



# Trade Infrastructure for Export Scheme (TIES Scheme)

## Why in News?

Recently, the central government has released Rs 206 crore to states for the promotion of exports under the [Trade Infrastructure for Export Scheme \(TIES\) initiative](#).

- Under the TIES, financial assistance for 27 export infrastructure projects have been approved during FY 2019-20 to 2022-23.

## What is Trade Infrastructure for Export Scheme (TIES)?

### ▪ About:

- **Union Ministry of Commerce and Industry** launched the Trade Infrastructure for Export Scheme (TIES) in 2017.
  - After delinking the **Assistance to States for Development of Export Infrastructure and Allied Activities (ASIDE) Scheme** in 2015, the State Governments had been consistently requesting the support of the Centre in creation of export infrastructure.

### ▪ Objective:

- To assist Central and State Government agencies in the creation of appropriate infrastructure for the growth of exports.

### ▪ Scope:

- The scheme can be availed by States through their implementing agencies, for infrastructure projects with significant export linkages like **Border Haats, Land customs stations, quality testing and certification labs, cold chains, trade promotion centres, export warehousing and packaging, SEZs and ports/airports cargo terminuses.**

### ▪ Extent of Financial Assistance:

- The Central Government assistance for infrastructure creation will be in the form of **grant-in-aid**, normally not more than the equity being put in by the implementing agency or **50% of the total equity in the project.**

- In the case of projects located in **North Eastern States, Himalayan States** including **UT of J&K, Ladakh** this grant can be up to **80% of total equity.**

### ▪ Negative List of Projects that will not be Considered under this Scheme:

- Projects which are covered under sector specific schemes like **textiles, electronics, IT.**
- General infrastructure projects like **highways, power etc.**
- Projects where an overwhelming export linkage cannot be established.

## Trade Infrastructure for Export Scheme (TIES)

Department of Commerce was earlier working with states to fill infrastructure gaps through ASIDE.

As per 14th Finance Commission recommendations, tax devolution to states increased from 32% to 42%, thus delinking ASIDE from support of the Centre.

TIES launched to strengthen export infrastructure in March 2017.

Central Government funding normally not more than the equity put in by implementing agency or 50% of total project equity (80% for Northeastern & Himalayan states including J&K).



Scheme to help export-linked infrastructure projects like:

- o Border Haats
- o Land customs stations
- o Quality testing and certification labs
- o Cold chains
- o Trade Promotion centres
- o Dry Ports
- o Export warehousing and packaging
- o SEZs and ports/airports cargo terminuses

**Source: PIB**

PDF Refernece URL: <https://www.drishtias.com/printpdf/trade-infrastructure-for-export-scheme-ties-scheme>