

India pushes for tobacco exports to China

BEIJING: India has made a strong pitch for the export of its high quality and organically-cultivated tobacco to China, home to 350 million smokers, the world's largest.

A delegation of Indian Tobacco Board (ITB) led by its Chairperson K Sunitha held talks with Zhang Jianmin, Chief Commissioner of State Tobacco Monopoly Administration (STMA) on Friday and made out a case for China to open its market for import of tobacco from India, a press release issued by the Indian Embassy here said on Saturday.

Sunitha gave a detailed presentation highlighting the strengths of Indian tobacco, it said.

She said that Indian tobacco is of high quality, organically cultivated and pesticide residue free. India is the only country in the world where tobacco is produced in two seasons, it said.

She also mentioned that India due to its proximity could bring down the logistic costs in exporting tobacco to China.

India is the third largest producer and exporter of unmanufactured tobacco with exports more than Rs 5,000 crores to more than 115 destinations including quality-conscious markets of Japan and Europe, it said.

Thus, India is well positioned to supply superior tobacco with consistency in price, volume, quality, and compliance, Sunitha said.

However, India's exports to China has been negligible, she added.

China produces 42 per cent cigarettes globally. It is also the world's largest producer and consumer of Tobacco.

During the talks, Zhang said, while Indian tobacco may not be currently suitable for the Chinese market, STMA will be

happy to work with the Indian Tobacco Board to further leverage complementarities in the background of growing bilateral relations between India and China, the press release said.

The Tobacco Board offered that with the production processes matching global standards, India will be able to produce and offer tobacco varieties which suit China, it said.

Zhang said that he will depute a government and industry delegation to India to further explore the opportunities.

Earlier this year, China extended protocol, which has remained dormant, on the export of Indian tobacco leaves during the visit of Commerce Secretary Anup Wadhawan to China in January.

Since then, the Indian Embassy here has worked with the Chinese authorities such as STMA, Ministry of Commerce

and other relevant organisations for promoting Indian tobacco, the press release said.

Prashant Lokhande, Commercial Counsellor of the Indian Embassy said China should address the trade deficit as the bilateral trade is expected to touch USD 100 billion mark this year. The trade deficit according to China's official figures crossed USD 57 billion last year.

Officials of India and China have been working to address India's concerns since last year's informal Wuhan summit between Prime Minister Narendra Modi and Chinese President Xi Jinping.

Following the meeting, China has begun import of some of the agricultural produce from India like rice, sugar and soybean. Efforts are on by both the countries to increase India's exports of IT and Pharmaceuticals.