

No.11/33/2015-E&MDA
Government of India
Ministry of Commerce & Industry
Department of Commerce
E&MDA Division

Udyog Bhawan, New Delhi
Dated the 16th February, 2017

Office Memorandum

Sub: Operational guidelines for funding under the MAI Scheme.

Market Access Initiative Scheme was last notified on 4th August, 2014. Since then a number of instructions/guidelines have been issued regarding operation of the Scheme. In supersession of all the existing instructions/ guidelines, the set of consolidated operational guidelines for Scheme are enclosed, for compliance of all concerned. In event of any inconsistency between the provisions of MAI Scheme issued vide No.11/259/2011-E&MDA dated 4th August, 2014 and these guidelines, the provisions of the Scheme shall prevail.



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Encl. a/a

To

- (i) DG, DGFT/All Additional Secretaries/Joint Secretaries,
Department of Commerce
- (ii) JS (Exports), Ministry of Textiles
- (iii) The DG/SG/ED/Secretary of Export Promotion Councils/
FIEO/ITPO/ Trade Bodies
- (iv) ED, NCTI (*The above guideline may be suitably incorporated in
the online system to ensure compliance, wherever applicable*)

Dated the 16th February, 2017

Consolidated guidelines for funding under the MAI Scheme

1. Proposal Process:

- 1.1 Submission of proposals: The eligible agency, desirous of getting assistance under the Scheme, may move proposals, complete in all respect, to the E&MDA Division through the concerned Commodity/Territorial Division, as the case may be, and form as prescribed by E&MDA Division, on the online system for filing of application. This will apply to all proposals including those for Market Studies.
- 1.2 Examination of proposals: The proposals be examined first by the concerned Commodity/Territorial Division. Thereafter, the Sub-Committee(s) [SC], headed by Joint Secretary, E&MDA, will consider the proposals recommended by the Divisions and shall in turn make recommendations to the Empowered Committee [EC]. The Sub-Committee and Empowered Committee can also take up any proposal suo moto.
- 1.3 As far as possible the Territorial Divisions should ensure convergence of all proposals of a Territory in coordination with the Commodity Divisions. The SC shall ensure convergence, Territory-wise, at its level based on interactions held in the SC meetings.
- 1.4 Exhibition of beneficiary details on the website of the organisation: After circulation of the minutes of the EC, details of events to be participated with MAI support must be exhibited on the website of the concerned EPC/Trade Body within 10 days of the receipt of the minutes. Transparent criteria for selection of participants along with deadlines must be clearly indicated therein. Based on such transparent procedure, applications may be invited from members/exporters/individuals, as may be the case.

Selection of participants should be done in a transparent manner, on pre-decided objective criteria.

2. Event Participation:

- 2.1 Number of participations allowed in an event: In order to ensure that the benefits of the Scheme reach a larger number of exporters, a maximum of three participations in a particular trade fair/exhibition would only be eligible for MAI assistance, i.e. members who have availed assistance three times (*including past cases*) for a particular fair/exhibition, thereafter have to participate in that fair on their own. EPCs/Trade Body must ensure that the MAI funding support is only provided to a member/participant company for a maximum of two MAI events in a year.
- 2.2 Minimum participants and Joint Events: For participation in events abroad, minimum 50 exhibitors/exporters are stipulated for considering a proposal, *except in the case of some smaller sectors*. Reason for seeking lesser participation should be indicated in the application itself (A list of such product sectors shall be drawn up covering sectors like Defence, Telecom, Saddlery, Sports goods etc.) Efforts are to be made to maximize participation by clubbing different agencies participating in one event.
- 2.3 For markets where significant events are not identified or not found suited for participation in significant numbers, the EPCs shall ensure proposing Trade delegations to such markets for Buyer-Seller interaction. Such Trade delegations shall be ensured by the Commodity Division to markets where regulatory restrictions are prevalent (so that exporters can interact / understand such regulatory requirements of the market). Such lists shall be drawn up in advance every year and shared with E&MDA Division.
- 2.4 The participating agencies would ensure that the hiring of space and the India branding is common for the event and also that separate pavilions are not created unless the participation is in the pavilions relating to the specific verticals. Wherever two agencies are jointly

funded, the agency mobilising the larger participation would be the lead agency for the event, *solely for the purpose of booking of space.*

- 2.5 The proposals shall clearly indicate the participants which are participating with own funds and with Govt. funding separately. In established events, where Indian companies are known to participate or their own endeavour is to be made to include such participants also near / under the India pavilion, to ensure a larger presence under one roof.
- 2.6 Funding for shows curated by participation for 3 years: Normally, EPCs/Trade Bodies, having been supported for repeated shows at one event/place for 3 years, would not be further funded by the Govt. and Trade Bodies would be expected to participate in such events independently, i.e. once the event is curated by repeated participation, proposal from any agency for this purpose/event would be disallowed/discouraged. However, for the core events identified by the Commodity/Territorial Divisions in the Department, for which continued presence with Government support to ensure India brand recall. This provision can be waived on case to case basis. (Illustration list to be drawn up and reviewed on annual basis).
- 2.7 Rotation of events: Territorial Divisions, in consultation with Commodity Divisions, will prepare a calendar for three years for participation in the events in the region, keeping in view the need to rotate the events as also to tap new markets. There would be a concerted effort to identify new events in a sector based on joint due diligence.
- 2.8 Funding for established events: EPCs / Trade Bodies, while seeking funds for established events, may tend to seek less of Govt. funding and over a period of time make the scale of the show bigger and bigger, by taking more contribution from exhibitors. Such established event participation should aspire to cut down on support for visitors/buyers. (i.e. the presentation of the event should attract visitors on its own without having need to subsidise with Govt. funding).

- 2.9 Promotion of start-ups: In events for IT and innovative sectors, in view of the national focus on promoting Start Ups, separate area may be earmarked for “Start-up” participants.

3. Submission of Reports / Accounts

- 3.1 Branding: Branding for facia etc. of participants is being designed by IBEF as part of the DoC initiative and it shall be mandatory for all participants/organisations in govt. funded events to brand India according to templates specified by IBEF. EPCs / Trade Bodies need to gear up to such branding and try to ensure that this is replicated for all other events of national importance.

Branding for Core and major events will be done by IBEF and for such branding, MAI can supplement the resources of IBEF, if needed (to be reviewed annually).

- 3.2 Consultation with Embassies: The Embassies concerned should be involved in this exercise from the beginning itself so that the event can be made successful under the India brand. The concerned Territorial Division in DoC has been given the mandate for this and agencies concerned shall liaise with concerned officers in the Territorial Division.
- 3.3 Product specialization: For participation in events abroad, the Trade Organizations, other than EPCs, would cease to submit proposals for commodities/markets without specific focus. Such organizations would also be expected to develop their core competence on such verticals / markets by developing expertise within the organization. [Organisation-wise commodity/ services verticals decided for 2017-18 is **at Annex-I**].
- 3.4 Commodity matrix: Keeping in view the evolving trends, proposals could also be submitted covering commodities and related services jointly, if necessary by synergizing the efforts of various trade organizations.

- 3.5 State specific events would be discouraged, unless the content justifies participation from national level importance.
- 3.6 For participation in mega events outside the country, where space booking in advance facilitates booths locations etc. it would be possible to obtain approval as well as funding up to 2 years in advance of the financial year in which the event is to actually take place.
- 3.7 Conflict of interest: For any contract awarded by the management, to avoid any controversy and have transparency in awarding contracts to agencies hired for any event funded by GoI, before the release of funds to any such agency, the EPC/Trade Body would give a certificate to the Department indicating disclosure of interest in awarding such contracts.

4 **Services Export**:

- 4.1 Only proposals scrutinized/recommended by the EP (Services) Division of the Department would be considered by the Sub- Committee. Territorial Divisions would need to route such proposals through the Services Division.
- 4.1 To have a concerted plan for the Services sector for funding events/ activities under MAI, funding proposals concerning only the following verticals of the services sector would be considered :
 - a. Entertainment
 - b. Healthcare
 - c. Education
 - d. Logistics
 - e. Professional services / Consultancy relating to legal, architecture & accountancy
- 4.2 For Tourism and IT, any proposal to be considered would be as an add on to the action plan of the Ministry of Tourism and MeiTy respectively.

5 RBSM:

- 5.1 RBSM proposals: RBSM proposals should be submitted with coverage of the all relevant verticals or covering all the relevant products of the value chain of the sector, so that a mega event of the sector is created and branded as India centric event. The funding for the agencies can be made separately and the lead agency would be the one which brings the maximum number of foreign buyers. The Commodity Divisions would coordinate for such RBSMs with concerned Trade Organisation/EPCs, before recommending the same to Sub-Committee (for creating brand value, International acclaimed Brands can be affiliated). New format for RBSM is prescribed at **Annex-II**.
- 5.1 Funding for RBSMs: In RBSMs, not more than two buyers from a single company would be allowed for reimbursement of airfare and hotel expenses. Ideally the host would support one buyer per company / organization. Overseas buyers should not be related to Indian exporters registered with the EPC/Trade Body. (The proposals from RBSM shall distinctly indicate buyers funded with Government support and those participating on their own). Funding for hosting foreign buyers will be on lump sum basis, subject to ceiling prescribed per buyer and actual expenditure on hosting them, whichever is less. (effective 2017-18)
- 5.2 Buyers from developed markets to be excluded from RBSM funding: While there is no bar on participation from developed markets for RBSMs, the funding provided by the Government may be utilised only for supporting the travel of foreign buyers from other than developed markets in North America, Europe, North East Asia etc. (Any exception sought should be brought to the notice of EC, with clear justification).
- 5.3 Preference would be given to Government driven delegates / participation in such RBSM / Trade meets.

6. Support to exporters under existing MDA Scheme: To ensure synergy of the activities supported by Department of Commerce, support provided to exporters covered under the extant provisions of

the MDA Scheme shall be restricted to events/activities identified for support under MAI Scheme from 2017-18 onwards. Accordingly, eligible agencies under the present MDA Scheme shall need to submit proposals in accordance with the final calendar of activities under MAI approved by the Empowered Committee. For any exemption sought in this regard, the Commodity Division concerned shall submit such proposals, indicating justification therefor. Other components will continue to be funded under MDA from 2017-18, such support to small exporters (*covered under MDA hitherto*) Other than under MAI approved calendar, shall be limited to trade delegations outside and specific RBSMs. A list of such support shall be drawn up separately every year.

7. Market studies

- 7.1 Normally, only such subjects/issues, on which no study has been done in last three years, be considered for fresh study unless there are compelling circumstances. Proposals for updation of existing Studies can also be considered. [*Division concerned to refer to the consolidated database on studies for this purpose*]
- 7.2 Proposal for fresh study should contain information regarding terms of reference, timeline for achieving targets, methodology, sample size (*if any survey is involved*), financials, etc. The format for Study proposals is **at Annex-III**.
- 7.3 Normally Study proposals costing up to Rs. 25 lakh can be considered on nomination basis. The Division concerned would indicate the basis/justification for such nomination, while recommending the proposal.
- 7.4 Beyond Rs. 25 lakh, tender process will be necessary. In such cases, Division may obtain in principle recommendation of SC and then initiate the process of selection of the agency.
- 7.5 Database of all studies carried out during last 5 years, under MAI or any other Scheme of the DoC be maintained and uploaded on portal developed by NCTI. EPL / TPD / MAI Divisions to coordinate for this purpose and ensure a category-wise list of proposals are provided in the intra-net of DoC for ready reference to all

concerned. Studies of Tariff Commission shall also be covered for this purpose.

- 7.6 Reports of all such studies would be shared with the line Ministries by the concerned Division immediately on completion of study. This would also cover MEA, where MEA is the line Ministry. Studies shall also be hosted on the Departmental portal by Division concerned.
- 7.7 Any proposal for studies initiated by any trade body related to Services Sector would need to be vetted/recommended by the EP Services division of the Department, to ensure that the study meets the mandate/ priority sectors/ activities of the Department.

8 Funding and Reporting:

- 8.1 Submission of video clippings of event: The EPCs/Trade Bodies should submit video clippings of the events, including stalls and its surroundings and ensure documentation of complete utilization of the Govt. grants. The EPCs can use webcam to record and submit the clippings electronically.
- 8.2 Submission of participant details: Impact of MAI support to India's exports is to be captured in the outcome reports. For activities support from 2016-17, EPCs/Trade Bodies need to provide 6-digit HS Codes in respect of the products being promoted/ marketed by exhibitors in a MAI event, at least 15 days before the commencement of the event, in the online system introduced in 2016-17.
- 8.3 Audited statements submitted by the organisation shall include details of:
- (a) Funding received from exhibitors
 - (b) Funding received from MAI
 - (c) Funding received from other sources
- [the Executive Director or the nominated authority of the organisation shall certify the details submitted]*
- 8.4 Funding: Funds shall be provided in two instalments, to facilitate timely booking of space etc. the 1st instalment

can be upto 50% of the approved cost. 2nd and final instalment would be contingent upon submission of outcome reports/utilisation certificates and CA certified audit account statements (*indicating, inter alia, sources of funding*) within two months from the date of completion of the event. Advance grants, if any released, have to be refunded with interest in case of default in this regard.

- 8.5 The project report should invariably provide details of the exporters participating in the events, including the name of the participant with designation, name of the exporting company and IEC number of the exporting company. They must also submit outcome report in the format prescribed in the online system. **(Annex-IV)**
- 8.6 The outcome report of an event shall be indicative of the business trend. It shall invariably include the number of Indian participants participating in an event and as to how many of them are participating on self-financing basis and how many with Govt. support.
- 8.7 The following punitive cut would be imposed in cases where the number of participants are less than that projected or approved by EC:

S. No.	Level of variation between projected number of participants and actual participation in the event	Punitive cut
1.	Variation between 0 – 10%	Nil
2.	Variation between 11-20%	Pro-rata cut
3.	Variation between 21-50%	Pro-rata cut + reduction by 20% of pro-rata amount
4.	Variation between 51-80%	Pro-rata cut + reduction by 50% of pro-rata amount
5.	Variation of more than 80%	Refund of entire MAI advance released.

8.8 Quality of participants: For all events, due diligence has to be carried out by the organisations on the nature of quality of the participants, and this would also need be certified by the organisations concerned while submitting the proposal. Similarly, the first report (*output report*) submitted online after the event should indicate the participants companies' credentials and steps taken by the EPC / Trade Body to verify the credentials. *The exhibitors should be represented by senior person and should exhibit products in the events (not only catalogues and brochures).* The EPCs and Trade Bodies need to develop mechanism for indicating clear outcome of the events along with the response / feedback / impact in a market. *[the outcome reports could flow from the post-event timeframe say 6 months or so].*

**Department of Commerce
E&MDA Division**

**Agency-wise distribution for services / commodities for funding under
MAI 2017-18**

Organization	RBSM	Services	Commodities
ASSOCHAM	Agri / Fisheries / Processed Food / Agri-Tech (Africa)	Nil	- Agri / Marine / Food (with TPCI) - Agri-Tech - Plastics
CII	Project Export (Africa)	- Education - Entertainment	- Project Exports - Engineering - Construction / Building material
FICCI	- Technotex - Plantation - Ayush services	Healthcare	- Textile machinery (with ICC) - Textiles / Healthcare - Defence & Homeland Security (with ICC)
ICC	Technotex	Nil	- Energy / Power - Defence & Homeland Security - Textiles
PHDCCI	ITMOS (Engg)	Nil	- Gifts / Homeware / Travel / Beauty / Wellness
TPCI	Food Show	Nil	- Chemicals - Telecom / IT - Organic Food
FIEO		Logistics & Professional Services	- Multi-products
ITPO		Nil	- Multi-products

Since the above earmarking of commodities for these agencies is being done for the first time, the above matrix would be applicable for commodities for the period October 2017- March 2018, to give time to accommodate the changes among the various agencies. *(For the period up to 30th September 2017, the proposals as listed in the agenda for the EC meetings would be maintained against each of the agencies, without change).*

For the Services sector, the above changes would be applicable for the entire financial year of 2017-18 i.e. for all the proposals from April 2017 - March 2018.

(Name of Organization)

**Application form for Assistance under MAI for BUYER-SELLER MEETS in India
(RBSM) (Refer para 7.1.8 of MAI Scheme)**

(detailed write-up to be enclosed wherever necessary)

1.	Name of the Organization - EPC/TPO/Exporter					
2.	Venue(s) proposed for the BSM					
3.	Whether the proposed BSM is concurrent to an event/exhibition OR stand alone.					
4.	Indicate products / sectors with HS Codes					
	<u>Product Description</u>	<u>6 Digit HS Code #</u>	<u>Exports from India</u> USD mn		<u>Global Imports</u> USD mn	
			<u>2015-16</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2014-15</u>
5.	Name of Country(s) / Region from where buyers/Delegates are proposed to be invited with region-wise percentage #		<u>Global import of the products</u> USD mn.		<u>%age Growth in Global import</u>	
	<u>Name of the Country/Region @</u>	<u>Import from India of the products</u> USD mn	<u>2015-16</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2014-15</u>
6.	Basis / grounds on which the RBSM is proposed (detailed justification, if any, may be annexed).		(limit it to 50 words)			

This should indicate the region specific buyers targeted e.g. 15% from EU, 25% from USA, 20% from LAC, 10% from CIS etc. Funding would be limited to buyers from markets other than developed countries.

@ If the list is long, a separate attachment may be given.

7. Cost estimates				
S.No.	Heads	Estimated Expenditure (Rs. Lakh)	Amount Sought (Rs. Lakh)	Amount admissible (to be filled by DoC) (Rs. Lakh)
i.	Venue Cost & Organizing Cost			
ii.	Publicity Cost			
iii.	Cost of Catalogue & Other Material			
iv.	Translation & Interpretation Cost			
v.	Air Fare & Hotel Stay (foreign delegates only)			
vii.	Others, if any			
	Total			

8. Break-up of cost indicated in 6(v) above						
	Region*	Buyers	Hotel incl TRFR	Ticket	Permitted MAI per head	Total (Rs. Lakh)

*ASEAN, Africa, CIS Region, West Asia, Latin America, SAARC etc.

9. Basis of selection of Foreign Buyers +	
a. Import	
b. Turnover / sales / ----	
c. Web based platform	
d. Other modes, if any	

+ to specify the source(s) through which buyers are targeted.

10	Details of financial assistance taken earlier for such RBSM under MAI/MDA (maximum 3 years)	
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11	Cost and benefits recorded of last two RBSMs		
		Last RBSM	Penultimate RBSM
	i. Number of Foreign Buyers/Delegates		
	ii. Number of Indian Participants		
	iii. Average number of meetings organized for each Foreign Buyer		
	iv. Number of enquiries and value in INR/US\$		

12.	Associations of the sector being involved / consulted – details thereof	
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	<p>Note:</p> <p>A. Declaration as an Annex to be attached duly signed.</p> <p>B. <i>Feedback forms from the Foreign Delegates and the Indian Participants need to be collected and analyzed to see effectiveness of the BSM in terms of business prospect. The feedback from should inter-alia, include:</i></p> <p style="padding-left: 40px;">a] <i>Quality of the Delegates</i></p> <p style="padding-left: 40px;">b] <i>Whether the initiative is proposed to be repeated in future</i></p> <p style="padding-left: 40px;">c] <i>Quantity & Volume of enquiries generated etc.</i></p>
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(on letter head of organization)

Declaration

1. This is to certify that the Reserve Buyer Seller Meet scheduled to be held on at would be organized by us directly and not through any Third party.
2. I certify that any assistance taken from any Trade agencies / association / chamber of commerce etc. for sourcing buyers would be declared at the time of submitting Outcome Report.
3. We would facilitate factory/facility visit to the interested delegates after getting their feedback from the meet.
4. I declare that any buyer sponsored from developed market shall be done only if found absolutely justified on business considerations.

(to be signed by the competent authority designated by the organization)

Department of Commerce

APPLICATION FORM FOR MARKET STUDY PROPOSALS UNDER MAI

1.	Title of Study: (max 100 characters)	
2.	a. Organization chosen:	
	b. Whether by nomination or selection by following GFR provisions	
	c. In case of selection by nomination, justification for nomination (not exceeding 250 words)	
3.	Team proposed to be dedicated for the study & previous experience of team members: (not exceeding 500 characters. More details to be annexed separately)	
4.	Division concerned in DoC:	
5.	Objective of study: (max. 100 words)	
6.	Brief details / justification: (max. 200 words)	
7.	Duration of study (in days / months)	
8.	Methodology proposed: (max. 150 words)	
9.	Sample size (if any survey is involved): (max. 50 words)	
10.	a. Expenditure estimated: (in Rs.Lakhs)	
	b. Funding required (in Rs. Lakhs)	

Division's Comments		
1.	Recommendation of division concerned: <i>(max. 150 words)</i>	
2.	MAI eligibility (under relevant scheme provisions)	
3.	Previous study undertaken in past 5 years <i>(if any)</i> : <i>(on related subject)</i>	

- i. *(Detailed write-up, not exceeding two pages to be annexed separately with the application).*
- ii. *Detailed work experience of Team Members proposed to be attached separately (1 page).*

Department of Commerce
E&MDA Division

**Proforma for furnishing outcome of the event held with MAI /
MDA funding**

1. Name of the event:
2. Purpose of the event (with anticipated outcome):
3. Country:
4. Date of event:
5. EC approval (in brief):
6. (a) Assistance approved:
(b) Release of 1st instalment (in Rs.):
(c) 2nd instalment, if any (in Rs.):
(d) Remaining amount pending for release (in Rs.):
7. Brief description of the event:
8. Details of Indian participants:
 - (i) Number of participants:
 - (ii) Brief profile of each participant along with Import Export Code (IEC) number (to be annexed)
 - (iii) Participants' feedback (in brief):
 - (a) Positive response:
 - (b) Suggestion / improvements indicated:
9. Details of Buyers/visitors
 - (i) Number of visitors / foreign buyers:
 - (ii) Brief profile of visitors / buyers:
 - (iii) Visitors feedback (in brief):
10. Business generated:
 - (i) No. of enquiries:
 - (ii) No. of MoUs negotiated / signed (if any)
 - (iii) Orders booked:
 - (iv) Total business generated:
11. Brief note on export potential of the country / product (as per industry feedback):
12. Outcome analysis by Council / Trade Bodies (reflecting the achievement and trade benefits, failure etc.):
13. Photos attached as evidence (colour photos to be enclosed):

NB:- The above report should capture only essential details and shall be restricted to a document of 2 pages. More details to be placed in Annexure, if needed.
