

# Export Preparedness Index 2021

March 26, 2022

**In news**– NITI Aayog, in partnership with the Institute of Competitiveness, has released the 2nd edition of the Export Preparedness Index (EPI) 2021 recently.

## **About Export Preparedness Index (EPI)-**

- It is a comprehensive analysis of India's export achievements.
- **The EPI's primary goal is to instill competition among all Indian states ('Coastal', 'Landlocked', 'Himalayan', and 'UTs/City-States') to bring about favourable export-promotion policies,** ease the regulatory framework to prompt subnational export promotion and create the necessary infrastructure for exports.
- It **promotes competitive federalism** and a fair contest among States/UTs.
- **The index can be used by states and union territories (UTs) to benchmark their performance against their peers** and analyze potential challenges to develop better policy mechanisms to foster export-led growth at the subnational level.
- It is a data-driven endeavor to **identify the fundamental areas critical for subnational export promotion.**
- **The EPI ranks states and UTs on 4 main pillars-** *Policy; Business Ecosystem; Export Ecosystem; Export Performance.*
- **11 sub-pillars of EPI are**– Export Promotion Policy; Institutional Framework; Business Environment; Infrastructure; Transport Connectivity; Access to Finance; Export Infrastructure; Trade Support; R&D Infrastructure; Export Diversification; and Growth Orientation.

- **This edition has shown that most of the 'Coastal States' are the best performers, with Gujarat as the top-performer followed by Maharashtra and Karnataka.**
- **In the category of 'Landlocked States', Haryana was the best-performing state.**
- **Among 'Himalayan States' and 'Union Territories', Uttarakhand and Delhi are the top-performing states respectively.**
- **EPI 2021 brings out three major challenges to India's export promotion. These are** intra- and inter-regional differences in export infrastructure; weak trade support and growth orientation across states; and lack of R&D infrastructure to promote complex and unique exports.

### **About Institute of Competitiveness-**

- It is the Indian knot in the global network of the Institute for Strategy and Competitiveness at Harvard Business School.
- It is an international initiative centered in India, dedicated to enlarging and purposeful disseminating of the body of research and knowledge on competition and strategy, as pioneered over the last 25 years by Professor Michael Porter of the Institute for Strategy and Competitiveness at Harvard Business School.
- It conducts & supports indigenous research; offers academic & executive courses; provides advisory services to the Corporate & the Governments and organizes events.
- The institute studies competition and its implications for company strategy; the competitiveness of nations, regions & cities and thus generates guidelines for businesses and those in governance; and suggests & provides solutions for socio-economic problems.