

Indian Floriculture Industry heralds a new beginning - Million Jobs with Billion Dollars

Ambitious Plans announced for Flower Fiesta "Flora Expo 2007"

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Overwhelmed by the stupendous success of Flora Expo 2006 and Landscape 2006, Media Today, India's leading agro-based Group unveiled their ambitious plans for hosting the largest extravaganza in floriculture industry in India, Flora Expo 2007 and Landscape 2007 scheduled to be held from September 12-14, 2007 at Pragati Maidan, New Delhi. With a view to give a filip to floriculture sector, this spectacular show will have a host of novelties. A series of international conferences, including buyers and sellers meets for major participant countries like The Netherlands, Australia, Russia, UAE, Japan, Malaysia, Taiwan, New Zealand, Germany, UK, Singapore, and several European nations will participate place in this show.

Not only did the International Flora Expo 2006 & Landscape Expo-2006 reviewed the growth of the industry and showcased India's floriculture wealth and exposed the stakeholders to new technologies and scientific advancements, a platform for Indian exporters to interact with international buyers and understand the latest market trends and buyer requirements was also created. According to *Nancy Laws*, a well known writer on floriculture and consultant with Global Floriculture Marketing, France, 'After shows like this, people outside will have lots better understanding of what India can do and will be alive to the fact that India will be an important floriculture country in the future.'

Speaking on this occasion, S Jafar Naqvi, Chief Co-ordinator of Flora Expo 2007 & President (iFlora), remarked, 'With World's Fastest Growing Retail Market, Second Largest Consumer base and unlimited opportunities for growth, Indian Floriculture is today a force to reckon with and Flora Expo 2007 and Landscape 2007 are the only platform to interact with flower growers globally to make recognize India as a **'Flower Power'**. This is part of a new National Vision for Floriculture, the brainchild of President APJ Abdul Kalam. Hitherto a marginal player in the global flower business, the floriculture industry is targeting an annual \$1-billion in export of floriculture products by 2010! Reforms and big strides are being made in this industry which was considered more a pastime in backyard gardening. Today floriculture has truly come a long way and has contributed in economic reforms and liberalization.'

According to Mr. Naqvi, 'Currently, flower trade has attracted the largest demand from an estimated 300 million middle-class flower-loving people with consumption in the cities and major towns at 40 per cent per annum. Flower retail shops have mushroomed all over the place from major metros to market shops and flower boutiques. Further the supermarket/hypermarket retail chains have fueled the growth in the consumption. Cashing in on this trend, the Minister of State for Commerce also feels that floriculture is all about creating new employment opportunities in far flung areas - **rather than talking about Dollars, the focus should be on a million jobs!** Additionally, supermarket chains overseas like TESCO, Sainsbury, Wal-Mart, Asda, Sears, Carrefour, Metro, K-Mart and the likes are looking for large quantities of flowers, latest varieties and a well-defined supply chain. Therefore, floriculture in India is becoming an attractive commercially viable diversification option. Several companies involved in agri business are set to venture into this sunrise industry.'

'Importantly, owing to favourable policies of the Indian Government, Corporate Houses are encouraged to set up units with global scale and size, so they can meet the volume, consistency and quality demands of the global buyers. For instance, companies like Reliance, ITC, Tata Tea, Bharti Group/Field Fresh and Thapar Group are planning investments in the flower sector.' Various initiatives that are being proposed are: - Owing to the diverse climates available for producing a range of crops, it was proposed that mapping of the country is important to identify specific zones suited for a particular product. Around these zones, common facilities will be built for handling and technology transfer.

- APEDA, the nodal agency has helped set up six Agri Export Zones for floriculture - export-dedicated enclaves. Here units have come up in clusters of large flower farms, with common infrastructure facilities thrown in - all offering much needed benefits of economy of scale.

- Owing to 100% foreign direct investments, contract farming, joint ventures and foreign investments are being planned which have led to smoothening of the investment, thereby foreign investors are welcome to come here, produce floriculture products, perhaps cheaper than they are used to, and then supply them to third countries - a sort of outsourcing hub.

- Some key Indian airports like New Delhi, Mumbai, Hyderabad, Bangalore, Chennai, Thiruvananthapuram and Cochin now have cold storage and cargo handling facilities. More airports will have these facilities in the future.

- Among other things, flower Auction Centres are also coming up in Bangalore, Mumbai, Noida, near Delhi, and Kolkata. These are ready made market facilities for trading and price discovery for a variety of flowers, both for export and domestic markets

- Additionally, outside the country, APEDA is running a Market Facilitation Centre at Aalsmeer, Holland, to support the export efforts by Indian producers in Europe. The agency is happy with the way the things have gone on there. Similar centers may now be on their way for Japan and Middle East markets as well.

- Thanks to the variety of agro climatic zones within, India today is in a unique position to grow a large number of flowers, including temperate flowers in high altitude states. In India, we can now cultivate a wider variety on a commercial basis - an impressive range — of carnation, gerbera, liliium, orchids, anthurium and many others. Interestingly, we have genetically designed flowers - ones with unique shape, petal size, pleasing colours with longer shelf life and of course pleasant fragrance - a rose, for instance, that will be 'equally attractive to the humans and the bees!'

Hence the growth in floriculture cultivation has been phenomenal in the last decade or so and the area under flower cultivation has doubled from 53,000 hectares (1993-94) to 103,000 hectares (2001-02).

Detailing the lacunae in the Indian floriculture sector, he said, 'Today the industry faces many issues (apart from the primary infrastructural issues), which have constrained its growth potential. Recognizing the importance of the sector's contribution to national agricultural economy, the Government of India has introduced many developmental programmes mainly through the schemes of Ministry of Commerce (APEDA) and Ministry of Agriculture (National Horticulture Board, etc.). Most of the state governments have also initiated their own programmes providing technical and

financial assistance to the millions of small and large producers. Prominent schemes of APEDA to promote this sector are the Transport Assistance Scheme and other schemes to promote floriculture exports, infrastructure development/upgradation assistance (including special schemes for the North East States), promotion of Agri Export Zones for floriculture, etc. Separately, NHB/Ministry of Agriculture has various schemes to promote this sector including a subsidy scheme for encouraging growth of new floriculture units.'

'Six Agri Export Zones have been set up in the states of Sikkim, Tamil Nadu, Uttaranchal, Karanataka and Maharashtra. APEDA has also taken number of measures to facilitate floriculture exports. Besides setting up cold storage and cargo handling facilities at the key airports of New Delhi, Mumbai, Hyderabad, Bangalore, Chennai, Trivandrum and Cochin. Proposals are under consideration for setting up of such facilities at Goa, Calicut and Coimbatore Airport.'

He added, 'in the global floriculture industry, competitive advantages can be created and retained only by achieving a critical mass of production and our country has natural advantages that can be harnessed to create such competitive advantages in the production and exports of cut flowers. The international trade in floriculture is large and estimated to grow to USD 16 billion by the year 2010 from the present level of USD 11 billion (Source: Flower Council of Holland). Although, the value of exports of floriculture products from India has shown very significant growth, from Rs.18.83 crores (1993-94) to over Rs.305 crores (2005-06), India is still a marginal player in the world floriculture trade indicating the strong potential that can be exploited in the sector.'

If India has to achieve the ambitious export target of Rs.1,000 crores per annum over the next 5 years, a paradigm shift is required. The key issues that need to be addressed in the Indian context are - Economies of scale, Product range/ Latest varieties, Year round exports, Quality control and Certification, Cold chain management. APEDA has been addressing these issues through various forums on a concerted basis given its mandate to promote floriculture exports from India.

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