

Voluntary Report – Voluntary - Public Distribution

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Report Name: Hay Now - India Grants Market Access for US Alfalfa Hay

Country: India

Post: New Delhi

Report Category: Agricultural Situation, Agriculture in the Economy, Agriculture in the News, Export Accomplishments - Market Access, Grain and Feed, SP1 - Expand International Marketing Opportunities, SP2 - Prevent or Resolve Barriers to Trade that Hinder U.S. Food and Agricultural Exports, Biotechnology - Plants and Animals

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Report Highlights:

On January 11, 2021, the Indian Ministry of Commerce and Industry announced that India and the United States agreed to a framework that will implement market access for agricultural products from both countries. Among the successes, India agreed to remove for U.S.-origin alfalfa hay the heat treatment requirement and recognize the current U.S. pest mitigation methods for alfalfa hay. The Indian government also clarified (in writing) that the import of U.S. alfalfa hay for animal feed purposes will not require a non-genetically modified certificate. FAS New Delhi estimates that this market access success will allow U.S. alfalfa hay exports to India to reach \$60 million by 2026 and supplement the domestic forage supply.

GENERAL INFORMATION

On January 11, 2022, the Ministry of Commerce and Industry announced that India and the United States agreed to a framework that will implement market access for agricultural products from both countries. During the November 23, 2021, Twelfth Ministerial of the India-United States Trade Policy Forum, both countries agreed to address outstanding bilateral trade concerns and explore important, emerging trade policy issues, including those pertaining to food and agricultural products. India's Minister of Commerce and Industry, Piyush Goyal and U.S. Trade Representative (USTR), Ambassador Katherine Tai agreed to finalize work on market access facilitation for mangoes and pomegranates, pomegranate arils from India, and cherries and alfalfa hay for animal feed from the United States.¹

India's agreement to grant market access for U.S.- origin alfalfa resolves a long-standing barrier to agricultural trade. Over the past several years, the U.S. Department of Agriculture (USDA) has been negotiating with the Ministry of Agriculture and Farmers Welfare on a mutually acceptable alfalfa hay phytosanitary protocol, that includes mitigation methods for pests of concern. Under the agreement, the Indian government is removing the heat treatment requirement and recognizing the current U.S. pest mitigation methods for alfalfa hay. The Indian government also clarified (in writing) that the import of U.S. alfalfa hay for animal feed purposes will not require a non-genetically modified certificate.

For more than 50 years, the United States has been exporting forages with safety and quality systems that set the global standards, including exports of high-quality U.S. alfalfa hay. FAS New Delhi estimates that this market access success will allow U.S. alfalfa hay exports to India to reach \$60 million by 2026 and supplement the domestic forage supply. With domestic dairy milk production forecasted to continue to grow, fueled by rising consumer demand, the Indian dairy livestock sector will benefit from access to high-quality U.S. alfalfa hay.

Table 1: India. Import Duty for Alfalfa Hay

| H.S. Code | Product | Basic Customs Duty (BCD) | Goods and Services Tax | Total Duty with 10% Social Welfare Charge on BCD | Import Policy | Country Preference |
|-----------|---|--------------------------|------------------------|--|---------------|------------------------|
| 1214 | SWEDES, MANGO LDS, FODDER ROOTS, HAY, LUCERENE (alfalfa), CLOVER, SAINFOIN, FORAGE KALE, LUPINES, VETCHESAND SIMILAR FORAGE PRODUCTS, WHETHER OR NOT IN THE FORM OF PELLETS | | | | | |
| 1214.1000 | Lucerne (alfalfa) meal and pellets | 30 | 0 | 33 | Free AgP | SA AF Kr ASN My Jp LDC |
| 1214.9000 | Other | 30 | 0 | 33 | Free AgP | SA Kr ASN My Jp LDC |

Note: H.S. Code = Harmonized Tariff System (HS) Code. AgP = Agri Permit. SA = South Asia. AF = Afghanistan. Kr = Korea. ASN = Association of Southeast Asian Nations. My = Malaysia. Jp = Japan. LDC = Least Developed Countries.

Attachments:

No Attachments.

¹ [Joint Statement from the United States - India Trade Policy Forum](#), November 23, 2021.