

Import Trends of paintings and manufactured artwork items in Japan have been found to be the highest in HS code 960200 (worked vegetable or mineral carving) but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 961400 i.e smoking pipes and pipe bowls as it has a better RCA amongst all products.

JAPAN	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Art work and Mnf items	351977	425305	515237	501388	447475		
'970110	Paintings, e.g. oil paintings, watercolours and pastels, and drawings executed entirely by ...	288493	310655	459121	427078	375161	83.84%	
'970300	Original sculptures and statuary, in any material	51102	105934	46467	62835	61060	13.65%	
'970190	Collages and similar decorative plaques	6121	2820	3275	6189	5551	1.24%	
'960200	Worked vegetable or mineral carving material and articles of these materials n.e.s.; moulded ...	3569	2712	3264	3527	3517	0.79%	
'961400	Smoking pipes, incl. pipe bowls, cigar or cigarette holders, and parts thereof, n.e.s.	2692	3184	3110	1759	2186	0.49%	

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Importers	Value imported in 2019(US \$ Thousand)	Quantity imported in 2019,	Unit Value (USD tons)	Annual growth in value	Average tariff (estimated)
France	150024	13	11540308	-28	0
United States of America	147660	52	2839615	-10	5.2
Switzerland	31183	2	15591500	115	0
Netherlands	21127	1	21127000	-3	0
Germany	18543	12	1545250	-31	0
United Kingdom	18238	21	868476	-13	0
Italy	13078	16	817375	99	0
China	10719	372	28815	-13	5.2

As is indicated in the table above, France is largest exporter for HS code 961400 with a tariff of 0% . USA is the closest competitor. For India here has Preferential tariff is 0% and to perform better in market India need to have competitive advantage in future too.

LATIN AMERICA

Import Trends of paintings, artworks and manufactured items in the LAC region has been found to be the highest in HS code 960200 (worked vegetable or mineral carving) but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 961400 i.e smoking pipes and pipe bowls as it has a better RCA amongst all products.

LAC	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Art Work	451,656	452,006	169,589	221,174	189,734		
960200	Worked vegetable or mineral carving material and articles of these materials n.e.s; moulded . . .	74,656	70,295	73,016	76,547	69,743	36.8%	
970110	Paintings, e.g. oil paintings, watercolours and pastels, and drawings executed entirely by . . .	327,633	293,894	55,890	95,694	68,430	36.1%	
970300	Original sculptures and statuary, in any material	39,076	74,230	26,202	32,460	37,118	19.6%	
970190	Collages and similar decorative plaques	4,885	7,818	6,401	6,832	8,386	4.4%	
961400	Smoking pipes, incl. pipe bowls, cigar or cigarette holders, and parts thereof, n.e.s.	5,406	5,769	8,080	9,641	6,057	3.2%	

Artwork and Manufactured Items Regional Insights

- The availability of low cost raw material is the significant factor which is creating a positive impact on the market in Latin America. The stones used for sculpture are available in the region on a large scale. The low cost of raw material is complimented by low labor and transportation cost. One of the drivers for the market in Latin America is the high growth of North America market and the presence of prominent players in the market of North America who directly go to the Latin America region for finding good art pieces in the less price.
- In Mexico, both crafts created for utilitarian purposes and folk art are collectively known as “artesanía” as both have a similar history and both are a valued part of Mexico's national identity. Mexico's artesanía tradition is a blend of indigenous and European techniques and designs. Most of the artesanía produced in Mexico is ordinary things made for daily use, but they are still considered artistic because most contain decorative details and/or are painted in bright colors for aesthetic purposes. **Geometric designs are prevalent and Motifs** from nature are as popular.

Smoking pipes

- Adult **smoking** prevalence in Latin America has been reported to be approximately 40% for men and 24% for women, with 32% prevalence overall.
- Although Uruguay has fully legalized marijuana and consumption is "allowed" in many countries like Colombia, Argentina, Chile and Peru, most governments in the region still have strict views on cannabis.

- Brazil and Venezuela have some of the toughest postures against marijuana in the whole continent.
- Sturdy portable pipes that can endure rough handling are much more popular among regular users. Industrially-manufactured metal hand pipes, bullets and one-hitters are the usual devices people smoke from around here. Even most bowls in bongs/bubblers found in local smoke shops are made of metal, while the rest of the piece is made of plastic. Glass is generally reserved for importers, collectors and connoisseurs.
- Pipes have had a recent surge in popularity for different valid reasons. For starters, the need of many to remain stealth when smoking; a small pipe is more conspicuous than a blazing joint. Pipes have proven to be the best way for consumers to save weed (and money), in places where cannabis consumption is legal like Chile or Argentina and a gram can cost as much as \$25.

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES

More fragile elements like ceramic, clay and wood are used by artisans to create unique pipes. Beautifully handcrafted works of native art that are well-liked as souvenirs and presents.









Colombia registered a growth of 57% in the paintings and manufactured artwork category in the last year, and has an increasing demand for smoking pipes and bowls (HS code 961400) among all the countries in the LAC region. A high MFN duty of 15% is applied because of no trade agreement.

Country	Value imported in 2019 (US \$ thousand)	Quantity imported in 2019	Unit Value (USD/ton)	Annual growth in value between 2018 & 2019 (%)
Mexico	56252	-	-	-9
Brazil	47163	1745	27028	-9
Bahamas	16083	-	-	N/A
Argentina	10134	238	42580	-10
Panama	8390	-	-	N/A
Chile	7983	4378	1823	-26
Dominican Republic	5846	869	6727	33
Peru	4625	286	16171	-20
Colombia	3846	314	12248	57

- There are over 5 million smokers in Colombia. Teenage smokers account for nearly a third of smokers, and their numbers continue to rise. More than 72000 children (10-14 years old) and 2778000 adults (15+ years old) continue to use tobacco each day.
- In Colombia pipe tobacco and RYO tobacco are niche products, consumed mainly by affluent older males.

CIS

Import Trends of paintings, artwork and manufactured artwork items in the CIS region has been found to be the highest in HS code 960200 (worked vegetable or mineral carving) but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 961400 i.e smoking pipes and pipe bowls as it has a better RCA amongst all products.

CIS	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Art Work	30,403	30,596	55,648	40,364	47,862		
960200	Worked vegetable or mineral carving material and articles of these materials n.e.s.; moulded ...	12,716	14,920	18,216	21,108	24,683	51.6%	
961400	Smoking pipes, incl. pipe bowls, cigar or cigarette holders, and parts thereof, n.e.s.	6,108	4,915	4,888	6,603	8,832	18.5%	
970300	Original sculptures and statuary, in any material	2,892	3,012	3,229	4,518	8,548	17.9%	
970110	Paintings, e.g. oil paintings, watercolours and pastels, and drawings executed entirely by ...	8,119	7,288	28,748	7,617	5,301	11.1%	
970190	Collages and similar decorative plaques	568	461	567	518	498	1.0%	

Russian Federation registered a growth of 27% in the paintings and manufactured artwork category in the last year, and has an increasing demand for smoking pipes and bowls (HS code 961400) among all the countries in the CIS region. The general tariff is 13%, but India avails the preferential tariff for GSP countries at 9.75%.

Country	Value imported in 2019 (US \$ thousand)	Quantity imported in 2019	Unit Value (USD/ton)	Annual growth in value between 2018 & 2019 (%)
Russian Federation	33123	3228	10261	27
Ukraine	5749	595	9662	8
Belarus	4254	1254	3392	7
Georgia	1035	79	13101	-18
Uzbekistan	990	-	19	31
Kazakhstan	977	168	5815	-10
Azerbaijan	700	71	9859	2

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



- Smoking was very popular throughout the 20th century and up to now we have a very high rate of smokers (About 69% of men and 30% of women are smokers). Nearly a third of Russia's adults smoke, making it one of the largest adult smoking populations.
- Russian Shisha design is far more superior to the mainstream hookahs. The stick design helps the better flow of smoke, while the steel exterior keeps the hookah cool. The base of the hookah is also designed to improve airflow and increase the capacity of smoke build-up. This design makes for dense vape-like smoke.

Russian Hand-made Phunnel designer bowl made from high grade clay. Provides exquisite smoking experience with no risk of overheating the shisha. Thick-walled bowl effectively insulates contents. The innovative clay processing technology we developed resulted in the creation of a bowl that neither overheats, nor chars the tobacco inside. This unique feature also allows people to remove the bowl with bare hands, making it highly convenient for both personal and lounge use. The thick walls guarantee steady warming, even heat distribution and stable temperature retention, ensuring a long smoking session without overheating and subsequent bitterness of tobacco.

AFRICA

Import Trends of paintings, artwork and manufactured artwork items in the African region has been found to be the highest in HS code 960200 (worked vegetable or mineral carving) but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 961400 i.e smoking pipes and pipe bowls as it has a better RCA amongst all products.

Africa	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Art Work	82,391	93,614	103,691	119,679	96,064		
960200	Worked vegetable or mineral carving material and articles of these materials n.e.s; moulded . . .	35,816	34,175	39,249	37,609	34,217	35.6%	
970110	Paintings, e.g. oil paintings, watercolours and pastels, and drawings executed entirely by . . .	24,393	26,052	24,431	21,724	32,415	33.7%	
970300	Original sculptures and statuary, in any material	7,882	6,716	19,775	10,691	11,400	11.9%	
970190	Collages and similar decorative plaques	9,220	19,821	13,095	39,301	9,017	9.4%	
961400	Smoking pipes, incl. pipe bowls, cigar or cigarette holders, and parts thereof, n.e.s.	5,080	6,850	7,141	10,354	9,015	9.4%	

Morocco has an increasing demand for smoking pipes and bowls (HS code 961400) among all the countries in the African region. MFN duty of 2.5% is applied here.

Country	Value imported in 2019 (US \$ thousand)	Quantity imported in 2019	Unit Value (USD/ton)	Annual growth in value between 2018 & 2019 (%)
South Africa	46816	122725	381	-28
Algeria	8706	463	18822	N/A
Egypt	8112	1661	4883	27
Morocco	5553	793	7003	-3
Central African Republic	3335	0		N/A
Ghana	3251	277	11736	-22
Tunisia	3094	154	20091	1
Nigeria	2540	420	6048	7
Sudan	1748	163	10715	N/A
Mauritius	1243	30167	41	-82

- A **sebsi** or **sibsi** is a traditional Moroccan cannabis pipe with a narrow clay bowl called a skuff (or shkaff), with a fine metal screen. To this a hardwood stem is attached, which may be up to 46 cm (18 in) long.
- Usually the pipe is made of olive wood, but this pipe is made from apricot wood, which gives the smoker a slightly sweeter and more pleasant taste in the mouth.

Cigars and pipe tobacco mainly purchased by more affluent consumers Cigarillos remained a negligible category in Morocco in 2019, with such products sold only in a few tobacco specialists. Cigars are sold through specialist cigar retailers, mainly in the four large cities of Casablanca, Rabat, Marrakech, and Tanger. These products are often smoked as a way to display status. (Euromonitor International)

Regulations - Morocco affirmatively finalizes the safeguard measures for imported welded steel pipes and proposes to impose an additional tariff of 25 per cent on the products involved, which will be reduced by 1 per cent year by year and valid for three years, and the measures will take effect the day after the announcement is published in the official Gazette. Products imported from mainland China, Taiwan and the Macao Special Administrative region are not subject to taxation.

ASEAN

Import Trends of paintings and manufactured artwork items in the African region has been found to be the highest in HS code 970110 (paintings) but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 961400 i.e smoking pipes and pipe bowls as it has a better RCA amongst all products.

ASEAN	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Art Work	381,037	521,864	737,985	358,928	399,496		
970110	Paintings, e.g. oil paintings, watercolours and pastels, and drawings executed entirely by ...	208,977	414,345	465,221	240,139	304,075	76.1%	
970300	Original sculptures and statuary, in any material	121,292	59,587	105,459	72,113	48,988	12.3%	
960200	Worked vegetable or mineral carving material and articles of these materials n.e.s.: moulded ...	44,274	38,443	49,011	39,511	38,707	9.7%	
970190	Collages and similar decorative plaques	5,081	7,955	117,122	5,650	5,574	1.4%	
961400	Smoking pipes, incl. pipe bowls, cigar or cigarette holders, and parts thereof, n.e.s.	1,413	1,534	1,172	1,515	2,152	0.5%	

Malaysia registered a growth of 99% in the paintings and manufactured artwork category in the last year, and has an increasing demand for smoking pipes and bowls (HS code 961400) among all the countries in the ASEAN region. Though the MFN duty is very high at 30%, but India avails the preferential tariff of 0% under the India – ASEAN trade agreement.

Country	Value imported in 2019 (US \$ thousand)	Quantity imported in 2019	Unit Value (USD/ton)	Annual growth in value between 2018 & 2019 (%)
Singapore	320223	0		8
Malaysia	33014	3039641	11	99
Thailand	17489	84162	208	-10
Philippines	10586	845	12528	-21
Viet Nam	7994	177	45060	0
Indonesia	7445	656	11349	57
Cambodia	1547	138	11210	238
Myanmar	710	10999	65	27
Brunei Darussalam	294	101654	2.89	242
Lao People's Democratic Republic	194	21	9238	-52



6.4.5 WOODEN WORKS

The global handicrafts market has experienced a shift from ethnic designs to contemporary patterns coupled with the increasing adoption of handicrafts by the elite society. One of the primary factors catalyzing the growth of the market is a strong demand from offices, hospitals, and hotels. Moreover, the market is also influenced by the rise in travel and tourism as tourists often collect souvenirs, particularly handicrafts, from the places they have visited. Further, due to the low capital investment involved, the handicraft market is thriving across developing nations such as India, China, Afghanistan, etc. The global handicrafts market reached a value of US\$ 526.5 Billion in 2017. Looking forward, the market value is projected to reach approximately US\$ 984.8 Billion by 2023, expanding at a CAGR of more than 11% during 2018-2023.

WHERE DOES INDIAN STAND IN THE WOODEN HANDICRAFTS MARKET?

The export revenue share of the wooden-based handicraft is close to 40% of the total handicraft industry (US\$2 billion) in India. The Indian wooden handicraft sector is the second-largest employment provider after agriculture. The exported wooden articles market in India has a varied range of products including small gifts and decoratives, toys, statues, ornately carved suave and simple masterpieces, furniture, and household products. The main countries where Indian wooden handicrafts are exported are the USA, UK, Sweden, Singapore, Canada, Greece, and Portugal. Woodwares market stands at US\$ 420.45 million.

PROSPECTS FOR INDIAN WOODEN WORKS ACROSS GLOBAL MARKETS

UNITED STATES OF AMERICA

Import Trends of wooden articles in the USA region have been found to be the highest in HS code 950300 (tricycles, dolls, etc.) but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 441990 i.e tableware and kitchenware of wood as it has a better RCA amongst all products.

USA	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Wooden	14235412	14596371	15125194	14937088	15586522		
'950300	Tricycles, scooters, pedal cars and similar wheeled toys; dolls' carriages; dolls; other toys; ...	14235412	14596371	14968627	14757792	15387286	98.72%	
'441990	Tableware and kitchenware, of wood other than bamboo (excl. interior fittings, ornaments, coopers' ...	0	0	156567	179296	199236	1.28%	

The avg tariff for the Indian product is 5.3% which is as same as China which is the biggest importer of tableware products.



In the USA, people love to have wooden kitchenware in houses and it is very popular among the new generations about 81% of the household had woodenware in houses.

Importers	Value imported in 2019(US \$ Thousand)	Quantity imported in 2019, Tons	Unit Value (USD tons)	Annual growth in value between 2018-2019, %	Average tariff (estimated) applied by the country (%)
China	13086309	N/A	N/A	4	5.3
Viet Nam	745968	N/A	N/A	39	5.3
Mexico	515876			-17	0
Indonesia	278657	N/A	N/A	26	0
Taipei, Chinese	146779	N/A	N/A	-16	5.3
Thailand	121916	N/A	N/A	33	0
India	105660	N/A	N/A	22	5.3

As is indicated in the table above, China is largest exporter for HS code 441990 with a tariff of 5.3% in MFN . Vietnam is the closest competitor. For India here has tariff 5.3% and to perform better in market India need to have competitive advantage in future too.

EUROPEAN UNION

Import Trends of wooden articles in the EU region have been found to be the highest in HS code 950300 (tricycles, dolls, etc.) but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 441990 i.e tableware and kitchenware of wood as it has a better RCA amongst all products.

EU	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Wooden	16012590	16933087	18029350	18973019	19098495		
'950300	Tricycles, scooters, pedal cars and similar wheeled toys; dolls' carriages; dolls; other toys; ...	16012590	16933087	17730895	18636003	18729944	98.07%	
'441990	Tableware and kitchenware, of wood other than bamboo (excl. interior fittings, ornaments, coopers' ...	0	0	298455	337016	368551	1.93%	

Germany registered the highest growth in the Tableware and kitchenware category in the last year and has an increasing demand for tableware of wood (HS code 441990) among all the countries in the EU region. MFN duty of 8% is applied. People in Germany are not very social. They do not like to interact with others I like to live alone in peace. So a huge number of people like cooking and many are creative they love to decorate their house especially the kitchen. They are also a very font of beautiful cutlery. So wooden cutlery will be a great choice for them.

Importers	Value imported in 2019(US \$ Thousand)	Quantity imported in 2019, Tons	Unit Value (USD tons)	Annual growth in value between 2018-2019, %
European Union (EU 28) Aggregation	19098495	1740233	10975	N/A
Germany	3423262	257636	13287	0
United Kingdom	2794954	281850	9916	-2
France	2291512	196754	11647	3
Netherlands	1343101	134604	9978	6
Italy	1211487	98373	12315	-4
Czech Republic	1135022	143628	7903	2
Spain	1119308	108205	10344	5
Poland	1113511	98063	11355	-3
Belgium	1038416	112686	9215	-3
Austria	500184	33542	14912	-2
Denmark	402035	26635	15094	21

Germany has an increasing demand for Wooden product (HS code 441990) i.e., 0% among all the countries in the European Union.

JAPAN

Import trends of wooden articles in the African region have been found to be the highest in HS code 950300 (tricycles, dolls, etc.) but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 441990 i.e tableware and kitchenware of wood as it has a better RCA amongst all products.

JAPAN	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Wooden	1915683	2000005	2304620	2459209	2459397		
'950300	Tricycles, scooters, pedal cars and similar wheeled toys; dolls' carriages; dolls; other toys; ...	1915683	2000005	2127142	2286518	2296681	93.38%	
'441990	Tableware and kitchenware, of wood other than bamboo (excl. interior fittings, ornaments, coopers' ...	0	0	177478	172691	162716	6.62%	

JAPAN HAS A RICH HERITAGE OF WOOD USE.

Since early times, back to the Jomon era, most temples, houses, handcrafts, and industrial arts have been based on wood. Wood is obtained from two sources: native forests and plantations. Of the total forested area in Japan, approximately 50% is occupied by natural forests and 40% by managed plantations. A further 10% is under bamboo forest. Coniferous trees, including Japanese Cedar and Cypress, are grown in managed plantations. Old-growth native wood is rarely available nowadays due to government regulations imposed on felling. It takes 60 - 80 years for conifers, Cedar and Cypress, to reach maturity, 150 - 200 years for broadleaf trees.

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



Furo, or the more common and polite form ofuro , is a Japanese bath and/or bathroom. Specifically, it is a type of bath that originated as a short, steep-sided wooden bathtub. Baths of this type are found all over Japan in houses, apartments, and traditional Japanese inns but are now usually made out of plastic or stainless steel. A furo differs from a conventional Western bathtub by being of a deeper construction, typically in the region of 0.6 m (25 inches). The sides are generally square rather than being sloped. They generally have no overflow drainage. Traditional pot-shaped cast iron furo was heated by a wood-burning stove built-in below them.

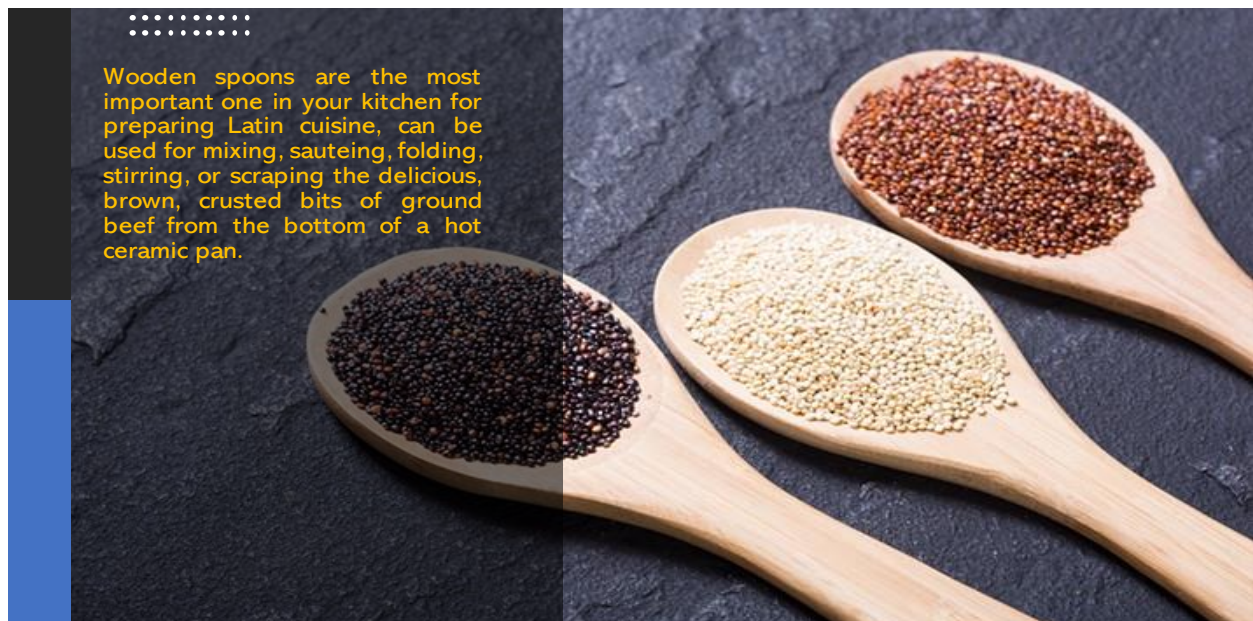
Importers	Value imported in 2019(US \$ Thousand)	Quantity imported in 2019, Tons	Unit Value (USD tons)	Annual growth in value between 2018-2019, %	Average tariff (estimated) applied by the country (%)
China	1941527	154495	12567	-1	4.7
Viet Nam	269331	25605	10519	9	0
Thailand	65219	5276	12361	2	0
Philippines	38348	2182	17575	5	0
Taipei, Chinese	30831	1508	20445	-3	4.7
Indonesia, Korea,	19481	1185	16440	2	0
Republic of	13668	449	30441	25	4.7

As is indicated in the table above, China is largest exporter for HS code 441990 with a tariff of 4.7% in MFN. Vietnam is the closest competitor. For India here has Preferential tariff is 0% and to perform better in market India need to have competitive advantage in future too.

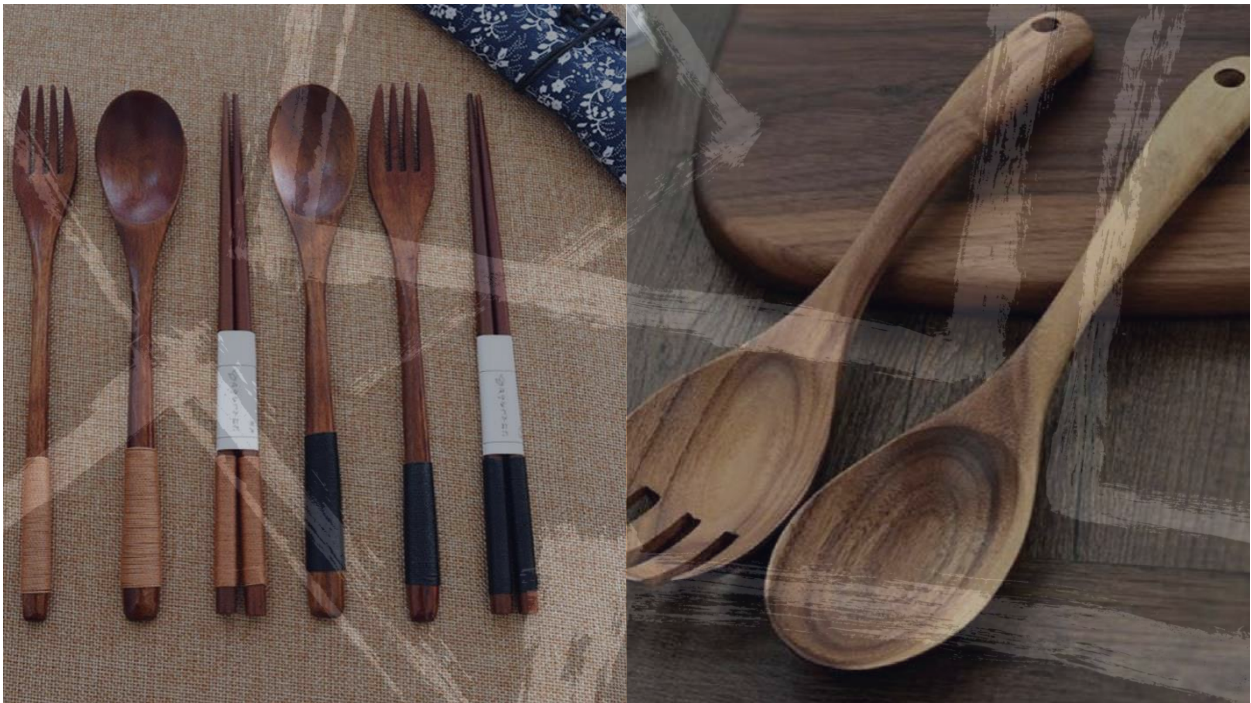
LATIN AMERICA

Import trends of wooden articles in the LAC region has been found to be the highest in HS code 950300 (tricycles, dolls etc.) but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 441990 i.e tableware and kitchenware of wood as it has a better RCA amongst all products.

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES



BRAZIL



Brazilians use cutlery for eating everything. Brazilians rarely use their hands to eat certain foods as it is considered unhygienic. All types of food are cut with a fork and knife.



Citizens of São Paulo once took a different approach—and elected an animal: a Rhino



As of October 2019, Mexico was considered the country with the highest annual per capita consumption of beer among a selection of Latin American countries. During that period, it was estimated that Mexicans consumed an average of 68.8 liters of beer per person each year.

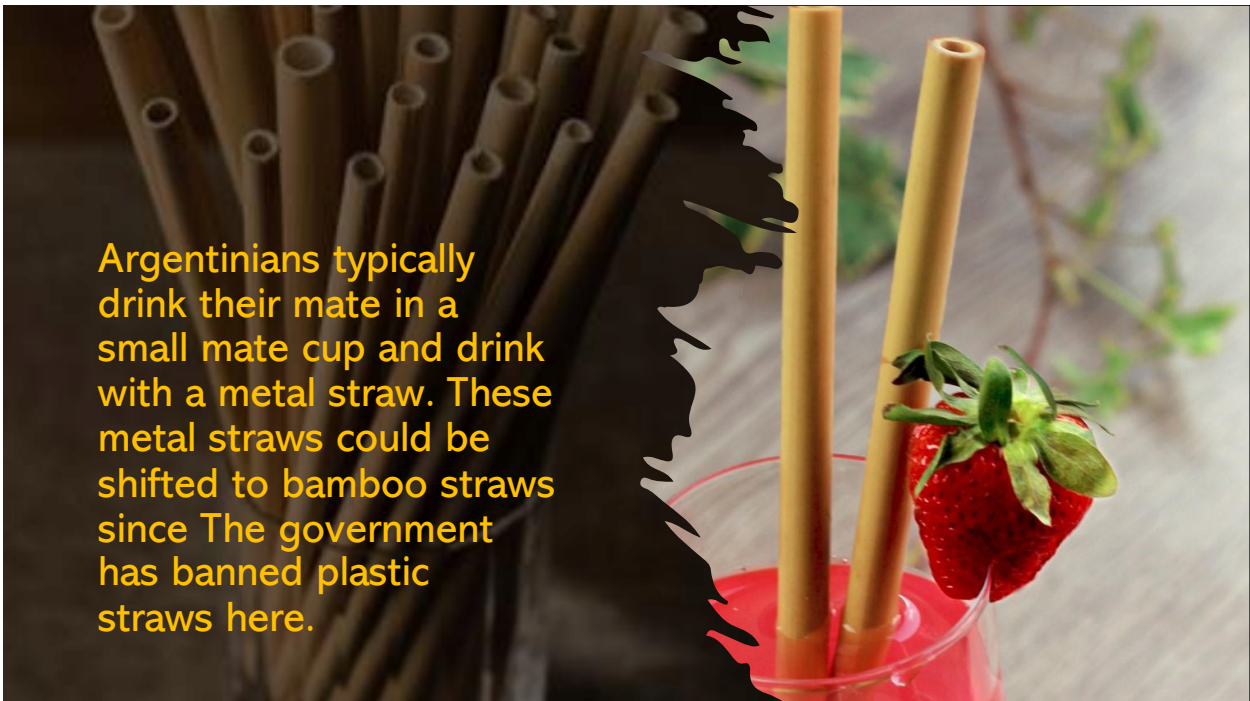


Mexico was considered the country with the highest annual per capita consumption of beer among a selection of Latin American countries.

ARGENTINA



A wooden yerba mate gourd is the perfect vessel for drinking mate the traditional way. Mate is a traditional South American caffeine-rich infused drink and the national drink of Argentina. Mate cups made with wood can be produced with different types of wood, such as rosewood, algarrobo, oak, orange tree, etc. It is then cut, dried, carved and finished to be fit for drinking.



Argentines typically drink their mate in a small mate cup and drink with a metal straw. These metal straws could be shifted to bamboo straws since The government has banned plastic straws here.

LAC	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Wooden	2,291,467	2,180,906	2,387,036	2,516,342	2,468,165		
950300	Tricycles, scooters, pedal cars and similar wheeled toys; dolls' carriages; dolls; other toys; ...	2,291,467	2,180,893	2,378,734	2,506,530	2,456,384	99.5%	
441990	Tableware and kitchenware, of wood other than bamboo (excl. interior fittings, ornaments, ...)		13	8,302	9,812	11,781	0.5%	

Chile has an increasing demand for tableware of wood other than bamboo (HS code 441990) among all the countries in the ASEAN region. Though the MFN duty is 6%, but India avails a preferential tariff of 48% under the India-Chile trade agreement.

Country	Value imported in 2019 (US \$ thousand)	Quantity imported in 2019	Unit Value (USD/ton)	Annual growth in value between 2018 & 2019 (%)
Mexico	991,484	-	-	9
Brazil	287,376	53,725	5,349	-1
Chile	232,230	299,418	776	-9
Peru	168,357	38,114	4,417	0
Panama	137,718	-	2,416,105	N/A
Colombia	118,760	26,156	4,540	-5
Argentina	108,705	13,869	7,838	-39
Guatemala	64,885	16,947	3,829	7
Ecuador	58,955	10,455	5,639	-30
Costa Rica	53,222	8,074	6,592	-3




MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES

The Andes House is a group of Chilean designers who develop furniture, lighting, accessories, and architectural products. Released as prototypes last year, this series of plates, dishes and mugs are each made from a single piece of wood by Mapuche artisans. The interiors of the pieces are cut using a CNC machine, merging tradition with modern craft.




CIS

Import trends of wooden articles in the CIS region has been found to be the highest in HS code 950300 (tricycles, dolls etc.) but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 441990 i.e tableware and kitchenware of wood as it has a better RCA amongst all products.

CIS	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Wooden	1,064,692	1,306,161	1,572,004	1,768,544	1,919,226		
950300	Tricycles, scooters, pedal cars and similar wheeled toys; dolls' carriages; dolls; other toys; ...	1,064,692	1,306,160	1,565,229	1,760,529	1,909,608	99.5%	
441990	Tableware and kitchenware, of wood other than bamboo (excl. interior fittings, ornaments).		1	6,775	8,015	9,618	0.5%	

Russian Federation registered a growth of 2% in the paintings and manufactured artwork category in the last year, and has an increasing demand for tableware of wood (HS code 441990) among all the countries in the CIS region. MFN duty of 8% is applied.

Country	Value imported in 2019 (US \$ thousand)	Quantity imported in 2019	Unit Value (USD/ton)	Annual growth in value between 2018 & 2019 (%)
Russian Federation	1323578	155,322	8522	2
Ukraine	211947	27,633	7670	15
Kazakhstan	202147	48,736	4148	66
Belarus	88291	16,230	5440	21
Moldova, Republic of	23912	3,068	7794	3
Georgia	19906	3,848	5173	-6
Azerbaijan	17852	4,418	4041	4
Armenia	11166	2,900	3850	9

MOVING FROM HS CODE TO NTL: COUNTRY CASE STUDIES

There are two wooden souvenirs that can be found in almost every tourist's suitcase returning home from Russia: one is a the matryoshka doll. Matryoshka dolls babushka dolls, stacking dolls, nesting dolls, Russian tea dolls, or Russian dolls are a set of wooden dolls of decreasing size placed one inside another.



Channapatnam toys of India can be developed similar to Russian Matryoshka dolls

The other is a piece of khokhloma which is the name of a Russian wood painting handicraft style and national ornament, known for its curved and vivid mostly flower, berry and leaf patterns. Often Firebird, the figure from the Russian fairytale, is also depicted.

Khokhloma painting is the name of a Russian wood painting handicraft style and national ornament, known for its curved and vivid mostly flower, berry and leaf patterns. For Russians, golden leaves and flowers symbolize a happy life and are believed to bring light and wealth.



AFRICA

Import trends of wooden articles in the African region has been found to be the highest in HS code 950300 (tricycles, dolls etc.) but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 441990 i.e tableware and kitchenware of wood as it has a better RCA amongst all products.

Africa	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Wooden	383,336	341,317	368,028	446,399	508,042		
950300	Tricycles, scooters, pedal cars and similar wheeled toys; dolls' carriages; dolls; other	383,305	341,258	362,563	439,901	484,197	95.3%	
441990	Tableware and kitchenware, of wood other than bamboo (excl. interior fittings, ornaments,	31	59	5,465	6,498	23,845	4.7%	

Ghana registered a growth of 295% in the paintings and manufactured artwork category in the last year, and has an increasing demand for tableware of wood (HS code 441990) among all the countries in the African region. A very high MFN duty of 20% is applied because India does not have any trade agreement here.




Importers	2015	2016	2017	2018	2019	Annual growth in value between 2018 & 2019 (%)	Trend
South Africa	175789	162624	173532	183424	165065	-10	
Egypt	47072	23242	19623	44832	51917	16	
Algeria	25158	25476	28858	45010	49258	N/A	
Morocco	35938	40735	41763	42817	43224	1	
Libya, State of		0		0	40054	N/A	
Ghana	8753	2836	4178	4693	18516	295	
Sudan	4144	2625	3536	1226	16918	N/A	
Cameroon	3792	2435	3392	16192	9883	N/A	
Djibouti	1154	2527	7040	7154	9731	N/A	
Tunisia	8482	7925	8157	11591	9209	-21	

Wooden food contact materials serve important functions in every aspect of food preparations and, collectively, constitute the most frequently utilized cookwares in the Ghanaian home. Ghana has a rich variety of trees whose wood possess unique structural, physical and mechanical properties that allows for the manufacture of different wood based food contact materials including mortar, pestle, grinding bowl, grinding pestle, roller, chopping board, banku ladle and wooden spoon.

Opportunity For India - The Ghanaian people is heavily dependent on the wood produced in their country, since 60 % of the population is in some way related to the wood industry. And it is not only for export, wood is used for cooking, furniture, buildings, tools and handicraft and providing shadow for coca plants and is hereby an integrated part of everyday life in Ghana. And IF wood is cut continually in the speed as today, then Ghana will be without a tree in ten years.

ASEAN

Import trends of wooden articles in the ASEAN region has been found to be the highest in HS code 950300 (tricycles, dolls etc.) but its RCA is poor. Amongst the product categories imported in this category, Indian exporters have a huge potential for HS code 441990 i.e tableware and kitchenware of wood as it has a better RCA amongst all products.

ASEAN	Product Label	2015	2016	2017	2018	2019	Share in Imports	Trend
	Wooden	555,181	630,474	727,388	1,020,478	1,049,414		
950300	Tricycles, scooters, pedal cars and similar wheeled toys; dolls' carriages; dolls; other	555,181	630,474	722,693	1,011,056	1,041,276	99.2%	
441990	Tableware and kitchenware, of wood other than bamboo (excl. interior fittings, ornaments,			4,695	9,422	8,138	0.8%	

Indonesia has an increasing demand for tableware of wood other than bamboo (HS code 441990) among all the countries in the ASEAN region. Though the MFN duty is high at 15%, but India avails the preferential tariff of 5% under the India – ASEAN trade agreement.

Country	Value imported in 2019 (US \$ thousand)	Quantity imported in 2019	Annual growth in value between 2018 & 2019 (%)
Singapore	209475	0	-8
Indonesia	204495	45,276	0
Philippines	175179	68,934	8
Malaysia	170940	0	6
Thailand	129219	0	3
Viet Nam	90120	7,040	32
Cambodia	48232	14,755	-2
Myanmar	12524	14,331	2
Brunei Darussalam	6493	1,083	-9
Lao	2737	448	19

ANNEXURE I

COMPREHENSIVE LIST OF HS CODES

FASHION	
560500	Metallized yarn.
580810	Braids in the piece
580900	Woven fabrics of metal thread and woven fabrics of metallized yarn
581010	Embroidery on a textile fabric ground without visible ground.
581092	Embroidery of man-made fibers on a textile fabric base
581100	Quilted textile products in the piece (kantha)
610431	Women's or girls' jackets and blazers of wool or fine animal hair, knitted or crocheted
611710	Shawls, scarves, mufflers, mantillas, veils and the like, knitted or crocheted
630790	Made-up articles of textile materials
640320	Footwear with outer soles of leather
650400	Hats and other headgear
650500	Hats and other headgear, knitted or crocheted made up from lace, felt
670100	Skins and other parts of birds with their feathers
681599	Articles of stone
701810	Glass beads, imitation pearls, imitation precious or semi-precious stones
711311	Articles of jewelry of silver, whether or not plated
711711	Cuff links and studs, of base metal not clad with silver, gold or platinum
711719	Imitation jewelry, of base metal, whether or not plated with precious metal
711790	Imitation jewelry (excluding base metal)
830890	Clasps, frames with clasps without locks, of base metal, for clothing
960110	Articles of ivory
960190	Worked bone, tortoiseshell, horn, antlers, coral, mother-of-pearl and other animal carving
960200	Worked vegetable or mineral carving material and articles of these materials
FURNITURE	
442090	Wood marquetry and inlaid wood; caskets and cases for jewellery or cutlery
460211	Basketwork, wickerwork and other articles, from bamboo
460212	Basketwork, wickerwork and other articles, made directly to shape from rattan plaiting materials ...
940330	Wooden furniture for offices (excluding seats)
940350	Wooden furniture for bedrooms (excluding seats)
940360	Wooden furniture (excluding for offices, kitchens and bedrooms, and seats)
940389	Furniture of other materials, including cane, osier or similar materials (excluding of bamboo, ...
940390	Parts of furniture, n.e.s. (excluding of seats and medical, surgical, dental or veterinary ...
950300	Tricycles, scooters, pedal cars and similar wheeled toys; dolls' carriages; dolls; other toys; ...
940382	Wooden of bamboo furniture used in bed
HOME	
330741	"Agarbatti" and other odoriferous preparations which operate by burning
442191	Articles of bamboo, n.e.s.

691110	Tableware and kitchenware, of porcelain or china (excluding ornamental articles, pots, jars, ...
691190	Household and toilet articles, of porcelain or china (excluding tableware and kitchenware, ...
691200	Tableware, kitchenware, other household articles and toilet articles, of ceramics other than ...
700992	Glass mirrors, framed (excluding rear-view mirrors for vehicles, optical mirrors, optically ...
701328	Drinking glasses, stemware (excluding of glass ceramics or of lead crystal)
701333	Drinking glasses of lead crystal (excluding stemware)
701337	Drinking glasses (excluding glasses of glass ceramics or of lead crystal and stemware)
701341	Glassware of lead crystal, of a kind used for table or kitchen purposes (excluding articles ...
701349	Glassware for table or kitchen purposes (excluding glass having a linear coefficient of expansion ...
741810	Table, kitchen or other household articles and parts thereof, and pot scourers and scouring ...
741999	Articles of copper, n.e.s.
830630	Photograph, picture or similar frames, of base metal; mirrors of base metal (excluding optical ...
960310	Brooms and brushes, consisting of twigs or other vegetable materials bound together, with or ...
960899	Parts of ball-point pens, felt-tipped and other porous-tipped pens and markers, fountain pens ...
970400	Postage or revenue stamps, stamp-postmarks, first-day covers, postal stationery, stamped paper ...
970500	Collections and collector's pieces of zoological, botanical, mineralogical, anatomical, historical, ...
LIFESTYLE	
330190	Extracted oleoresins; concentrates of essential oils in fats, fixed oils, waxes and the like, ...
330749	Preparations for perfuming or deodorising rooms, incl. odoriferous preparations
340600	Candles and the like
392310	Boxes, cases, crates and similar articles for the conveyance or packaging of goods, of plastics
420229	Handbags, whether or not with shoulder strap, incl. those without handle, with outer surface ...
420231	Wallets, purses, key-pouches, cigarette-cases, tobacco-pouches and similar articles carried ...
420239	Wallets, purses, key-cases, cigarette-cases, tobacco-pouches and similar articles of a kind ...
441400	Wooden frames for paintings, photographs, mirrors or similar objects
441919	Other
441990	Other
442010	Statuettes and other ornaments, of wood (excluding wood marquetry and inlaid wood)
460129	Mats, matting and screens, of vegetable plaiting materials, flat-woven or bound together in ...
460199	Plaiting materials, plaits and similar products of non-vegetable plaiting materials, flat-woven ...
460219	Basketwork, wickerwork and other articles, made directly to shape from vegetable plaiting materials ...
480210	Handmade paper and paperboard of any size or shape
482370	Moulded or pressed articles of paper pulp, n.e.s.
482390	Paper, paperboard, cellulose wadding and webs of cellulose fibres, in strips or rolls of a ...
660200	Walking sticks, seat-sticks, whips, riding-crops and the like (excluding measure walking sticks, ...
691310	Statuettes and other ornamental articles of porcelain or china, n.e.s.
691390	Statuettes and other ornamental ceramic articles, n.e.s. (excluding of porcelain or china)
701391	Glassware, of lead crystal, of a kind used for toilet, office, indoor decoration or similar ...
701890	Glass eyes (excluding prosthetic articles); articles of glass beads, or of imitation pearls, ...

702000	Articles of glass, n.e.s.
761510	Table, kitchen or other household articles and parts thereof, and pot scourers and scouring ...
830610	Bells, gongs and the like, non-electric, of base metal (excluding musical instruments)
830621	Statuettes and other ornaments, of base metal, plated with precious metal (excluding works ...
830629	Statuettes and other ornaments, of base metal, not plated with precious metal (excluding works ...
920290	Guitars, harps and other string musical instruments (excluding with keyboard and those played ...
920590	Wind musical instruments (excluding brass-wind instruments)
920600	Percussion musical instruments, e.g. drums, xylophones, cymbals, castanets, maracas
940510	Chandeliers and other electric ceiling or wall lighting fittings (excluding for lighting public ...
940530	Electric lighting sets of a kind used for Christmas trees
940550	Non-electrical lamps and lighting fittings, n.e.s.
950300	Tricycles, scooters, pedal cars and similar wheeled toys; dolls' carriages; dolls; other toys; ...
950510	Christmas articles (excluding candles and electric lighting sets, natural Christmas trees and ...
950590	Festival, carnival or other entertainment articles, incl. conjuring tricks and novelty jokes, ...
960200	Worked vegetable or mineral carving material and articles of these materials n.e.s.; moulded ...
960622	Buttons of base metal, not covered with textile material (excluding press-fasteners, snap-fasteners, ...
961400	Smoking pipes, incl. pipe bowls, cigar or cigarette holders, and parts thereof, n.e.s.
970110	Paintings, e.g. oil paintings, watercolours and pastels, and drawings executed entirely by ...
970190	Collages and similar decorative plaques
970200	Original engravings, prints and lithographs
970300	Original sculptures and statuary, in any material
970400	Postage or revenue stamps, stamp-postmarks, first-day covers, postal stationery, stamped paper ...
970500	Collections and collector's pieces of zoological, botanical, mineralogical, anatomical, historical, ...
970600	Antiques of > 100 years old
TEXTILES	
580410	Tulls and nets other than textiles
580430	Handmade laces
580500	Tapestries handmade
581100	Quilted wadding
630411	Bed spread knitted or crochet
630491	Others
630790	Madeups other than cotton
640610	Emb uppers of textile material
670290	Others of all material
940490	Mattress support and bedding material

ANNEXURE II

GLOBAL POSITION OF INDIAN HANDICRAFTS

[PERCENTAGE SHARE OF WORLD EXPORTS]

Home		China	India	Other Competing Players (Global exporters)
330741	"Agarbatti"	28.00	27.20	Vietnam (16.6), France (5.8), UAE (4.5)
442191	Articles of bamboo, n.e.s.	43.20	2.70	Ger (7.2), Canada (5.8), Indonesia(5.5)
691110	Tableware and kitchenware	77.60	0.20	Ger(4.2), France(1.3), UAE (1.1)
691190	Household and toilet articles, of porcelain	66.30	0.20	UAE(8.4), UK(4), USA(3.2)
691200	Tableware, kitchenware of ceramics	24.70	0.90	Portugl(10.4), UK(7.3), Thailand(6.5)
700992	Glass mirrors, framed	67.70	1.60	Ger(3.8), Vietnam(3.1), USA(2.2)
701328	Drinking glasses, stemware	8.90	0.10	Ger(18.2), France(8.8), Netherland(8.2)
701333	Drinking glasses of lead crystal	11.50	1.40	France(24.6), UAE(24.4), Egypt(3.9)
701337	Drinking glasses	43.30	0.00	France(6.1), Ger(6.1), Turkey(4.1)
701341	Glassware of lead crystal,	6.70	0.30	France(38.9), Italy(4.3), Czech Republic(10.2)
701349	Glassware for table or kitchen purposes	49.00	1.00	France(8.5), Turkey(4.6), USA(4)
741810	Table, kitchen or other household articles	20.20	10.70	France(8), Italy(5), UK(4.8)
741999	Articles of copper, n.e.s.	5.80	8.80	Ger(17.5), USA(6.7), DPR Korea(6.1)
830630	Photograph, picture or similar frames	48.00	2.00	Ger(11.6), Hong Kong(4.8), Netherlands(3.3)
960310	Brooms and brushes	19.60	2.30	Mexico(11.7), Sri Lanka(10.2), Indonesia(10.1)
960899	Parts of ball-point pens	28.40	1.30	Japan(13.1), France(8.8), Ger(7.5)
970400	Postage or revenue stamps	0.00	0.00	Ger(29.1), Switzerland(24.5), UK(18.3)
970500	Collections and collector's pieces	0.00	0.00	
Lifestyle				
330190	Extracted oleoresins	2.00	35.50	Brazil(10.3), USA(10)
330749	Preparations for perfuming	14.30	1.00	Mexico(20.9), USA(9.9)
340600	Candles and the like	21.60	2.10	Poland(18.9), Vietnam(8.4)
392310	Boxes, cases, crates	12.90	0.40	USA(14.1), Ger(10.1)
420229	Handbags	2.30	2.00	Vietnam(30.9), Cambodia(16.2)
420231	Wallets, purses, key-pouches, cigarette-case	7.50	9.40	Italy(27.3), France(24.5)
420239	Wallets, purses, key-cases, cigarette-cases	6.30	1.70	Singapore(32.8), Vietnam(23.7)
441400	Wooden frames for paintings	48.20	1.90	Poland(8.8), Indonesia(4.8)
441919	Other	60.50	1.50	Ger(5.2), Vietnam(4.3)
442010	Statuettes of wood	72.60	0.30	Indonesia(4.5), Netherlands(4.1)
460129	Mats, matting	80.10	0.60	Vietnam(3.4), Ger(2.3)
460199	Plaiting materials	46.00	15.10	Togo(8.6), France(7)
460219	Basketwork, wickerwork	64.00	1.70	Vietnam(11.3), Netherlands(3.5)
480210	Handmade paper	34.30	13.40	Japan(9.8), France(6.5)
482370	Moulded or pressed articles	25.10	0.70	Canada(8.3), USA(7.4)
482390	Paper, paperboard	29.00	7.40	USA(12.9), Ger(8.7)
660200	Walking sticks, seat-sticks	52.50	0.10	Czech Republic(10.9), Chinese Taipei(8.6)
691310	Statuettes of porcelain	85.80	0.00	Spain(3), Ger(2.4)
691390	Statuettes ceramic articles	46.80	0.10	Ger(10.4), Netherlands(6.8)
701391	Glassware, of lead crystal	12.30	0.20	France(28.5), Italy(15.3)
701890	Glass eyes	77.60	0.70	Austria(6.4), France(5.7)
702000	Articles of glass, n.e.s.	15.20	5.30	Vietnam(14.9), Ger(13.2)
761510	Table, kitchen	53.10	1.70	Italy (6.4), Thailand(4.8)
830610	Bells, gongs	50.60	5.30	Netherlands(8.9), Ger(4.9)

830621	Statuettes of base metal	9.70	2.30	Ger(30.8), Italy(8.8)
830629	Statuettes of base metal, not plated	72.40	0.20	Ger(4), Netherlands(3.2)
920290	Guitars, harps, string musical instruments	42.50	0.10	USA(18.8), Indonesia(8.5)
920590	Wind musical instruments	18.60	0.10	France(19.5), Japan(16.1)
920600	Percussion musical instruments	28.10	0.60	USA(13.7), Ger(12.3)
940510	Chandeliers and other electric ceiling	50.10	0.30	Mexico(7.7), Ger(5.9)
940530	Electric lighting for Christmas trees	70.30	0.10	Cambodia(12.1), Phillippines(3.8)
940550	Non-electrical lamps	71.20	1.70	USA(3.7), Netherlands(3.3)
950300	Tricycles, dolls; other toys	60.50	0.20	Czech Republic(5.2), Hong Kong(4.6)
950510	Christmas articles (excluding candles)	83.30	0.90	Netherlands(4.8), Poland(1.4)
950590	Festival, carnival articles	71.90	0.30	USA(5.9), Netherland(3.1)
960200	Worked vegetable or mineral carving	10.90	10.80	Belgium(25.3), USA(9.9)
960622	Buttons of base metal not covered with textile material	49.60	0.10	Hong Kong(28), Italy(6.4)
961400	Smoking pipes	45.50	10.10	Ger(17.9), USA(2.9)
970110	Paintings, e.g. oil paintings, watercolours and pastels	2.10	0.20	USA(35.3), UK(33)
970190	Collages and similar decorative plaques	2.90	0.80	UK(36.3), USA(33.1)
970200	Original engravings, prints and lithographs	0.20	0.50	USA(46.8), UK(30.1)
970300	Original sculptures and statuary	0.90	0.60	USA(37.7), UK(26.4)
970400	Postage or revenue stamps	0.00	0.00	Ger(29.1), Switzerland(24.5)
970500	Collections	0.00	0.00	UK(37.6), USA(15.6)
970600	Antiques of > 100 years old	3.90	0.50	UK(39.3), USA(27.1)
Fashion				
560500	Metallised yarn	42.30	7.50	Japan(7.9), USA(7.3)
580810	Braids in the piece	34.10	3.30	Ger(16), Chinese Taipei(13.4)
580900	Woven fabrics of metal thread	14.50	10.50	France(17.8), Switzerland(8.3)
581010	Embroidery on a textile fabric ground without visible ground	26.20	41.80	Thailand(5.4), Hong Kong(5.1)
581092	Embroidery of man-made fibres	62.00	4.50	Turkey(6.7), Hong Kong(5.5)
581100	Quilted textile products	27.50	0.20	US(11.4), Italy(7.6)
610431	Women's or girls' jackets and blazers of wool	17.30	0.60	Italy(21.5), Hong Kong(12.2)
611710	Shawls, scarves, mufflers,	65.20	3.00	Italy(4.6), Turkey(2.6)
630790	Made-up articles of textile materials,	43.90	3.30	Ger(6.9), Vietnam(5.4)
640320	Footwear with outer soles of leather,	1.20	3.10	Cambodia(56.1), UK(7.4)
650400	Hats and other headgear	55.60	0.20	Italy (5.5), Mexico(4.2)
650500	Hats and other headgear	47.40	0.40	Bangladesh(5.8), Vietnam(5.7)
670100	Skins and other parts of birds	49.20	0.10	Vietnam (16.8), South Africa (10.9)
681599	Articles of stone	18.50	6.20	Ger(10.9), Austria(9)
701810	Glass beads, imitation pearls, imitation precious or semi-precious	66.10	3.50	Czech Republic(9.3), Austria (3.5)
711311	Articles of jewellery of silver	7.40	16.40	Thailand(21.5), Ger(14)
711711	Cuff links and studs, of base metal	16.90	0.10	Thailand(31.1), UK(10.4)
711719	Imitation jewellery, of base metal	27.60	1.40	Hong Kong(9.4), Singapore(7.8)
711790	Imitation jewellery (excluding of base metal)	23.90	6.20	Hong Kong(16.2), France(9.8)
830890	Clasps, frames with clasps	6.80	0.30	Italy(21.4), Hong Kong(17.9)
960110	Articles of ivory	3.80	0.50	Indonesia(29.5), USA(17.3)
960190	Worked bone, tortoiseshell, horn, antlers	23.80	14.20	Phillippines(11.7), Italy(5.5)
960200	Worked vegetable	10.90	10.80	Belgium(25.3), USA(9.9)

Furniture				
442090	Wood marquetry	42.70	4.40	Ger(5.5), Switzerland(4.3)
460211	Basketwork from bamboo	59.10	0.20	Vietnam(21.7), Mexico(4.4)
460212	Basketwork, wickerwork	39.10	0.00	Indonesia(24.5), Vietnam(14.1)
940330	Wooden furniture for offices (excluding seats)	23.50	0.90	Canada(10.2), Vietnam(9.9)
940350	Wooden furniture for bedrooms (excluding seats)	25.30	0.10	Vietnam(12.5), Poland(8.4)
940360	Wooden furniture (excluding for offices,	25.70	2.10	Poland(9.9), Italy(7.7)
940389	Furniture (cane,)	48.40	2.70	Italy(12.8), Poland (7.7)
940390	Parts of furniture	26.90	0.20	Italy(14.4), Ger (9.8)
950300	Tricycles, scooters dolls; other toys	60.50	0.20	Czec Republic (5.2), Hong Kong(4.6)
'940382	Wooden of bamboo furniture used in bed	54.40	0.10	Indonesia(12.3), USA(7.2)
Textiles				
580410	Tulls and nets other than textiles	32.20	3.00	Chinese Taipei(31.8), Turkey(8.2)
580430	Handmade laces	5.00	70.30	Turkey(6.5), Pakistan(4.3)
580500	Tapestries handmade	48.80	11.50	South Africa(7.1), USA(6.3)
581100	Qulited wadding	27.50	0.50	USA(11.4), Italy(7.6)
630411	Bed spread knitted or crochet	85.60	0.50	Turkey(3.4), Ger(1.4)
630491	Others	57.90	3.20	Spain(8.9), Turkey(3.9)
630790	Madeups other than cotton	43.90	3.30	Ger(6.9), USA(5.9)
640610	Emb uppers of textile material	23.40	7.70	Romania(8.6), Vietnam(8.3)
670290	Others of all material	87.30	0.10	Hong Kong(5.1), Netherlands(1.8)
940490	Mattress support and bedding material	63.40	4.00	Poland(3.9), Ger(3.1)

ANNEXURE III

China's fall: India's Advantage? HS code wise analysis

Category	Immediate	Moderate	None
Home	"Agarbatti" and other odoriferous preparations which operate by burning (330741), Table, kitchen or other household articles and parts thereof, and pot scourers and scouring ...(741810)	Articles of bamboo, n.e.s. (442191), Glass mirrors, framed (excluding rear-view mirrors for vehicles, optical mirrors, optically ... (700992), Glassware for table or kitchen purposes (excluding glass having a linear coefficient of expansion ...(701349), Articles of copper, n.e.s. (741999), Photograph, picture or similar frames, of base metal; mirrors of base metal (excluding optical ...(830630), Brooms and brushes, consisting of twigs or other vegetable materials bound together, with or ... (960310), Parts of ball-point pens, felt-tipped and other porous-tipped pens and markers, fountain pens ... (960899)	Tableware and kitchenware, of porcelain or china (excluding ornamental articles, pots, jars, ... (691110), Household and toilet articles, of porcelain or china (excluding tableware and kitchenware,.. (691190), Tableware, kitchenware, other household articles and toilet articles, of ceramics other than ... (691200), Drinking glasses, stemware (excluding of glass ceramics or of lead crystal) (701328), Drinking glasses of lead crystal (excluding stemware) (701333), Drinking glasses [excluding glasses of glass ceramics or of lead crystal and stemware] (701337), Glassware of lead crystal, of a kind used for table or kitchen purposes (excluding articles ...(701341), Postage or revenue stamps, stamp-postmarks, first-day covers, postal stationery, stamped paper ...(970400), Collections and collector's pieces of zoological, botanical, mineralogical, anatomical, historical, ...(970500)
Lifestyle	Extracted oleoresins; concentrates of essential oils in fats, fixed oils, waxes and the like ... (330190), Wallets, purses, key-pouches, cigarette-cases, tobacco-pouches and similar articles carried...(420231), Plaiting materials, plaits and similar products of non-vegetable plaiting materials, flat-woven ... (460199), Handmade paper and paperboard of any size or shape (480210), Worked vegetable or mineral carving material and articles of these materials n.e.s; moulded ... (960200), Smoking pipes, incl. pipe bowls, cigar or cigarette holders, and parts thereof, n.e.s (961400)	Candles and the like (340600), Handbags, whether or not with shoulder strap, incl. those without handle, with outer surface ...(420229), Wooden frames for paintings, photographs, mirrors or similar objects (441400), Other (441919), Basketwork, wickerwork and other articles, made directly to shape from vegetable plaiting materials ... (460219), Paper, paperboard, cellulose wadding and webs of cellulose fibres, in strips or rolls of a ...(482390), Articles of glass, n.e.s. (702000), Table, kitchen or other household articles and parts thereof, and pot scourers and scouring ... (761510), Bells, gongs and the like, non-electric, of base metal (excluding musical instruments) (830610), Statuettes and other ornaments, of base metal, plated	Preparations for perfuming or deodorising rooms, incl. odoriferous preparations used during ... (330749), Boxes, cases, crates and similar articles for the conveyance or packaging of goods, of plastics (392310), Wallets, purses, key-cases, cigarette-cases, tobacco-pouches and similar articles of a kind ... (420239), Statuettes and other ornaments, of wood [excluding wood marquetry and inlaid wood] (442010), Mats, matting and screens, of vegetable plaiting materials, flat-woven or bound together in ... (460129), Moulded or pressed articles of paper pulp, n.e.s. (482370), Walking sticks, seat-sticks, whips, riding-crops and the like (excluding measure walking sticks,.. (660200), Statuettes and other ornamental articles of porcelain or china, n.e.s.

		<p>with precious metal (excluding works ...)(830621), Non-electrical lamps and lighting fittings, n.e.s.(940550)</p>	<p>(691310), Statuettes and other ornamental ceramic articles, n.e.s. [excluding of porcelain or china] (691390), Glassware, of lead crystal, of a kind used for toilet, office, indoor decoration or similar ...(701391), Glass eyes (excluding prosthetic articles); articles of glass beads, or of imitation pearls, ...(701890), Statuettes and other ornaments, of base metal, not plated with precious metal [excluding works ... (830629), Guitars, harps and other string musical instruments [excluding with keyboard and those played ...(920290), Wind musical instruments [excluding brass-wind instruments] (920590), Percussion musical instruments, e.g. drums, xylophones, cymbals, castanets, maracas (920600), Chandeliers and other electric ceiling or wall lighting fittings (excluding for lighting public ...(940510), Electric lighting sets of a kind used for Christmas trees (940530), Tricycles, scooters, pedal cars and similar wheeled toys; dolls' carriages; dolls; other toys; ... (950300), Christmas articles (excluding candles and electric lighting sets, natural Christmas trees and ... (950510), Festival, carnival or other entertainment articles, incl. conjuring tricks and novelty jokes, ... (950590), Buttons of base metal, not covered with textile material (excluding press-fasteners, snap-fasteners,...(960622), Paintings, e.g. oil paintings, watercolours and pastels, and drawings executed entirely by...(970110), Collages and similar decorative plaques (970190), Original engravings, prints and lithographs (970200), Original sculptures and statuary, in any material (970300), Postage or revenue stamps, stamp-postmarks, first-day covers, postal stationery, stamped paper... (970400), Collections and collector's pieces of zoological, botanical, mineralogical, anatomical, historical, ... (970500), Antiques of >100 years old (970600)</p>
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Fashion	<p>Metallised yarn, whether or not gimped, being textile yarn, or strip or the like of heading ... (560500), Woven fabrics of metal thread and woven fabrics of metallised yarn of heading 5605, of a kind ... (580900), Embroidery on a textile fabric ground without visible ground, in the piece, in strips or in ... (581010), Shawls, scarves, mufflers, mantillas, veils and the like, knitted or crocheted (611710), Made-up articles of textile materials, incl. dress patterns, n.e.s. (630790), Articles of stone or other mineral substances, n.e.s. (excluding containing magnesite, dolomite ... (681599), Articles of jewellery and parts thereof, of silver, whether or not plated or clad with other ... (711311), Worked bone, tortoiseshell, horn, antlers, coral, mother-of-pearl and other animal carving ... (960190), Worked vegetable or mineral carving material and articles of these materials n.e.s; moulded ... (960200)</p>	<p>Braids in the piece (580810), Embroidery of man-made fibres on a textile fabric base, in the piece, in strips or in motifs ... (581092), Glass beads, imitation pearls, imitation precious or semi-precious stones and similar glass ... (701810), Imitation jewellery, of base metal, whether or not plated with precious metal (excluding cuff ... (711719), Imitation jewellery (excluding jewellery, of base metal, whether or not clad with silver, gold ... (711790)</p>	<p>Quilted textile products in the piece, composed of one or more layers of textile materials ... (581100), Women's or girls' jackets and blazers of wool or fine animal hair, knitted or crocheted (excluding... (610431), Footwear with outer soles of leather, and uppers which consist of leather straps across the ... (640320), Hats and other headgear, plaited or made by assembling strips of any material, whether or not ... (650400), Hats and other headgear, knitted or crocheted, or made up from lace, felt or other textile... (650500), Skins and other parts of birds with their feathers or down, feathers, parts of feathers, down... (670100), Cuff links and studs, of base metal, whether or not clad with silver, gold or platinum (711711), Clasps, frames with clasps without locks, buckles and buckle-clasps, of base metal, for clothing, ... (830890), Articles of ivory (960110)</p>
Furniture	<p>Wood marquetry and inlaid wood; caskets and cases for jewellery or cutlery (442090)</p>	<p>Wooden furniture [excluding for offices, kitchens and bedrooms, and seats] (940360), Furniture of other materials, including cane, osier or similar materials (excluding of bamboo, ... (940389)</p>	<p>Basketwork, wickerwork and other articles, from bamboo (460211), Basketwork, wickerwork and other articles, made directly to shape from rattan plaiting materials ... (460212), Wooden furniture for offices [excluding seats] (940330), Wooden furniture for bedrooms [excluding seats] (940350), Parts of furniture, n.e.s. (excluding of seats and medical, surgical, dental or veterinary ... (940390), Tricycles, scooters, pedal cars and similar wheeled toys; dolls' carriages; dolls; other toys; ... (950300), Wooden of bamboo furniture used in bed (940382)</p>
Textiles	<p>Handmade laces (580430), Tapestries handmade (580500), Mattress support and bedding material (940490)</p>	<p>Quilted wadding (581100), Bed spread knitted or crocheted (630411), Others (630491), Madeups other than cotton (630790), Emb uppers of textile material (640610)</p>	<p>Tulls and nets other than textiles (580410), Others of all material (670290)</p>

Source: Author's estimation as per ITC, 2021
