

Spotlight on India: Opportunities for U.S. Agriculture

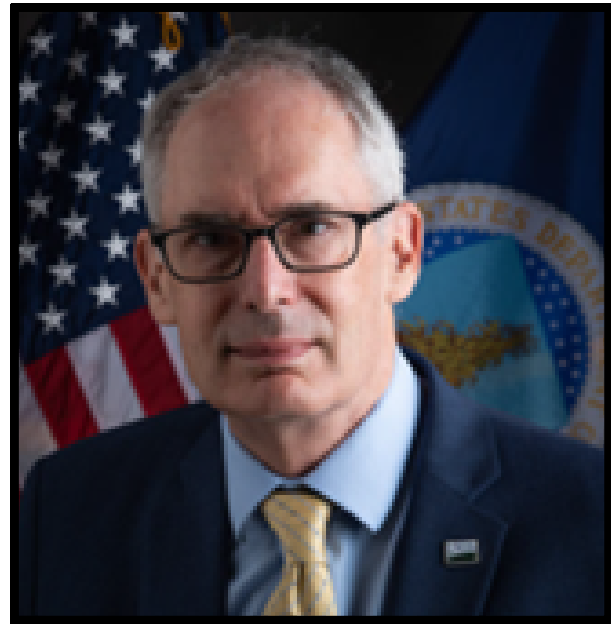
January 11, 2024

U.S. Department of Agriculture
Foreign Agricultural Service
India Team



Meet the FAS India Team

American Officers



Clay



Mariano



Rhiannon

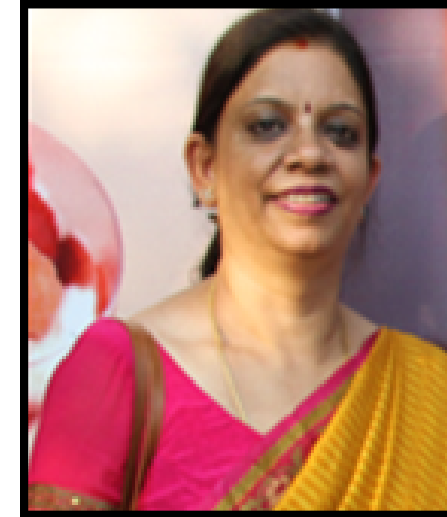


Joanna

Local Staff



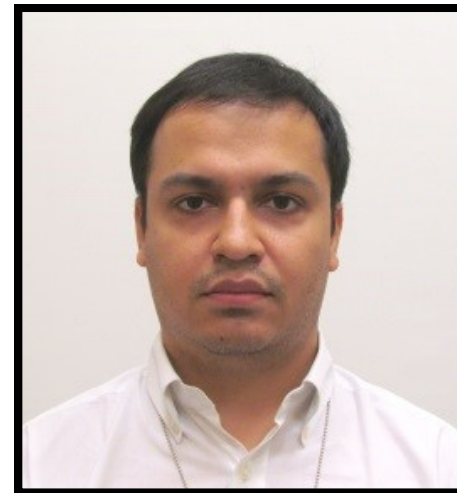
Santosh



Radha



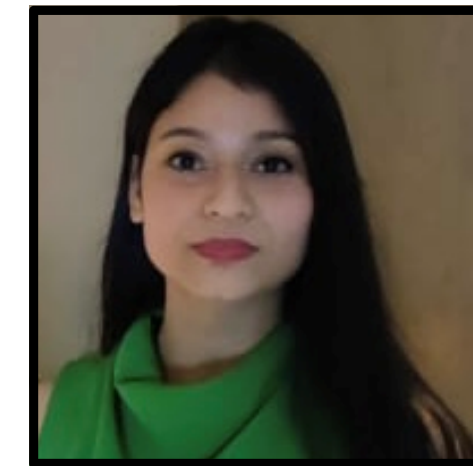
Shruti



Dhruv



Mona



Shivani



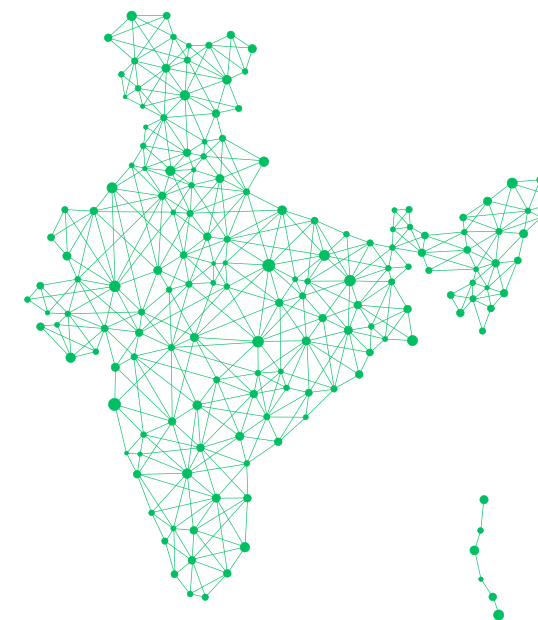
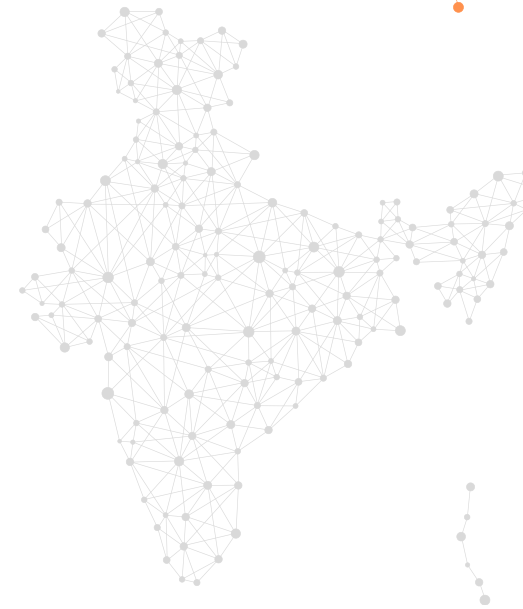
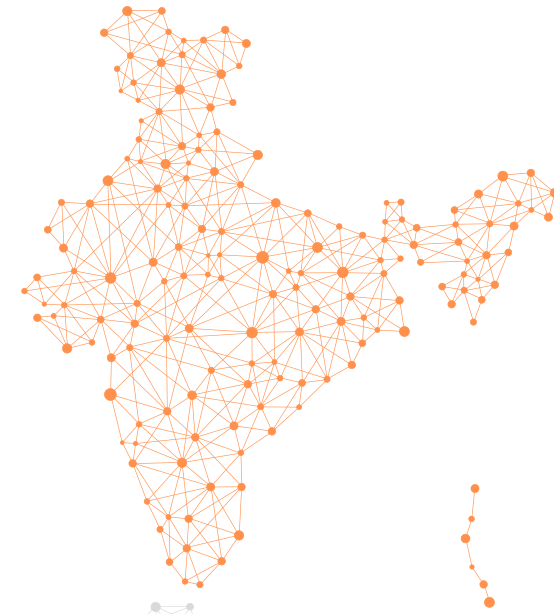
Shilpita



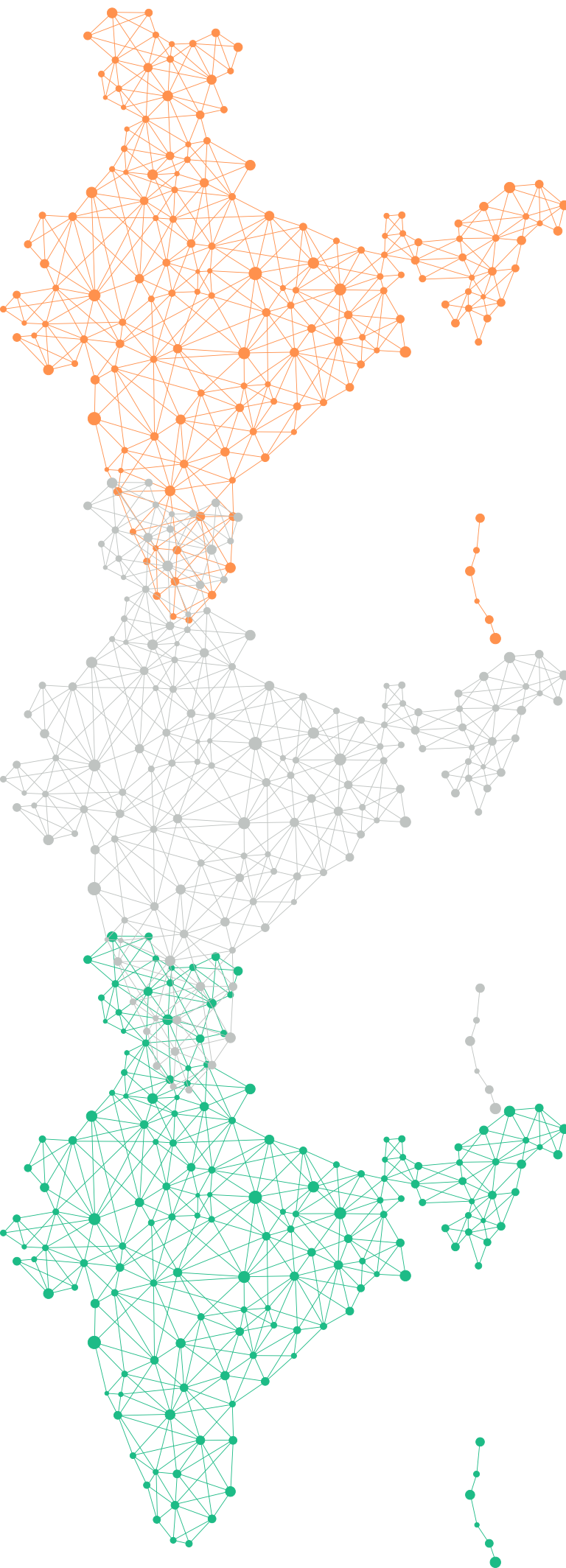
Thilani



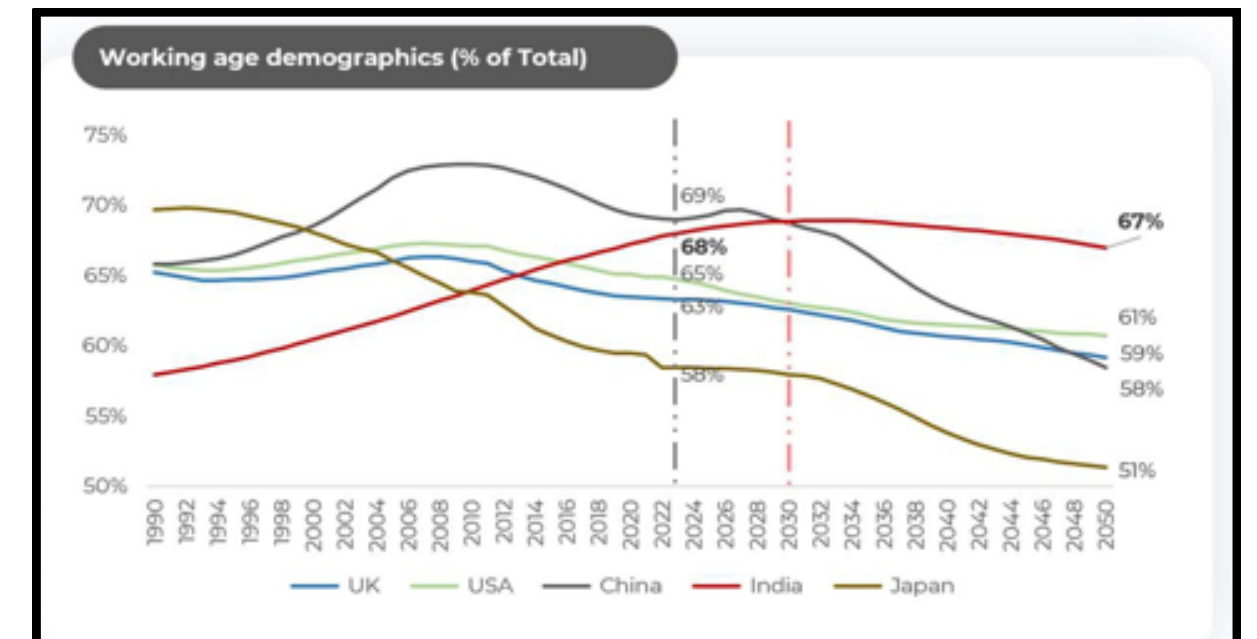
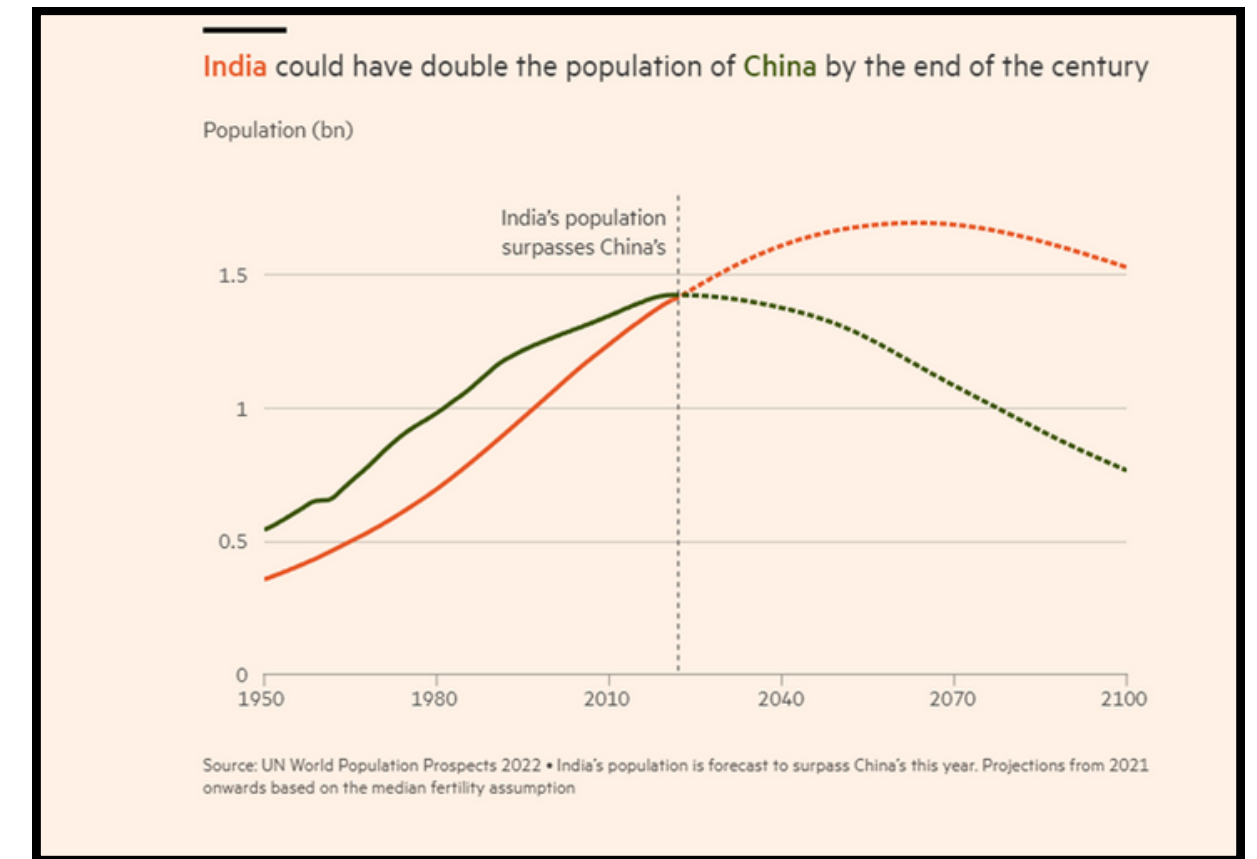
Ritka



India at a Glance

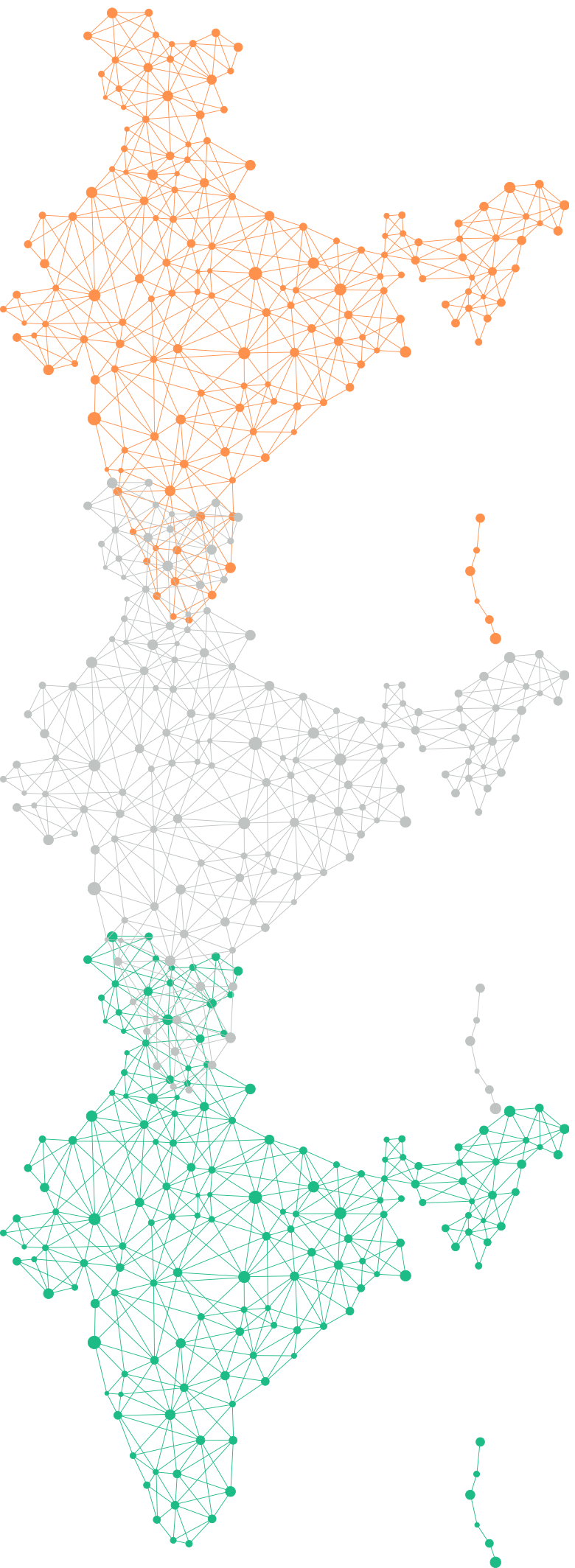


- Most populous country in the world at **1.4 billion**, almost 20% of global population
- **508 million** (approximately **38%**) Indians live in urban areas.
- **More than half** of India's population is under 30. 2020 median age 27.

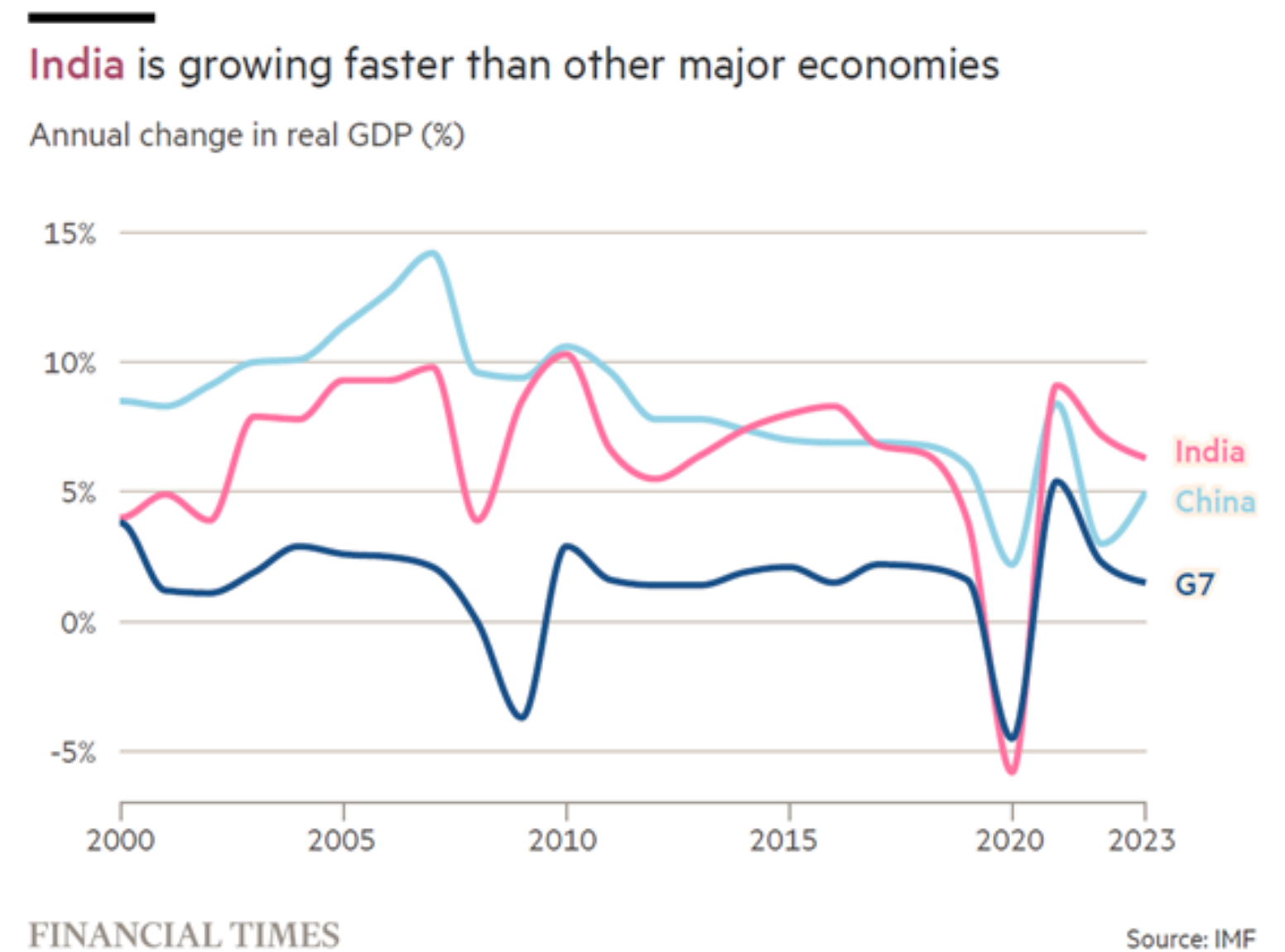


Country	Median age 2020	Median age 2030	Country	Median age 2020	Median age 2030
India	27.3	30.9	UK	39.5	41.6
China	37.4	42.7	Germany	44.9	45.9
USA	37.5	39.7	Japan	48.0	51.5

India at a Glance



- Gross domestic product (GDP) growth rate **6.9%** in **2022** among the highest in the world.
- Poised to transition to upper-middle income economy and become the **third-largest economy by 2030** in terms of **GDP**.
- Growing middle class with aspirational spending habits



The Agriculture Situation in India

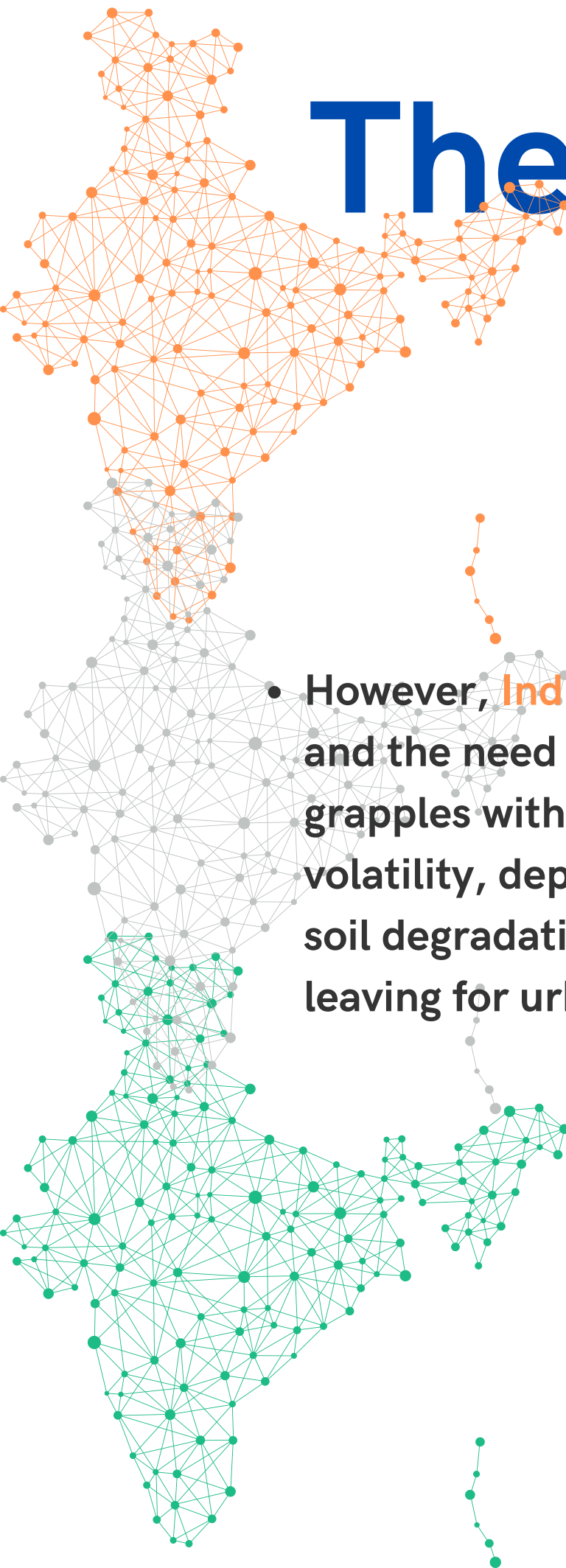
- India ranks **1st globally in production of pulses, cotton, tea, dairy, mangoes, bananas**; and ranks 2nd in rice, wheat, sugar, and peanuts.

AND

- Impediments to trade via **high tariffs and market distorting measures** are a real concern.
- Sanitary and phytosanitary measures and other non-tariff barriers, particularly in the **biotechnology** space, are not based in science- or risk-based approaches.
- 2024 is **election year** in India. Make in India Protection/self-reliance rhetoric remains prominent.

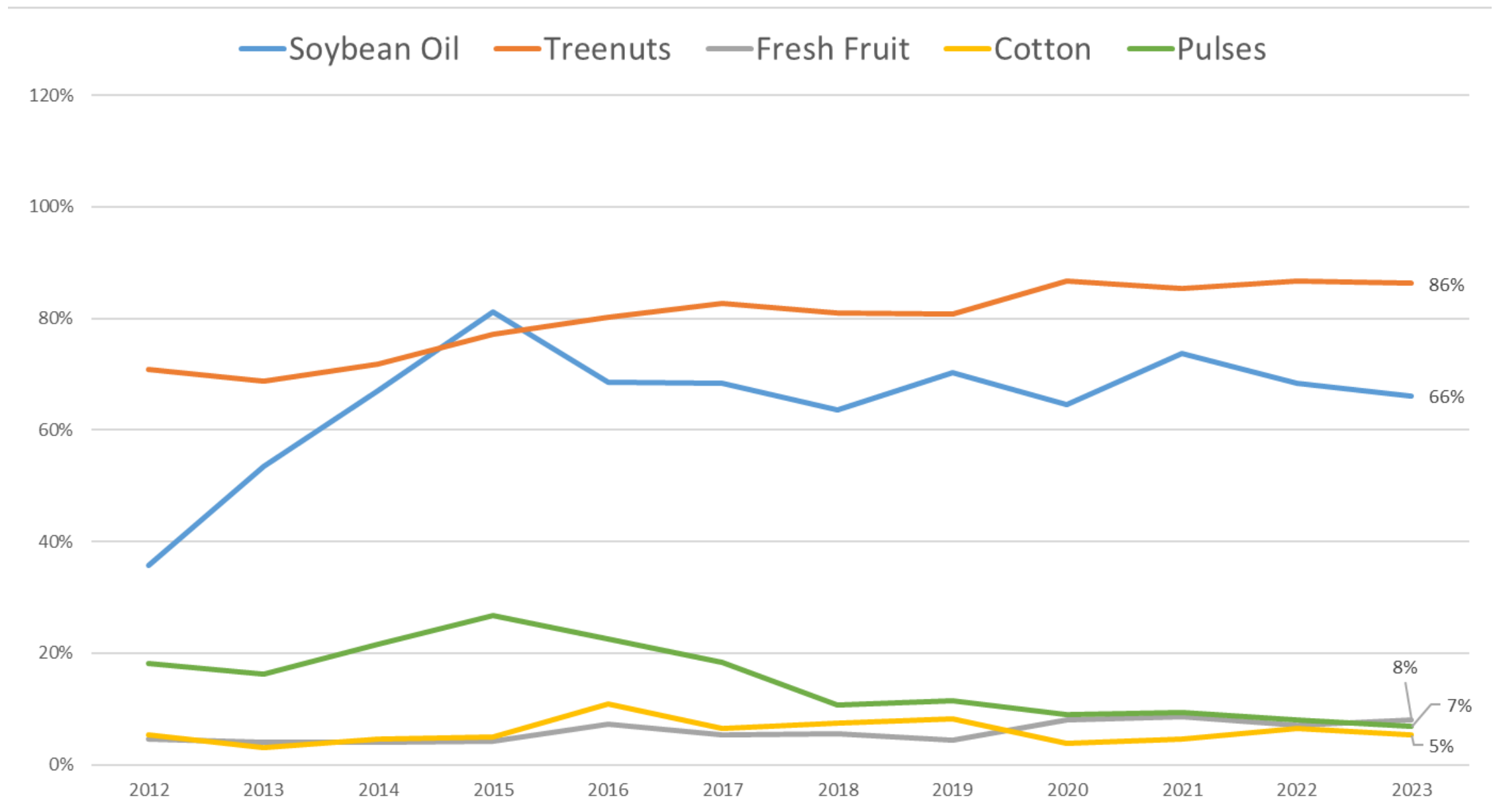


The Agriculture Situation in India



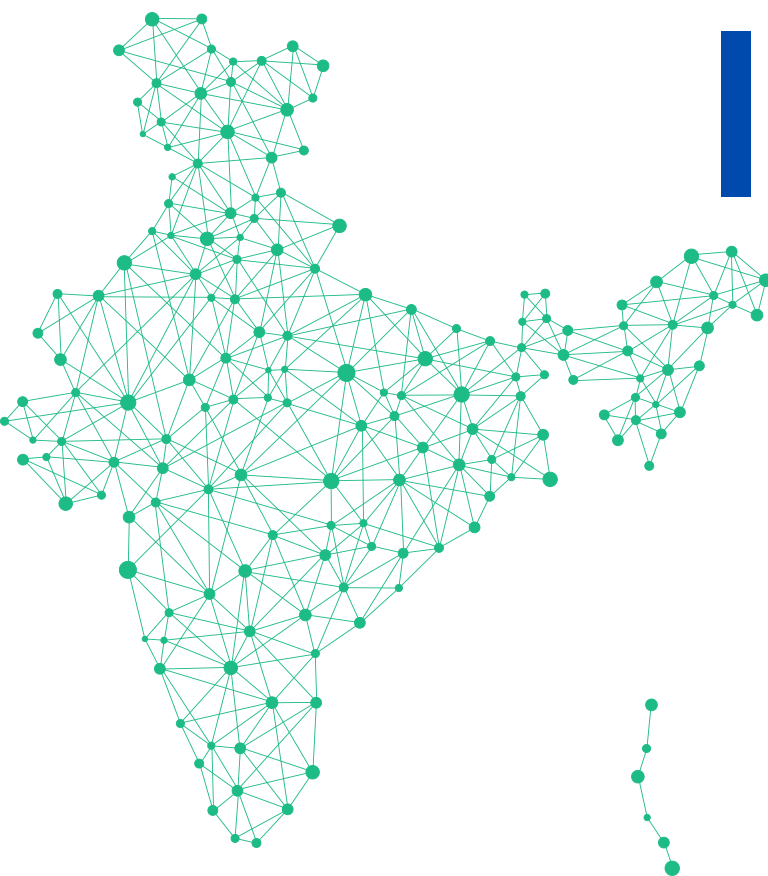
- However, **India does need imports**, and the need is likely to grow as it grapples with increasing weather volatility, depleting water reserves, soil degradation, and farmer labor leaving for urban opportunities.

Share of Total Consumption Met by Imports

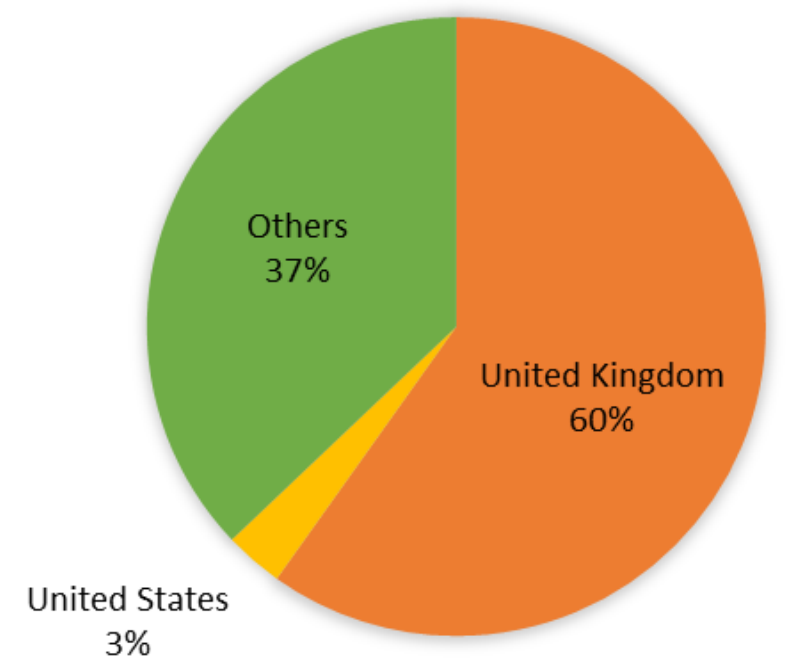




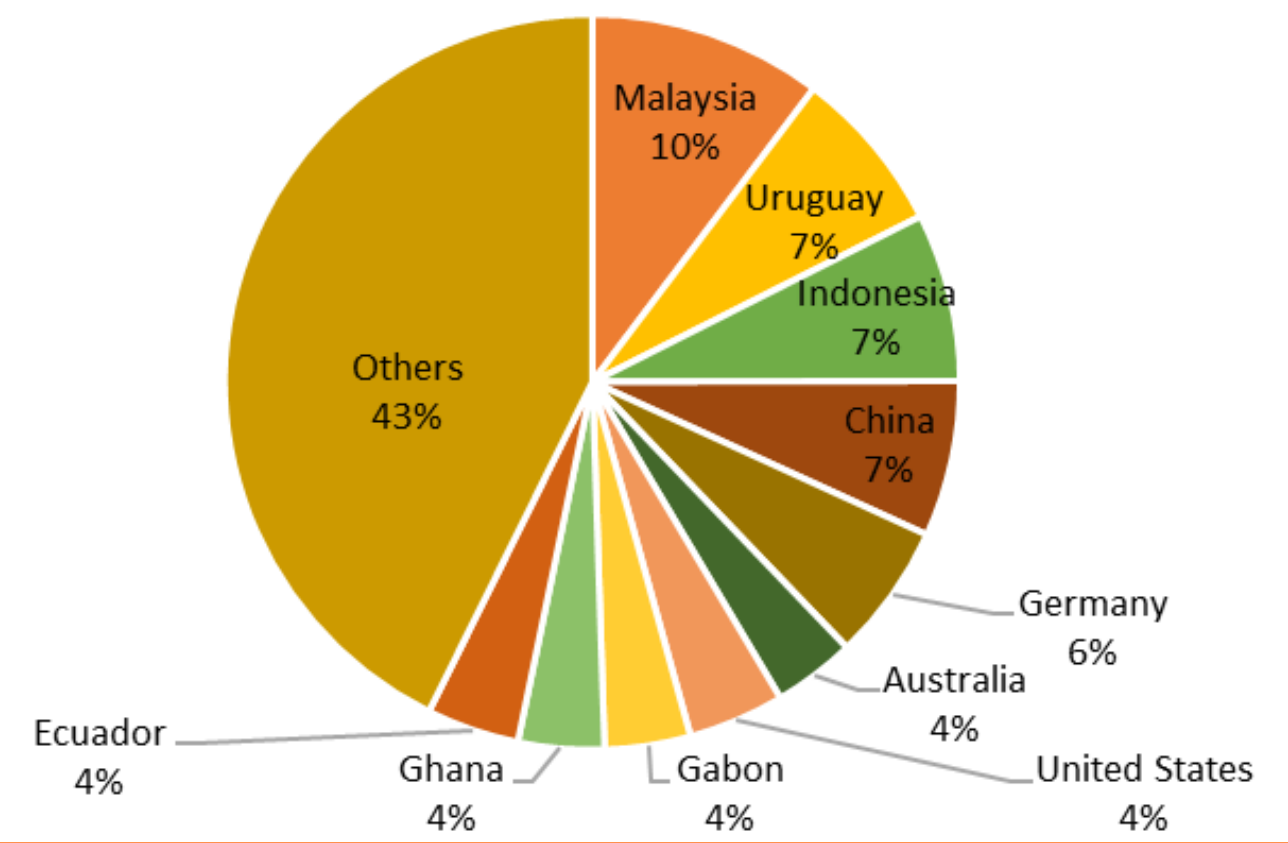
The Agriculture Situation in India

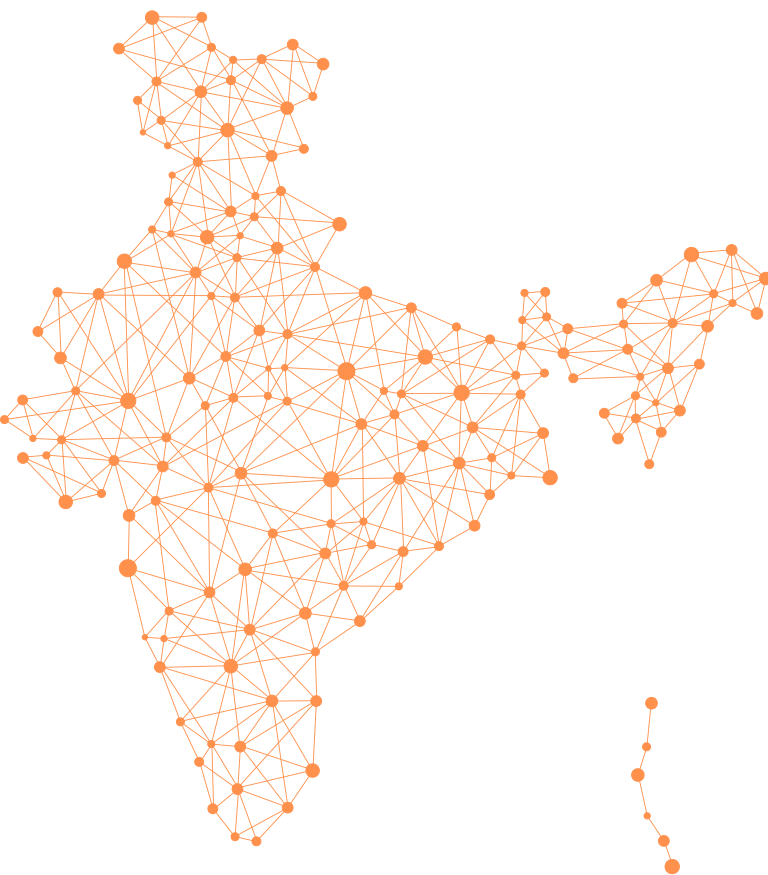


ALCOHOLIC BEVERAGE IMPORTS 2022

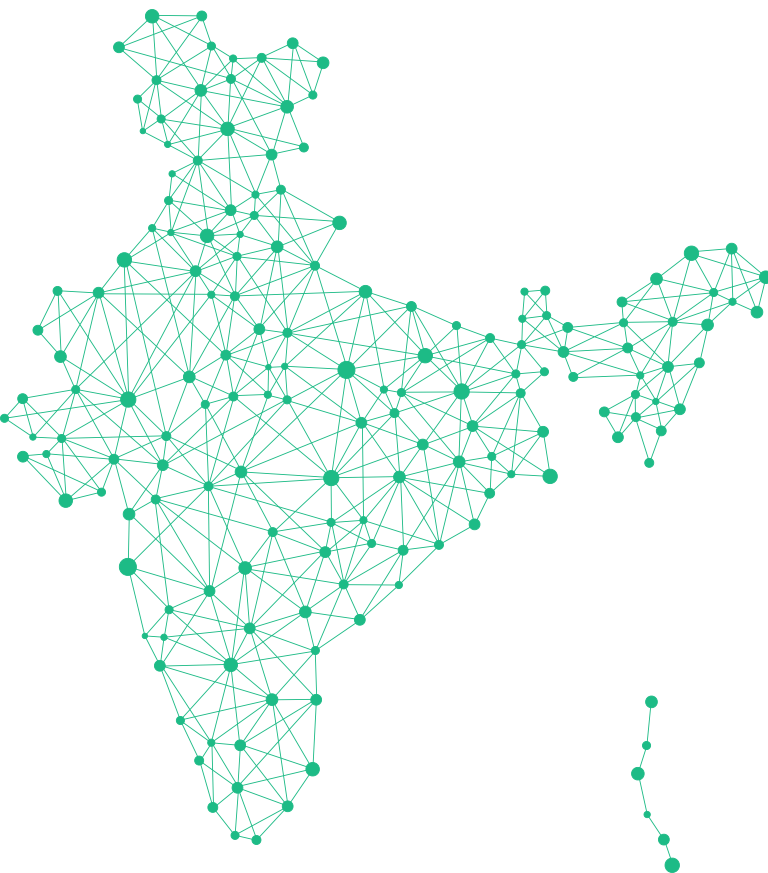


FOREST PRODUCT IMPORTS 2022





U.S. COOPERATORS ACTIVE IN INDIA



Marketing Strategies

- FAS India works regularly with India's top chef's and content creators to engage with audiences and create awareness about U.S. products through cooking demonstrations and educational videos.
- U.S. ingredient incorporation into regional and local Indian cuisine is an effective bilateral strategy!
- These collaborations plus traditional retail promotion best informs audiences about availability of U.S. ingredients in local and gourmet retail stores, both offline and online.
- Sampling is also important and a key method to create awareness amongst the Indian consumers.
- India currently has close to 700 million internet users, with the vast majority (96 percent) who utilize social media.
- FAS India has created two social media channels on Instagram-Taste of America India and X-USDA India where we post regular marketing content and policy related updates.



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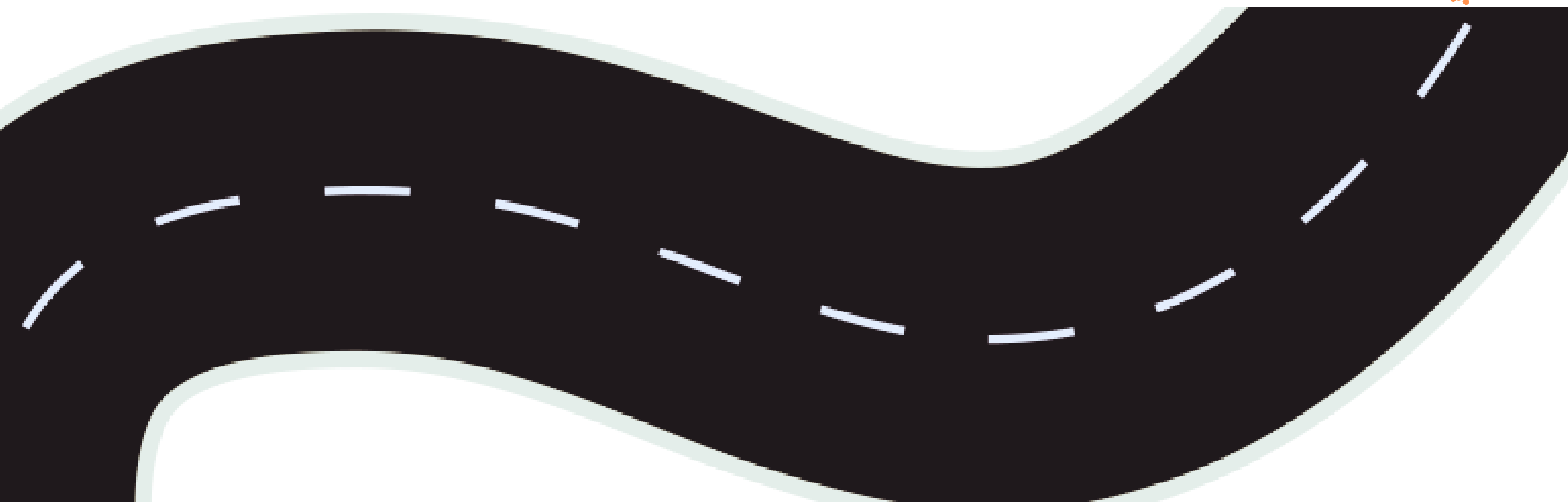
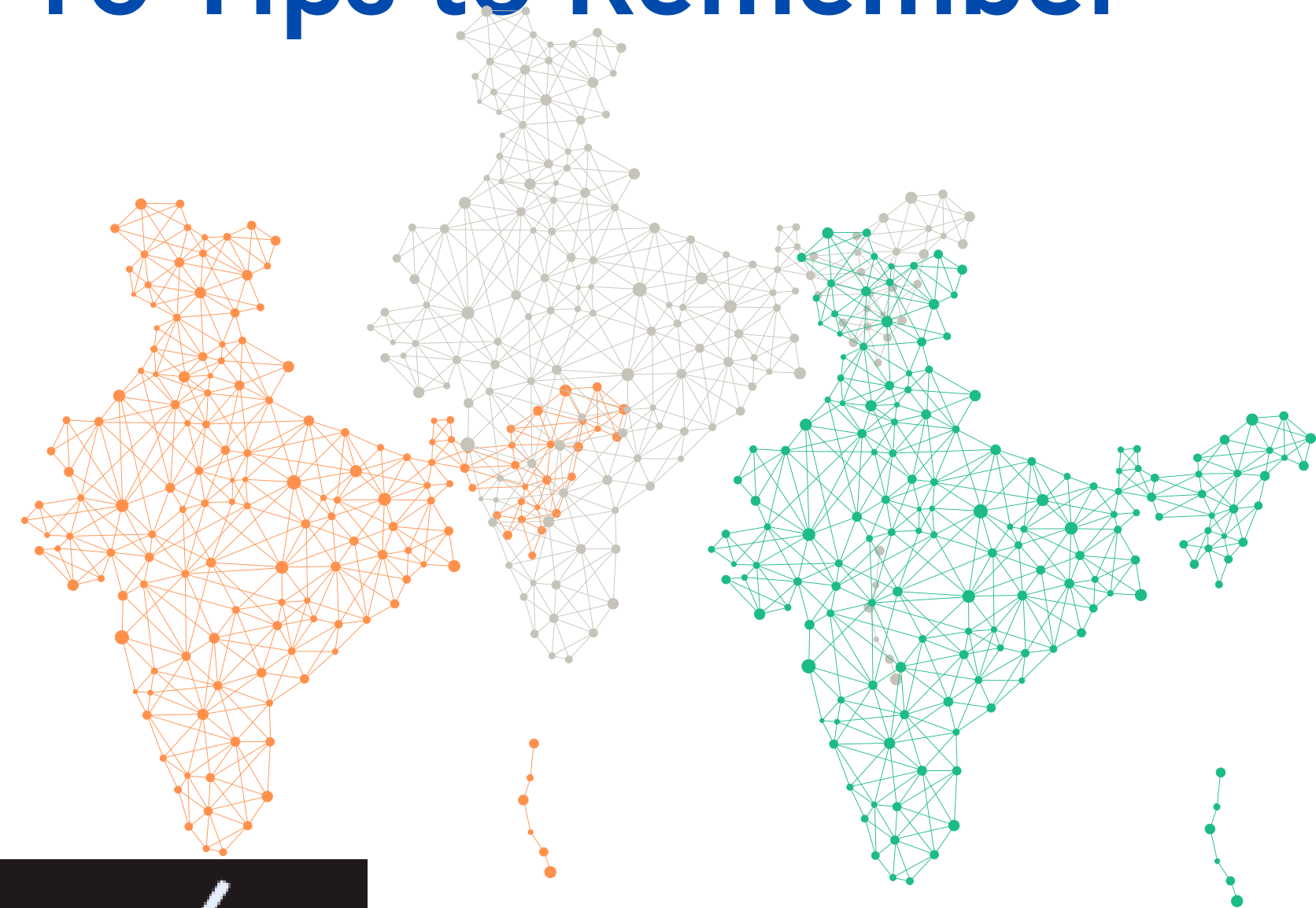
Marketing Success Stories

- Chef collaborations!
- Cooking demonstrations!
- Bringing chefs/retailers/influencers to the U.S. for crop/educational tours.

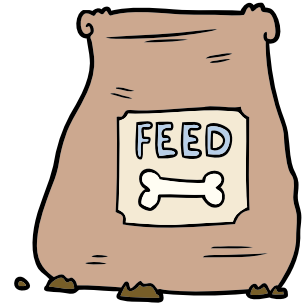


The Road to Market Access: Pro Tips to Remember

- Invest in the long run/take the long view!
- Invest in relationship building, education and reverse trade missions.
- Think strategically now on how to use RAPP funds - [Post is here to consult!](#)



Best Prospects for India Market



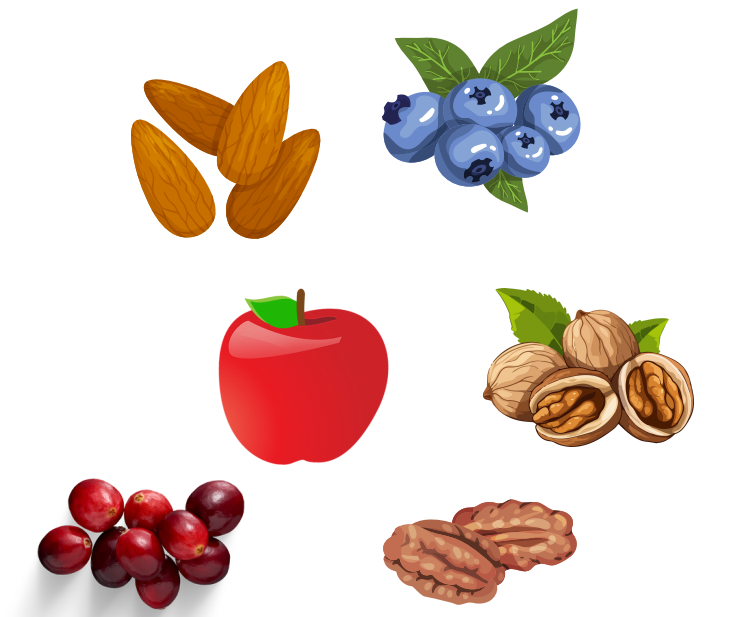
Animal Feed:
Feed and fodder demand-supply gaps are likely to facilitate the need for imports, especially that of soybean meal, maize, alfalfa and DDGs.



Consumer-Oriented Products: India's import of consumer-oriented goods reached \$7.4 billion in 2022. As consumer spending rises along with an increase in urban living, demand will increase!



Cotton: U.S. extra-long staple cotton continues to have strong demand in India's textile industry. As incomes rise and domestic consumers want high quality cotton products, demand will increase along with exports of quality products to the U.S. and Europe.



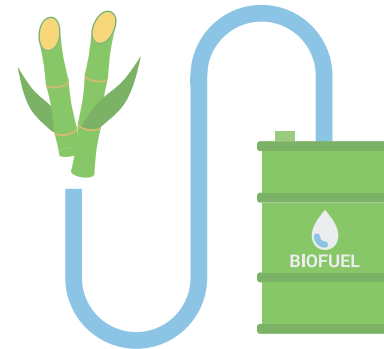
Fresh & Dried Fruits and Nuts!: Retaliatory tariffs are gone! Demand for fresh and dried fruits throughout India remains very strong in various sectors including healthy snacking and India's HUGE mithai (sweets), ice cream, and processing industries.

Best Prospects for India Market

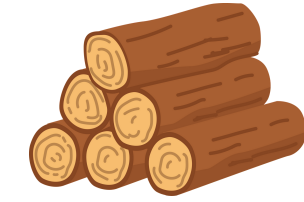


Distilled Spirits & Wine:

India's alcoholic beverage sector is projected to rise to \$68 billion by 2027. India's young demographic, increasing disposable income, rapid urbanization, and wider social acceptance of alcohol consumption is fueling growth.

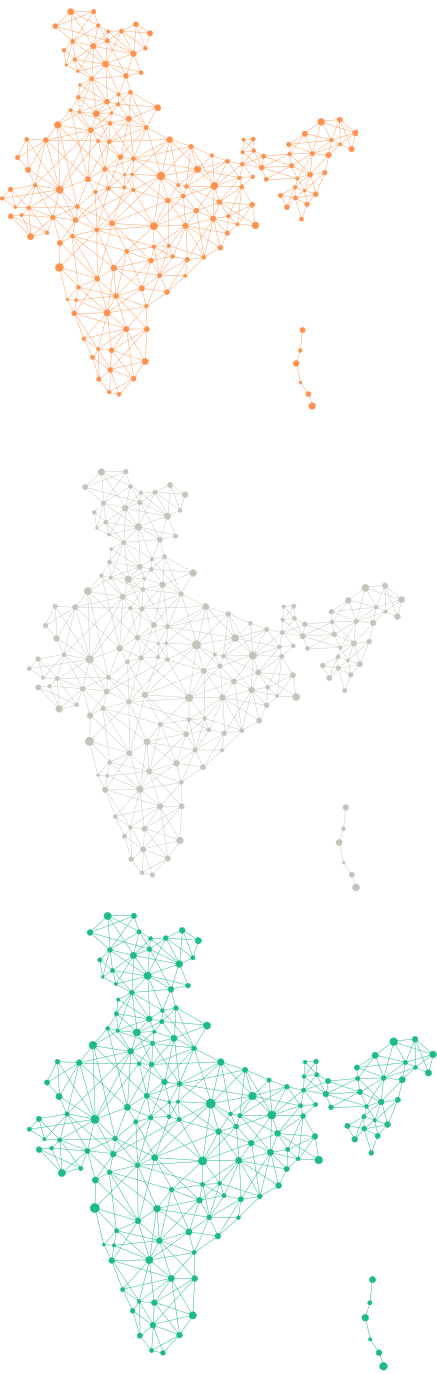


Ethanol: is imported by India for medical and industrial uses, and the United States has long been the top supplier. Growth in India's manufacturing of medical and industrial products will boost import demand, providing growing opportunities for U.S. exporters.



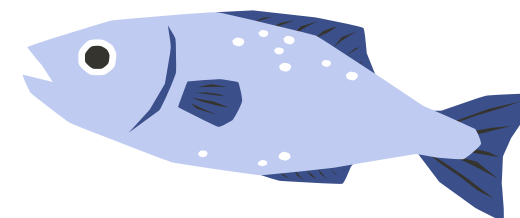
Forest Products: India's burgeoning construction, housing, furniture, and handicrafts industries is increasingly relying on imported forest products to increase output. U.S. market share faces competition from regional suppliers and a limited exportable supply; but large potential to increase exports remains.

Best Prospects for India Market



Pulses: Retaliatory tariffs on U.S.-origin chickpeas and lentils were removed in 2023, allowing U.S. pulses to resume competitiveness. Restrictions facing imported yellow peas and lentils have also been eased with the exemption of duties through March 2025.

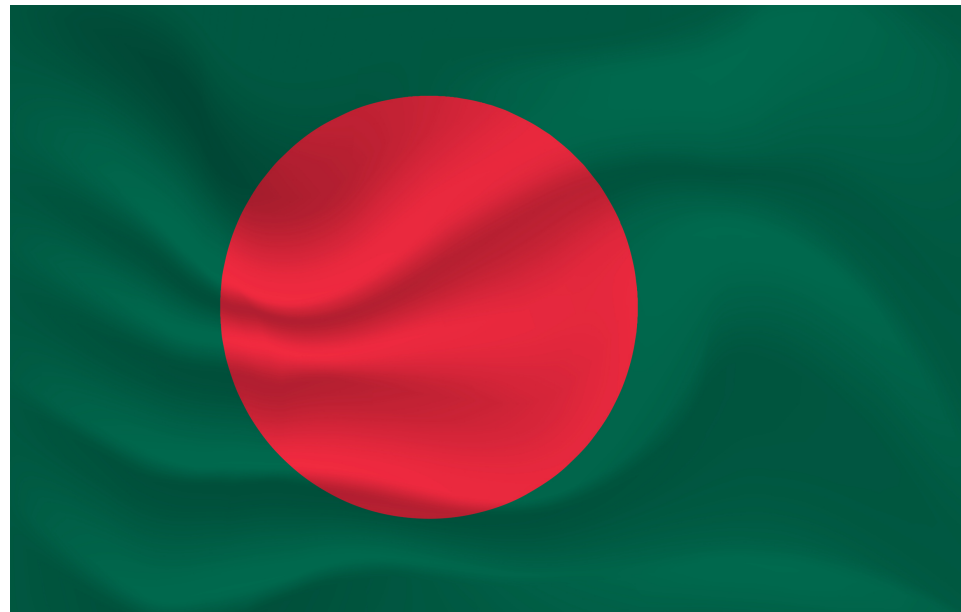
Seafood: India is one of the world's largest exporters of seafood, but also imports a variety of seafood products from many suppliers. Demand for further variety may provide opportunities for U.S. exporters to supply products not produced domestically in India



Turkey + Duck for HRI: India agreed to reduce its MFN tariffs on frozen turkey and duck destined for high-end hotels and restaurants. Tariffs are expected to be reduced from 30 percent to 5 percent by March 2024.



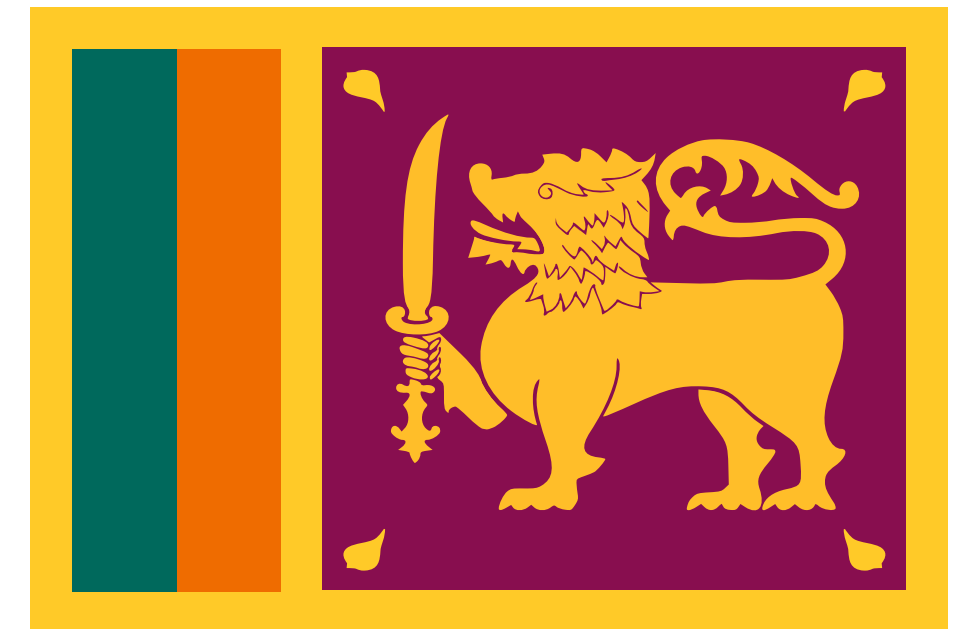
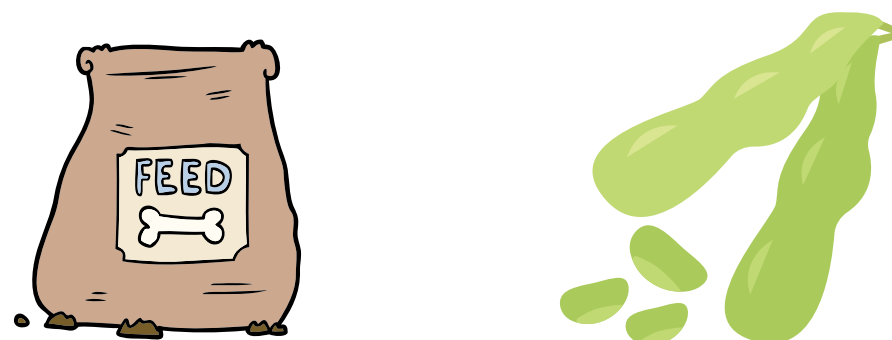
Best Prospects for Bangladesh, Nepal, and Sri Lanka



Bangladesh has a growing middle and upper class that prefers international brands for quality and safety standards. Top growth opportunities include tree nuts, food preparations, dairy products, fresh and processed fruits, spices, fresh and processed vegetables.



Nepal has remained a consistent buyer of U.S. soybeans over the past few years due to the country's burgeoning poultry and edible oil industries. Top growth opportunities are animal feeds.



Sri Lanka: Top growth opportunities include animal feeds - soybeans, soybean meals, distillers' grains, and consumer-oriented foods like beef cuts, breakfast cereals, dairy products, distilled spirits and wine.



Questions and Answers



U.S. Department of Agriculture
Foreign Agricultural Service

