

**Embassy of India
Thimphu**

Press Release: Government of India makes special trade concessions for Bhutan

1. Recently, the Government of India has responded positively to various trade-related requests from the Royal Government of Bhutan, including the following:
 - i. The Government of India has made a special exemption for Bhutan by **lifting the restriction on import of potato only from Bhutan**, with effect from 04 July 2022 up to June 2023, thereby alleviating the difficulties faced by Bhutanese traders in exporting potato to India. Potato is the most important cash crop of Bhutan and India is the top export destination for Bhutan's potato exports. In 2020-21, the Government of India had formally notified 12 additional agri-exports of Bhutan – including potato – in the Plant Quarantine Order of India, thereby allowing formal market access of these Bhutanese products in India. In order to facilitate bilateral trade of agri-products, India had opened a new plant quarantine office at Jaigaon in 2020.
 - ii. The Government of India had recently revised the import policy of India to **allow the import of fresh wholly produced ginger from Bhutan**, with effect from 19 May 2022. This will address the problems faced by Bhutanese farmers and traders in exporting ginger to India.
 - iii. The Government of India will be **supplying 10,000 litres of Nano Urea / Nano Nitrogen Fertilizer (Liquid) to Bhutan** through the Indian Farmers Fertiliser Cooperative Limited (IFFCO), at a special concessional rate. This is intended to benefit the Bhutanese farmers who depend on agriculture for their livelihoods, both for domestic consumption and export market.
 - iv. The Government of India will be **supplying 111,000 MT of coal per annum to Bhutan** through Coal India Limited (CIL), to meet the requirement of the coal-dependent industry in Bhutan and allow for unhindered supply and export of related products to India. It is hoped that the supply of coal from India will greatly alleviate the current shortage of coal in Bhutan, which has an impact on cement production and on construction activities in Bhutan.
2. Despite the challenges brought on by the Covid-19 pandemic and disruptions in the global supply chains, India has been extending the fullest cooperation and support to Bhutan in order to ensure smooth movement of commodities during this period. Our close trade and economic ties are a reflection of the exceptionally close and friendly relations between India and Bhutan that have existed over decades. In view of this special relationship, notwithstanding global supply chain disruptions and shortages of various commodities, India has decided to accommodate Bhutan's special requests.
3. The Government and the people of India stand resolutely committed to the long term well-being and prosperity of the Government and the people of Bhutan.

Thimphu
04 July 2022

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Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Foreign Trade

Notification No. 17/2015-2020

New Delhi, Dated: 4th July, 2022

Subject: Amendment of import policy conditions for item under Exim code 07019000 of Chapter 07 of ITC (HS), 2022, Schedule –I (Import Policy).

S.O. (E).—In exercise of powers conferred by Section 3 and Section 5 of Foreign Trade(D&R)Act, 1992, read with paragraph 1.02 and 2.01 of the Foreign Trade Policy (FTP) 2015-2020, as amended from time to time, the Central Government hereby amends the policy conditions of item under Chapter 07 of ITC (HS), 2022, Schedule –I (Import Policy) as follows -

ITC(HS) code	Description	Import Policy	Existing Policy Condition	Revised Policy Condition
0701 90 00	Potatoes, fresh or chilled - Other	Restricted	Import of Potatoes from Bhutan is permitted freely, without any license, up to 30th June, 2022	Import of Potatoes from Bhutan is permitted freely, without any license, up to 30th June, 2023

Effect of the Notification: Import of Potatoes under ITC(HS) Code 0701 90 00, is allowed from Bhutan without Import License up to 30th June 2023.

This issues with the approval of the Minister of Commerce & Industry.



(Santosh Kumar Sarangi)
Director General of Foreign Trade
Ex-officio Addl. Secretary to the GoI
Email: dgft@nic.in

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Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Foreign Trade
Udyog Bhawan


Notification No. 07 /2015-2020
New Delhi, Dated the 19th May, 2022

Subject: - Amendment in import policy condition of Fresh Ginger under Chapter 09 of the ITC (HS) 2022, Schedule -I (Import Policy).

S.O. (E): In exercise of powers conferred by Section 3 and section 5 of FT (D&R) Act, 1992, read with paragraph 1.02 and 2.01 of the Foreign Trade Policy (FTP), 2015-2020, as amended from time to time, the Central Government hereby amends the policy condition under ITC (HS) 0910 11 10 of Chapter 09 of ITC (HS) 2022, Schedule 1 (Import Policy) as under:

Exim Code	Item Description	Existing Policy	Existing Policy condition	Revised Policy Condition
0910 11	- Ginger:-- Neither crushed nor ground			
0910 11 10	--- Fresh	Restricted	However, import of wholly produced ginger from Nepal is Free subject to Article IV & V of Indo-Nepal Treaty of Trade.	a) Import of wholly produced ginger from Nepal is Free subject to Article IV & V of Indo-Nepal Treaty of Trade. b) Import of wholly produced ginger from Bhutan is Free subject to Article-I of Agreement on Trade, Commerce and Transit between India and Bhutan.

Effect of this Notification: Import of Fresh ginger, wholly produced in Bhutan, is **Free** subject to Article-I of Agreement on Trade, Commerce and Transit between India and Bhutan.



(Santosh Kumar Sarangi)
Director General of Foreign Trade
Ex- officio Addl. Secretary to the Govt. of India
Email: dgft@nic.in