

For favour of publication:

NATIONAL JUTE POLICY OF THE UPA GOVERNMENT UNVEILED

Highlights:

- (A) Creation of the National Jute Board which will subsume, merge and integrate the functions of the various institutions currently operating in the jute sector, at the earliest.
- (B) Explore possibilities of establishing a National Institute of Natural Fibres to harmonize all developmental and promotional activities.
- (C) Establish a National Jute and Jute Textile Museum in India to preserve and highlight the heritage of Jute.
- (D) Jute Technology Mission, approved earlier by the Planning Commission, will be operationalized in the first half of 2005 itself to make the jute sector as an intrinsically competitive and integrated entity.
- (E) Develop the next generation Jute Machinery through a comprehensive technology benchmarking (after a technology audit), five-year plan for machinery development, and establish R & D set-up in the area of a public-private partnership.
- (F) A new commodity development strategy to focus on positioning jute as superior and environmental friendly material, enhance the productivity of raw jute, increase exports through innovative marketing, and better the working conditions of the workers engaged in jute industry.

New Delhi, 15th of April, 2005

The United Progress Alliance (UPA) government has announced the National Jute Policy 2005 of India. Honorable Minister for Textiles, Sri Shankersinh Vaghela, in a press conference today in Ashoka Hotel formally announced the Policy and handed over the Policy Statement to the members of the press and Textiles Department officials present.

The Minister has announced that a basic objective of the policy is to increase the quantity of exports of jute and jute products by achieving a CAGR of 15% per annum. Taking note of the new challenges and opportunities presented by the changing global environment of integration in the development of natural fibres, and to enable millions of jute farmers of India to produce better quality jute fibre for value added diversified jute products and enable them to enhance per hectare yield of raw jute substantially, the Policy has been suitably designed.

The first major highlight of the policy is the creation of the National Jute Board which will subsume, merge and integrate the functions of the various institutions currently operating in the jute sector, at the earliest. The Jute Board will seek to rectify the systemic ills of lack of coordination among the several jute related organizations under different ministries of the government and to be a facilitator rather than a regulator for the jute sector.

The jute board will pro-actively explore the possibility of establishing a National Institute of Natural Fibres with the objective of harmonizing development and promotional activities pertaining to all natural fibres. It will also establish a National Jute and Jute Textile Museum in India to preserve and highlight the heritage of jute.

Jute Technology Mission, approved earlier by the Planning Commission, will be operationalized in the first half of 2005 itself to make the jute sector as an intrinsically competitive and integrated entity. The Mission will encompass the sub-systems pertaining to agricultural research and seed development, agronomic practices, harvest and post harvest techniques, the primary and secondary processing of raw jute, diversified product and market development and marketing distribution.

The Policy Statement has also noted to develop the next generation Jute Machinery through a comprehensive technology benchmarking (after a technology audit), five year plan for machinery development, and establish R & D set-up in the area of a public private partnership. The five year plan will cover machinery development for both the organised and decentralized sectors (and also for the cottage industry). The Benchmarking will be needed to assess the present technological status of the jute industry.

The National Jute Policy 2005 calls for the evolution of a new commodity development strategy to focus on positioning jute as superior and environmental friendly material, enhance the productivity of raw jute, increase exports through innovative marketing, and better the working conditions of the workers engaged in the jute industry.

Considering the immense potential of jute products in the domestic market, focused attention will be given to untapped sectors. The thrust will be on adopting suitable market promotion programs for increasing consumer awareness, and highlighting the environmental advantages of jute by working closely with environment groups.

The government aims to increase the exports of jute and jute products to nearly Rs. 5000 Crores by 2010 from the current level of almost Rs. 1000 Crores. For this, a multidisciplinary institutional mechanism to formulate policy measures and suggest specific action plans, creation of a brand equity fund for jute products consistent with the WTO norms, and incorporation of the Export Promotion Council in the proposed Jute Board shall be done.

The Honorable Minister for Textiles, Sri Shankersinh Vaghela, finally emphasized that the implementation of this Policy with the government acting as a facilitator and not a regulator will change the fortunes of the Jute industry and all its stake-holders including the millions of jute workers and farmers over the next two to three years.

For any clarification, etc., contact:

(A) Mr. C Roul, IAS, Director (Jute), Ministry of Textiles, 98107-73519.

(b) Prof. Ujjwal K Chowdhury, Media Advisor, Ministry of Textiles, 98116-04994