

Ministry of Defence
Department of Defence Production
EPCell

Sub: Funding to Defence Attaches for Export Promotion

Draft Defence Production Policy 2018 envisages an export target of Rs. 35000Cr by 2025. To achieve the above said target, DAs can play a pivotal role. DAs understand the defence requirements of the respective country and can promote export of Indian defence products in their respective countries.

2. A scheme aimed to provide financial support to Defence Attaches for undertaking various initiatives/activities is approved (The copy of scheme is enclosed). Under this scheme, all DAs will be provided with funds to undertake multifarious promotional activities. The different countries have been divided into three categories depending upon envisaged export potential in the country.

- I. Category A – Funds upto \$ 50,000 will be provided annually
- II. Category B – Funds upto \$ 30,000 will be provided annually
- III. Category C – Funds upto \$ 20,000 will be provided annually

List of categorisation of countries is given in Annexure 1.

3. The funding shall be admissible for the following components:

- 1) Participating in Fairs/Exhibitions
- 2) Publicity Campaigns
- 3) Market Studies
- 4) Organising seminars
- 5) Publication of publicity material like leaflets, flyers etc.
- 6) Any other activities not specified in the scheme with prior approval of the Ambassador/High Commissioner of the mission.

4. The concerned DAs should prepare a yearly action plan based on the activities listed above along with cost estimates subject to the overall ceilings for their respective countries. These estimates would be submitted to the empowered committee and based on the approval, Government sanction letter would be issued to the respective embassies for incurring such expenditure.

5. You are requested to review the Indian defence export in the host country & submit an action plan along with the fund requirements by 15/06/2019 for further necessary action.



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Encl: Copy of funding scheme.

To:

All Defence Attaches

Copy to:-

1. Sr. PPS to Secy (Defence)
2. Sr.PPS to Secy(DP)
3. Sr.PPS to Foreign Secy
4. PPS to JS(PIC)

MoD DDP I.D. No 20/2018/Export Promotion/ EPCell dated 20/05/2019

Export promotion of Indian Defence equipment manufactured in India, by Indian Defence Attaches

1. Introduction:

Defence Attaches (DAs) are deputed by MOD to various Indian Embassies and are responsible for various aspects of bilateral military and defence relations between India and the respective country. The Defence Attache is expected to maintain a complete and detailed knowledge and awareness of the host country's defence activities and requirements. This includes knowledge of the country's military capabilities, operations, training and readiness, and equipments. Defence attaches' are also aware of the defence requirements of their respective countries.

India is emerging as a manufacturing hub for defence production and Defence Production Policy 2018 envisages an export target of Rs 35,000 crore by 2025. Defence attaches' deputed across the world therefore play a pivotal role in showcasing India's capabilities in defence product manufacturing and promoting export of defence products.

2. Objectives:

The scheme aims to support Defence Attaches' in taking up various actions for promoting exports of Indian made defence products both of the Public and Private sector. The scheme will play a catalytic role in addressing interventions required for exploring new markets and promoting export oriented activities by Defence Attaches in the countries to which they are attached.

3. Scope:

The scheme aims to provide financial support to Defence Attaches for undertaking various initiatives/activities broadly delineated in the Scheme including any direct/indirect activities for marketing, market research and capacity building in importing markets.

4. Coverage:

The scheme envisages promoting Indian defence exports globally.

5. Operation of the Scheme

5.1 Eligible Agencies

Under the scheme, all DAs will be provided with funds to undertake multifarious promotional activities.

5.2 Criteria for Sanction

The different countries in the world will be divided into three categories:

- 1) Category A:
These are those countries which are having significant export potential and where substantial exports have already taken place in past. They will be provided funds upto \$ 50000.00 annually.
- 2) Category B:
These are those countries which have sufficient export leads and where possibility of export opportunities exists. They will be provided funds upto \$ 30000.00 annually.
- 3) Category C:
These are those countries where limited possibilities for exports are available. They will be provided funds upto \$ 20000.00 annually

5.3 Funding

The estimated cost of implementation Rs. 16,89,60,000/- The scheme will be 100% funded by GOI. Defence Export Promotional activities and incurring of the expenditure shall be done by DAs with the approval of the concerned Head of the Mission.

The funding shall be admissible for the following components:

- 1) Participating in Fairs/Exhibitions
- 2) Publicity Campaigns
- 3) Market Studies
- 4) Organising seminars
- 5) Publication of publicity material like leaflets, flyers etc
- 6) Any other activities not specified in the scheme with prior approval of the Ambassador/High Commissioner of the mission.

The concerned DAs would prepare a yearly action plan based on the activities listed above along with cost estimates subject to the overall ceilings for their respective countries. These estimates would be submitted to the empowered committee and based on the approval, Government sanction letter would be issued to the respective embassies for incurring such expenditure.

5.4 Monitoring and Review

5.4.1. The concerned DA would submit a quarterly progress report on the action taken by them

5.4.2. There shall be an Empowered Committee (E.C.) which would sanction the cost estimate as per Para-5.3 above and .monitor the implementation of the scheme. The EC shall, from time to time, issue instructions/guidelines for administration of the Scheme

5.4.3. The composition of the Empowered Committee shall be as under:

- Secretary (DP) – Chairman
- Addl. Secy. (DP) -- Member
- Addl. Secy. & Financial Advisor – Member
- Representative of Secretary, MEA– Member
- Joint Secretary (PIC) -- Member
- Representative from services -- Member
- Joint Secretary (DIP) -- Convener

6. Validity

The Scheme would be piloted in initially for the financial year 2019-20, and extended subsequently based on feedback and requirement.

Annexure 1

SL NO	CATEGORY	Country
1	A	Saudi Arabia
2	A	South Africa
3	A	Sri Lanka
4	A	UAE
5	A	UK
6	A	USA
7	A	Vietnam
8	A	Bahrain
9	A	Bangladesh
10	A	Egypt
11	A	Oman
12	A	Thailand
13	A	Turkey
14	A	Uzbekistan
15	A	Afghanistan
16	A	Cambodia
17	A	Ethiopia
18	A	Ghana
19	A	Malaysia
20	A	Maldives
21	A	Nepal
22	A	Nigeria
23	A	Seycheles
24	B	Indonesia
25	B	Myanmar
26	B	Phillipines
27	B	France
28	B	Peru
29	B	South Korea
30	B	Sweden
31	B	Australia
32	B	Czech Republic
33	B	Qatar
34	B	Singapore
35	B	Trinidad & Tobago
36	B	Ukraine
37	B	Kenya
38	B	Tanzania
39	B	Zimbabwe
40	B	Japan
41	C	Israel
42	C	Netherlands

43	C	Turkministan
44	C	Laos
45	C	Mongolia
46	C	Mozambique
47	C	Argentina
48	C	Cameroon
49	C	Djiboti
50	C	Fiji
51	C	Iran
52	C	Italy
53	C	Kyrgystan
54	C	Lesotho
55	C	Poland
56	C	Portugal
57	C	Romania
58	C	Serbia
59	C	Sudan
60	C	Switzerland
61	C	Tajikistan
62	C	Brazil
63	C	Chile
64	C	Belgium
65	C	Bulgaria
66	C	Colombia
67	C	Cyprus
68	C	Denmark
69	C	Germany
70	C	Greece
71	C	New Zealand
72	C	Russia
73	C	Austria
74	C	Benin
75	C	Canada
76	C	Finland
77	C	Holand
78	C	Hungary
79	C	Kuwait
80	C	Lebanon
81	C	Luxemburg
82	C	Syria
83	C	Timor Leste
84	C	Tonga
85	C	Kazakhstan