



Voluntary Report - Voluntary - Public Distribution

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Report Name: India Lowers and or Eliminates Import Duties for Turkey -Cranberries - Blueberries - Cotton

Country: India

Post: New Delhi

Report Category: FAIRS Subject Report, Export Accomplishments - Market Access

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Report Highlights:

On February 19, 2024, India's Ministry of Finance (MoF)/Department of Revenue issued Notification No. 10/2024-Customs in the Gazette of India, Extraordinary, Part II, Section 3, Subsection (i) (official gazette), lowering import duties levied on frozen turkey (meat) and edible offal, cranberries, and blueberries. India is also eliminating import duties levied on U.S. cotton (not carded or combed). The revised import duties are effective as of February 20, 2024. U.S.-origin frozen turkey (meat) and edible offal exports to India are expected to grow to 35 metric tons (MT) in 2024 (i.e., premised on U.S. product availability) thanks to this tariff relaxation. India's imports of U.S.-origin cranberries and blueberries are foreseen to increase this year by over 19 percent, reaching roughly 3,640 MT. Consignments of U.S. cotton (not carded or combed), in 2024 might grow 70 percent, surpassing the 40,300 MT mark.

DISCLAIMER: The information contained in this report was retrieved from the Central Board of Indirect Taxes and Customs (CBIC), Department of Revenue, Ministry of Finance, Government of India website located at: https://www.cbic.gov.in/. The Foreign Agricultural Service (FAS) Office of Agricultural Affairs at the U.S. Embassy in New Delhi, USDA, and/or the U.S. government make no claim of accuracy or authenticity. The Government of India has not officially endorsed this report. Import approval for any product is subject to local rules and regulations as interpreted by Indian officials at the time of product entry. [Note: Use Google Chrome to access the links that do not open in Microsoft Edge. Indian host sites will geo-block site access on a rolling basis].

GENERAL INFORMATION

On February 19, 2024, India's Ministry of Finance (MOF)/Department of Revenue issued **Notification No.** <u>10/2024-Customs</u> in the Gazette of India, Extraordinary, Part II, Section 3, Subsection (i) (official gazette). This notification lowers/eliminates the import duties that India levies on select U.S. food and agricultural products, including turkey, cranberries, blueberries, and cotton; U.S. exports are expected to increase.

Background

Notification No. 10/2024-Customs – Turkey and Berries: The notification lowers the import duties levied on: (i) turkey (meat) not cut in pieces, frozen, Harmonized Tariff System (HS) code 0207.2500 and turkey cuts and edible offal, frozen, HS code 0207.2700, to five percent; (ii) cranberries, fresh, HS code 0810.4000, frozen, HS code 0811.90, and dried, HS code 0813.4090 to 10 percent; (iii) blueberries, fresh, HS code 0810.4000, frozen, HS code 0811.900 and dried, HS code 0813.4090, to 10 percent; (iv) cranberries, otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or preserved, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere or spirit, not elsewhere or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or preserved, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or preserved, HS code 2008.9300, to five percent; and (v) blueberries, otherwise prepared or preserved.

HS Code	Product Description		Old Duty Rate
0207.2500	Turkeys (meat), not cut in pieces, frozen.	5%	30%
0207.2700	Turkey, cuts, and edible offal (including liver) frozen.	5%	30%
0810.4000	Cranberries/blueberries, fresh.	10%	30%
0811.9000	Cranberries/blueberries, frozen.	10%	30%
0813.4090	Cranberries/blueberries, dried.	10%	30%
2008.9300	Cranberries, otherwise prepared or preserved, whether or not, containing added sugar or other sweetening matter or spirit, not elsewhere specified or included.	5%	30%
2008.9900	Blueberries, otherwise prepared or preserved, whether or not, containing added sugar or other sweetening matter or spirit, not elsewhere specified or included.	10%	30%

Table 1. India	New Basic Custom	s Duty (RCD)	from Notification No	10/2024-Customs
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Notification No. 10/2024-Customs – Cotton: This notification also rescinds the import duty of 10 percent levied on cotton, HS code 5201.0025 with a staple length of above 32 millimeters (mm). The import duty of five percent basic customs duty, plus a five percent Agriculture Infrastructure and Development Cess (AIDC) has been reversed to "nil," (see, <u>GAIN-INDIA</u> | <u>IN2024-0008</u> | <u>Government Rescinds Import Duty on Premium Cotton</u>). The import duties provided in Notification No. 10/2024-Customs are effective as of February 20, 2024.

Table 2: India, Nev	w Basic Customs Du	uty (BCD) from	Notification No.	10/2024-Customs

	US Code Description		Old
HS Code	Product Description	Duty	Duty
		Rate	Rate
5201.0025	Cotton, not carded or combed; of staple length exceeding 32 mm.	Nil	11%

Impact of Notification No. 10/2024-Customs on Trade. So, What Does it Mean?

With India, through Notification No. 10/2024-Customs, lowering/eliminating the import duties that it levies on select U.S. food and agricultural products, U.S. exports are expected to increase for: (i) frozen turkey (meat) and edible offal (HS codes 0207.2500 and 0207.2700); (ii) cranberries and blueberries (HS codes 0810.4000, 0811.9000, and 0813.4090); (iv) cranberries, otherwise prepared or preserved (HS code 2008.9300); (v) blueberries, otherwise prepared or preserved (HS code 2008.9900); and (vi) cotton, not carded or combed, staple length exceeding 32 mm (HS code 5201.0025).

HS Code	Product Description	2023	2024	2025	2026
0207.2500	Turkeys (meat), not cut in pieces, frozen.	2.7 MT	30 MT (1)	57 MT	110 MT
0207.2700	Turkey, cuts, and edible offal (including liver) frozen.		5 MT (2)	10 MT	20 MT
0810.4000	Cranberries/blueberries, fresh.	576 MT	750 MT	900 MT	1,000 MT
0811.9000	Cranberries/blueberries, frozen.	22 MT	40 MT	60 MT	80 MT
0813.4090	Cranberries/blueberries, dried.	262 MT	350 MT	500 MT	650 MT
2008.9300	Cranberries, otherwise prepared or preserved, whether or not, containing added sugar or other sweetening matter or spirit, not elsewhere specified or included.	1,997 MT	2,275 MT	2,500 MT	2,750 MT
2008.9900	Blueberries, otherwise prepared or preserved, whether or not, containing added sugar or other sweetening matter or spirit, not elsewhere specified or included.	195 MT	225 MT	275 MT	300 MT
5201.0025	Cotton, not carded or combed; of staple length exceeding 32 mm.	23,690 MT	40,376 MT	42,398 MT	44,420 MT

Table 3: India, Anticipated U.S. Export Volume Growth, Notification No. 10/2024-Customs

Note:

(1) For imports of turkey meat, 2024's volume of 30 MT represents a 90 percent increase relative to 2019, the

highest year on record of imports from the United States based on Global Agricultural Trade System (GATS) data.

(2) For imports of turkey cuts and edible offal, 2024's volume of 5 MT represents a 90 percent increase relative

2019, the highest year on record of imports from the United States based on GATS data.

Source: Trade Data Monitor (TDM), GATS, FAS New office research.

FAS India (New Delhi, Mumbai) (Post) anticipates that U.S.-origin frozen turkey (meat) and edible offal exports to India to grow from 2.7 MT in 2023 now to 35 MT in 2024 (premised on U.S. product availability) thanks to this tariff relaxation. Similarly, Post foresees India's imports of U.S.-origin cranberries and blueberries increasing this year by over 19 percent. The tariff relaxation is an outcome of Post's close coordination with the U.S. Trade Representative (USTR) in the lead up to the G20 New Delhi Leaders' Summit (September 9-10, 2023). Post, as well foresees U.S.-origin cotton (not carded or combed, staple length exceeding 32 mm) to grow by 70 percent in 2024 thanks to this tariff relaxation.

Notification Details

Notification: No. 10/2024-Customs

Publication Date: February 19, 2024

Date of Implementation: February 20, 2024 (Publication in the Gazette of India) **Products affected**: Meat and edible offal, of turkeys; cranberries - fresh/frozen/dried, blueberries - fresh/frozen/dried/otherwise prepared or preserved, whether or not, containing added sugar or other sweetening matter or spirit, not elsewhere specified or included. **Agency:** India Ministry of Finance/Department of Revenue.

The full text of the MOF/Department of Revenue **Notification No. 10/2024-Customs** is accessible on the Central Board of Indirect Taxes and Customs (CBIC) website located at: <u>https://taxinformation.cbic.gov.in/view-pdf/1010015/ENG/Notifications</u>

APPENDIX I: INDIA, MINISTRY OF FINANCE, DEPARTMENT OF REVENUE, NOTIFICATION NO. 10/2024-CUSTOMS

[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART II, SECTION 3, SUB-SECTION(i)] GOVERNMENT OF INDIA MINISTRY OF FINANCE (DEPARTMENT OF REVENUE)

Notification No. 10/2024-Customs

New Delhi, the 19th February, 2024

G.S.R.(E).— In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962) and sub-section (12) of section 3 of the Customs Tariff Act, 1975 (51 of 1975), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 50/2017-Customs, dated the 30th June, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R. 785(E), dated the 30th June, 2017, namely:- In the said notification, in the Table, -

(1) after S. No. 3 and the entries relating thereto, the following S. No. and entries shall be inserted, namely: -

(1)	(2)	(3)	(4)	(5)	(6)
"3AA.	0207 25 00;	Meat and edible offal, of turkeys, frozen	5%	-	-";
	0207 27 00				

(2) after S. No. 32A and the entries relating thereto, the following S. Nos. and entries shall be inserted, namely: -

(1)	(2)	(3)	(4)	(5)	(6)
"32AA.	0810 40 00	Cranberries, fresh;	10%	-	-
		Blueberries, fresh			
32AB.	0811 90	Cranberries, frozen;	10%	-	-
		Blueberries, frozen			
32AC.	0813 40 90	Cranberries, dried;	10%	-	-";
		Blueberries, dried			

(3) after S. No. 90 and the entries relating thereto, the following S. Nos. and entries shall be inserted, namely: -

(1)	(2)	(3)	(4)	(5)	(6)
"90A.	2008 93	Cranberries, otherwise prepared or	5%	-	-
	00	preserved, whether or not containing added sugar or other sweetening matter or spirit,			
		not elsewhere specified or included			
90B.	2008 99	Blueberries, otherwise prepared or preserved, whether or not containing added	10%	-	-";
		sugar or other sweetening matter or spirit,			
		not elsewhere specified or included			

(4) against S. No. 100, in column (2), for the entry, the entry "2202 99" shall be substituted;

(5) after S. No. 304A and the entries relating thereto, the following S. No. and entries shall be inserted, namely: -

(1)	(2)	(3)	(4)	(5)	(6)
"304B.	5201 00 25	Other: of staple length exceeding 32.0 mm	Nil	-	-''.

2. This notification shall come into force on the 20th of February, 2024.

[F. No. CBIC-190354/166/2023-TO(TRU-I)]

(Vikram Wanere) Under Secretary

Note: The principal notification No. 50/2017-Customs, dated the 30th June, 2017 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-Section (i), *vide* number G.S.R. 785(E), dated the 30th June, 2017, and was last amended *vide* notification No. 08/2024-Customs, dated the 30th January, 2024, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-Section (i), *vide* number G.S.R. 78(E), dated the 30th January, 2024.

Attachments:

No Attachments.