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Press Review

16th to 31st January 2020 (sorted by date)

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Indian Agriculture and Food Industry

[Precision aqua tech gaining traction](#)

Business Line, January 22, 2020

Precision aquaculture technologies has started gaining traction with more Indian entrepreneurs venturing into the aquaculture ecosystem.

"We witness a rising adoption of advanced technologies such as IoT, artificial intelligence, and satellite remote sensing for monitoring and prediction of farm activities. There is a rise in the popularity of land-based recirculating aquaculture systems that can help farmers growing fishes in the indoor farms. The growing interest among investors is also promoting the growth of R&D expenditure in aquaculture technology worldwide," said Rajamanohar Somasundaram, CEO, Aquaconnect.

According to him, the **precision aquaculture technology market is estimated to be worth about \$400 million in 2019 and is expected to reach \$764 million by 2024 at a CAGR of 14 per cent.**

Technology use

Somasundaram is currently **using AI technologies to assist shrimp and fish farmers to predict diseases in advance, and improve efficiency and revenue.** "In India, one out of four farmers is losing the crop to disease outbreak. Our venture Aquaconnect drives precision aquaculture technology adoption to improve production and risk management due to diseases," he said.

Shrimp and fish farming is one of the biggest livelihood activity in the coastal regions of India, which exports \$5-billion-worth farmed shrimp and fish every year.

Though it is a multi-billion-dollar industry, **the sector uses little or no technology to improve productivity and prevent losses due to diseases.**

To predict disease outbreak and minimise the losses, Aquaconnect has created **FarmMOJO, an AI enabled farm advisor tool.** The mobile app interface advises farmers on water quality, feed usage and the overall health indicators of the ponds.

[Record grain output in 2020; horticulture to grow too](#)

Wheat production in the 2019-20 rabi season is estimated to be 6.27% higher than last year's output, the NCML estimates showed. The output of rice is estimated to go up 5% from last year. Total foodgrain production is expected to increase 6.19% to 152.7 million tonnes. Horticulture output will also be more, according to the government's first estimate.

Economic Times, January 28, 2020

New Delhi: India is poised for a **record foodgrain production this year** following a surge in the **output of wheat and rice**, the two major crops of rabi or winter sowing season, according to the first estimates released by the National Collateral Management Services (NCML), a leading post-harvest management company.

Horticulture output will also be more, including tomato, potato and onion, according to the government's first estimate. The **output is estimated to go up to 313.35 million tonnes (mt) in 2019-20 from actual output of 310.74 mt last year.**

Wheat production in the 2019-20 rabi season is estimated to be 109 mt, 6.27% higher than last year's output of 102.1 mt, the NCML estimates showed. The output of rice is estimated **to go up 5% from last year to around**

15 mt. As a result, **total foodgrain production** is expected to increase **6.19% to 152.7 million tonnes**.

However, the NCML has estimated that **production of pulses may dip 2%** while the output of **oilseeds is likely to decline more than 2.6%**.

“Bountiful rains during monsoon season have boosted the prospects of crop production in the ensuing rabi season. This year is likely to see a record foodgrain production, led by the wheat crop along with corn and jowar. Oilseeds and pulses may end up lower than in the previous year,” said Siraj Chaudhry, managing director, NCML.

According to a report released by the company on Monday, excess production of wheat and rice will build on the existing surplus and stimulate additional market distortions. “Record domestic supplies will add to procurement and subsidy load. There is an imperative need to align the production basket to consumption needs so demand generating from growing population and changing lifestyles can be met domestically,” it said.

Meanwhile, overall **onion production is estimated to increase 7% to 24.45 mt in 2019-20 crop year**, in relief to consumers from high prices seen in the past few months. **Production of potato is estimated to go up to 51.94 mt** this year.

[Government pushes for zaid crops to mitigate Kharif deficit](#)

The recent focus on zaid crops has paid off well as area under cultivation during this period has been on rise since last few years. As compared to kharif sowing which is being done across 107 million hectare, zaid planting, mostly pulses, is done across less than 2 per cent of that area.

Economic Times, January 18, 2020

NEW DELHI: The government plans to **mitigate the deficit in pulses production during kharif season through a strong push for short duration zaid crops**, which are **sown between February- June**, intervening period between Rabi harvest and Kharif sowing.

“We are targeting to plant mainly pulses like **urad and moong across 4.9 million hectare - up by 75 per cent from last year’s acreage of 2.8 million hectare**. Reports of crop damages of pulses have come from Karnataka, Madhya Pradesh and Karnataka due to excessive rains and floods. We are encouraging farmers to use the fallow land for zaid crops,” said a senior agriculture department official.

According to the trade body, India Pulses and Grains Association (IPGA), there **will be an estimated 30 per cent shortfall in moong production and 50 per cent in urad production**. The government also expects a drop of 10 per cent in the pulses production this year from target of 26.3 million tonnes.

The recent focus on zaid crops has paid off well as area under cultivation during this period has been on rise since last few years. As compared to **kharif sowing which is being done across 107 million hectare, zaid planting, mostly pulses, is done across less than 2 per cent area only**. During Kharif and Rabi, pulses planting is done across 12 million hectare and 14 million hectare respectively.

“In **2017-18, 2.1 million hectare were sown which went up to 2.8 million hectare last year** and now we expect to touch 4.9 million hectare. Since many farmers had bad kharif harvest, they are likely to plant pulses for zaid,” he said.

The zaid crops **need dry weather with availability of irrigation facilities** for a good harvest. The planting for shorter duration crops starts from February and last till April so that the land gets ready again for kharif sowing in June after monsoon sets in.

“Due to good rains, the water storage in 120 major reservoirs is 155 per cent more than last year – an ideal situation for irrigation based zaid farming. Also, cultivation of legumes like pulses between Rabi and Kharif sowing restores nitrogen in the soil – vital for fertility,” he said.

Government Policies and Initiatives

[Duty-free shops may become less of a draw for air travellers](#)

Commerce Ministry wants curbs imposed on duty-free sale of alcohol, tobacco products

Business Line, January 20, 2020

There may be tighter curbs on duty-free shopping at India's airports if a proposal from the Commerce and Industry Ministry for Budget 2020-21 to restrict alcohol and tobacco sales gets accepted.

Per the **proposal sent to the Finance Ministry, the limit on the purchase of foreign wines and spirits at duty-free shops should be halved to just a single 1-litre bottle per international traveller arriving at airports in India. Also, it wants duty-free sale of tobacco to be completely stopped**, according to an official.

The Revenue Department under the Finance Ministry, however, has **not yet given its approval** to the proposal which, if implemented, is likely to be unpopular with air travellers.

Revenue leakage

“The idea behind the proposal is to help the government plug some revenue leakage, as the sale of foreign liquor and tobacco at duty-free shops is rising sharply. If people want to enjoy imported liquor and tobacco they should be willing to shell out the duties imposed on it,” the official told *BusinessLine*.

Duty-free liquor sale, estimated at about \$200 million in 2017, could increase to about \$800 million by 2025, according to a report by Bengaluru-based RedSeer Consultant. India's **import duty on alcoholic beverages is about 150 per cent, while that on tobacco products is about 100 per cent**. If duty-free allowance is halved, customers would need to pay high duties to buy foreign liquor.

No correlation?

However, industry experts say that curbing duty-free purchases may not automatically result in higher revenue collection.

“A number of travellers buy foreign liquor and cigarettes only because they are available duty-free —they wouldn't buy them if import duties were applied on them,” said a Delhi-based trade expert. “So, one can't automatically assume that curbing duty-free sales would increase duty collection. The government has to look at other sources to increase revenue generation.”

[Urea may come under NBS before direct cash transfer](#)

Fixing NBS rate for urea will encourage balanced use of urea and bring in efficiency in the fertiliser industry by infusing competition. The DCT is aimed at replacing the existing direct benefit transfer (DBT) system where farmers buy urea at subsidised price, which is almost one-third of the total cost.

Economic Times, January 20, 2020

New Delhi: The government is **likely to fix nutrient-based subsidy (NBS) rate for urea before rolling out the direct cash transfer (DCT) of urea subsidy to farmers' accounts**. The subsidy will not be universal for farmers across the country and **will be based on soil health and size of the landholding. Tenant farmers would also be eligible** to get the subsidy on production of valid tenancy documents.

“It has been agreed in principle to bring urea under NBS subsidy towards the first step to roll out DCT to farmers’ bank accounts. An inter-ministerial committee (IMC) will decide the rate of NBS subsidy as is being decided for other P&K fertilisers every year,” said a senior fertiliser ministry official involved in policy making.

Fixing NBS rate for urea will encourage balanced use of urea and bring in efficiency in the fertiliser industry by infusing competition. **The DCT is aimed at replacing the existing direct benefit transfer (DBT) system where farmers buy urea at subsidised price**, which is almost one-third of the total cost, and the urea manufacturers get the subsidy reimbursed after sale to farmers by the retailers. The sale linked with farmers’ Aadhar card, voter card or Kisan Credit Card (KCC) is captured through the PoS machines and the ministry transfers subsidy after verifying the genuinity of the purchase.

“Government spends around INR 55,000 crore on urea subsidy. By capping the urea consumption as per land size, we will be able to save 10-15% of the subsidy amount,” said an official.

In 2010, the government had launched the NBS under which a fixed amount of subsidy is provided on each grade of subsidised phosphatic and potassic (P&K) fertilisers. Now for urea too, the subsidy will be based on the nutrient content present in them. The total **consumption of urea is around 30 MT, out of which 5 MT is imported.**

“Since cost of production varies with plants, government will have to determine a fixed subsidy and then transfer it into farmers’ accounts based in the sale. A bag of 45 kg of urea costs around 900 and farmers get it at INR 242 at a discount of over 70%,” the official said.

He said that the subsidy amount will depend on the size of landholding and soil health and will vary from state to state. “We will first have the soil profile of the state and farmers of that particular state will get subsidy per hectare. The subsidy will differ for farmers for different states depending upon the urea requirement of the soil. For example, Punjab farmers will get more subsidy than West Bengal’s as land in Punjab requires more urea than West Bengal,” he said.

The official said that the **fertiliser ministry will have to create a fresh database of farmers for implementing DCT.**

[186 agri products testing laboratories set up by APEDA: Government](#)

This includes 35 in Maharashtra, 23 in Gujarat, 10 in Andhra Pradesh & Telangana, 23 in Tamil Nadu and 17 in Karnataka.

Economic Times, January 20, 2020

The government on Monday said the Agricultural and Processed Food Products Export Development Authority (APEDA) **has added 135 laboratories to existing 51 recognized laboratories to enable exporters have an easy access to the laboratories** for testing of exports.

“With this initiative APEDA recognition of laboratories has reached 186 laboratories across the country,” commerce and industry ministry said in a release.

The number of laboratories have increased in states, it said. This includes 35 in Maharashtra, 23 in Gujarat, 10 in Andhra Pradesh & Telangana, 23 in Tamil Nadu and 17 in Karnataka. Laboratory testing requirements are crucial in agri export supply chain.

For increasing the laboratory network further, the authority has **taken a policy decision to simplify the recognition of labs.**

"It has been decided that the laboratories which are NABL accredited will be recognized by APEDA and same will be added in the network of APEDA recognition laboratories," the ministry said.

[Time for new policy for potato sub-sector: PM Modi](#)

Addresses Global Potato Conclave: Gujarat has shown the way with policy initiatives to multiply potato cultivation

Business Line, January 28, 2020

In a bid to achieve a larger goal of hunger and poverty eradication, the government wants to consider new policy with specific research agenda to promote potato sub-sector, which includes seeds to market value-chain.

In his video address to the three-day 3rd Global Potato Conclave at Mahatma Mandir here, Prime Minister Narendra Modi stated that considering the utility of potato crop in a variety of food products, "it is time we encouraged potato sub-sector with the new policy and a research agenda. At the root of this policy and research agenda should be the fight against hunger and poverty with a goal to secure global food security."

Modern technology

The Prime Minister also stated that scientists need to be encouraged **to use modern technology such as biotechnology, artificial intelligence, blockchain, and drone technology among** others for various issues faced in agriculture.

The earlier two editions of Global Potato Conclaves were held in Delhi in 1999 and 2008. Underlining the significance of the 2020 Conclave being held in Gujarat, the Prime Minister stated that while the area under **potato cultivation increased by about 20 per cent in India in the last 11 years, it has increased by about 170 per cent in Gujarat during the same period.**

"This is largely owing to the policy initiatives and decisions which lead to the State using modern methods of agriculture such as sprinkler and drip irrigation for cultivation, along with the best cold storage facilities and linkages to the food processing Industry," he stated.

Modi said the government was striving to double the farmers' income by 2022. "It is a target you are all capable of achieving. It is because of the combined efforts of the farmers and the government that India now ranks among top three nations in production of grains and other food items," he said.

'Vital food item'

During the inaugural session on Tuesday, the Union Minister for Agriculture and Farmers' Welfare, Narendra Singh Tomar, stated that though potato isn't native to India and is believed to have originated in the Andes Mountains in South America, it is present in every household of India.

"Therefore, just like other prominent crops of our country such as wheat and rice, potato assumes equal importance in the agriculture," he said, adding that **potato cultivation in India is growing rapidly from 34.7 million tonnes reported in 2008 to 52.5 million tonnes now, with an area under potato cultivation at 21.8 lakh hectares covering about 4 million farmer families associated with it.**

Tomar added that in the past one decade, 53 per cent rise was seen in potato cultivation, and "we expect it to **grow at 3 per cent every year till 2050**, so it would be 150 per cent growth till 2050 is what we estimate today."

"In past seven decades, we have seen 34 times growth in potato production, and 9.3 times growth in acreage, and 3.7 times growth in yield," he added.

[FSSAI to extend deadline for implementing packaged water stds to July 1](#)

Food and Beverage News, January 17, 2020

The Food Safety Standards Authority of India (FSSAI) has decided to **extend the dates for implementation of the standards for packaged drinking water regarding limits of magnesium and calcium**. Now, the FBOs (food business operators) need to **comply with the standards by July 1, 2020**.

The country's apex food regulator has, in this regard, issued a notice, stating that it had been in receipt of various representations from the stakeholders, seeking extension for implementation of the standards for packaged drinking water.

It is pertinent to mention here that in October 2019, FSSAI had issued a gazette notification for Food Safety and Standards ([Food Product Standards and Food Additive - 4th Amendment](#)) Regulations, 2019, specifying the limits of calcium and magnesium in the packaged drinking water.

The amended regulation was relating to general parameters concerning substances undesirable in excessive amounts. And **according to the regulations, the permissible limit for calcium was set at 20-75mg per litre, while for magnesium, it was set at 10-30mg per litre**.

Shobhit Jain, executive director, Compliance Strategy, stated, "After consideration of the representation received from the stakeholders, it has been decided that the timeline for the implementation of Clause 2(b) of the notification related to limit of calcium and magnesium in packaged drinking water (other than mineral water), is extended for a further period of six months till July 1, 2020."

[FSSAI removes ammonium sulphate from milk adulterants under Testing Scheme](#)

Food and Beverage News, January 22, 2020

FSSAI has **removed ammonium sulphate from the list of adulterants, for which dairy plants were asked to conduct checks under the Scheme of Testing and Inspection**.

The country's apex food regulator, in this regard, issued a notice containing a revised list of adulterants to be tested under the said scheme, which has to be followed by dairy processing plants for monitoring of internal controls to ensure safe and good quality supply of milk and milk products to consumers.

The scheme was launched in October 2019, after the release of National Milk Survey.

A senior official with FSSAI said, "After a careful review of scientific opinion, the scientific group reached to a **conclusion that ammonium sulphate may also come into the milk naturally, and may not be considered as a contaminant as earlier thought**. It was noted that ammonium sulphate is allowed as an additive in certain foods in several countries."

"Before releasing National Milk Safety and Quality Survey 2018, a meeting of stakeholders was held on September 9, 2019. This group of stakeholders was of the view that while incidents of adulteration cannot be ruled out, but these are restricted to few areas and in times when there is large demand-supply gap," he added.

"Such incidents can only be tackled by having strict vigil in such areas. The stakeholders' group further deliberated on presence of ammonium sulphate in milk," the official stated.

Overall, **the dairy plants need to test for nine physical, chemical/compositional parameters, 12 adulterants, four chemical contaminants and four microbiological contaminants, besides testing for water supply as per IS 10500.**

Ashwin Bhadri, chief executive officer, Equinox Labs, said, “Ammonium sulphate in milk is natural and is deemed safe by FSSAI after considering scientific opinion. It is also used as an additive in certain food in several countries.”

He, however, pointed out that as the recent reports on the surging rate of adulteration in milk had disturbed the government as well as the dairy industry, the use of artificial ammonium sulphate was a worrying factor. It was used in order to increase the lactometer reading of milk and to decrease its lactose content.

According to FSSAI, the scheme for sampling, testing, and inspection for dairy processing plants was introduced to strengthen the internal controls through self-monitoring and has to be implemented at all the dairy processing establishment and was in implementation from January 1, 2020.

The scheme stipulated the sampling points, test methods, frequency of sampling and permissible limit as per food safety regulations and called for a well-equipped in-house laboratory for testing microbiological and other chemical parameters, and testing shall be carried out by qualified and trained personnel.

[FSSAI reveals RDA for vitamins & minerals to enable review of products](#)

Food and Beverage News, January 28, 2020

The Food Safety and Standards Authority of India (FSSAI) has **prepared a document in respect of the Recommended Dietary Allowance (RDA) for vitamins and minerals so that food businesses can review their food products.**

The FSSAI has also **issued a separate list of essential amino acids for general population based on references from ICMR** (Indian Council of Medical Research).

FSSAI says that under the Section 22 of the FSS Act, the **FBOs were allowed to use vitamins, minerals, and amino acids not exceeding the RDA for Indians in functional foods, food for special dietary uses, nutraceuticals, and health supplements.**

Currently the FSS-Health Supplements, Nutraceuticals, Food for Special Dietary Use, Food for Special Medical Purpose, Functional Food and Novel Food-Regulations 2016 specifies that addition of nutrients not exceeding the RDA as specified by the ICMR and in case such standards are not specified, the standards laid down by international food standards body, Codex shall apply.

FSSAI, in a statement, said that, the apex food regulator was in receipt of representation from stakeholders as well as the regulatory staff seeking clarification on RDA values of different nutrients.

“In this regard, based on the recommendation made by the scientific panel and scientific committee, a collated document in respect of RDA values for vitamins and minerals has been prepared and placed on FSSAI’s website. Further, the scientific panel has also recommended RDA values for essential amino acids for general population using references from ICMR which was endorsed by the scientific committee,” read the statement.

The apex **food regulator also clarified that the tolerance upper limit of vitamins and minerals which was made available to the public through FSSAI’s website in September last year was ‘only for information and not for use’** by the FBOs in the field of health supplements and nutraceuticals.

International Trade and Cooperation

[Government plans to extend urad imports till June on likely domestic shortage:](#)

[Sources](#)

According to sources, "So far, only 2 lakh tonnes of urad has been imported. The pulses situation was reviewed recently by the concerned ministries and a consensus has emerged to give time till June for undertaking the import of rest of the quota."

Economic Times, January 19, 2020

NEW DELHI: The **government plans to extend urad dal imports of up to 4,00,000 tonnes a fiscal for another three months till June this year in view of likely domestic shortages**, according to sources. The Indian Pulses and Grains Association (IPGA) has **demande d the government for removal of quantitative curbs on urad** as the country is likely to face a shortage of about 50 per cent in production this year on account of damage to the 2019 kharif crop.

Last month, the commerce ministry had **raised the quota of urad import from 1.5 lakh tonnes to 4 lakh tonnes** for the **fiscal ending March 2020**. Import was allowed to be **undertaken only by millers and refiners**.

According to sources, "So far, **only 2 lakh tonnes of urad has been imported**. The pulses situation was reviewed recently by the concerned ministries and a consensus has emerged to **give time till June** for undertaking the import of rest of the quota."

IPGA Vice Chairman Bimal Kothari had recently said the **country produces about 25-30 lakh tonnes of urad dal** a year. There could be **50 per cent fall in output** because of severe damage to the kharif crop.

"To meet the domestic demand, the government should remove quantitative restrictions on urad and allow free shipments," he had said.

Meanwhile, the government has decided to offload 5 lakh tonne pulses from its buffer stock to both state governments as well as in the open market.

Sources said about 1 lakh tonnes of pulses will be sold to state governments at not less than minimum support price (MSP) under the Price Support Scheme (PSS).

Another one lakh tonne of pulses, especially milled pulses will be offloaded in the open market at above MSP level under the Price Stabilization Fund (PSF), the source added.

The state governments are expected to lift more pulses from the buffer stock in the coming days as prices of some pulses are on rise.

Cooperative NAFED is also planning to sell pulses from the buffer stock to institutional buyers like hotels and big retail stores, the sources added.

The country has imported 21.4 lakh tonnes of pulses during April-November of this fiscal and total shipments are expected to touch 30 lakh tonnes at the end of this fiscal.

India's dependence on pulses import is reducing as domestic production has been increasing in the last few years on account of government measures.

Pulses production has improved to the level of **230 lakh tonne since 2016-17 from 160-180 lakh tonnes level. However, the production is still short of the annual demand of 250 lakh tonne.**

[1778 dal mills to import 2.50 lakh tonnes of urad from Myanmar by March 31](#)

Earlier, the government had allowed import of 1.50 lakh tonnes, which was increased by another 2.50 lakh tonnes on December 19, 2019. The government has kept import of pulses open for only dal millers, who are the actual users of unprocessed pulses. The mills were asked to apply with the quantity they wanted to import till December 30.

Economic Times, January 20, 2020

Pune: The Directorate General of Foreign Trade (DGFT) today **allocated quota to the dal processing mills for import of 2.50 lakh tonnes of urad dal before March 31, 2020. Indian government has allowed total urad import of 4 lakh tonnes during 2019-20.**

Earlier, the government had allowed import of **1.50 lakh tonnes, which was increased by another 2.50 lakh tonnes** on December 19, 2019. **The government has kept import of pulses open for only dal millers, who are the actual users of unprocessed pulses.** The mills were asked to apply with the quantity they wanted to import till December 30. DGFT received total **1819 applications of which 1778 were approved.** "We had requested the government to give equal quota to all the dal mills and the minister accepted our demand," said Suresh Agrawal, president, All India Dal Millers Association.

Thus, **each mill received an import quota of 139 tonnes each.** The imports have to land in the country before March 31. Industry sources say that currently, urad is available only in Myanmar. The spot price of urad in Myanmar is about \$810/quintal. India had to resort to import of urad as delayed in onset of rainfall, followed by excess and continuous rainfall during harvest period led to fall in production. The industry had been demanding additional import of 2.50 lakh since past 4 months. "It was not possible for the pulses processing units to run smoothly due to shortage of domestic crop," said Agrawal.

[Malaysia to buy more Indian sugar to resolve palm oil spat: Sources](#)

MSM Malaysia Holdings Berhad will buy 130,000 tonnes of raw sugar from India worth 200 million ringgit (\$49.20 million) in the first quarter, the company told Reuters. The company bought around 88,000 tonnes of raw sugar from India in 2019.

Economic Times, January 23, 2020

KUALA LUMPUR: Malaysia's top sugar refiner said it **will increase purchases of the commodity from India, which according to two sources is part of efforts to placate New Delhi** amid an ongoing spat over palm oil imports.

MSM Malaysia Holdings Berhad will buy 130,000 tonnes of raw sugar from India worth 200 million ringgit (\$49.20 million) in the first quarter, the company told Reuters. The company bought around 88,000 tonnes of raw sugar from India in 2019.

MSM is the sugar refining arm of the world's largest palm oil producer, FGV Holdings, which is an unit of Malaysian state-owned Federal Land Development Authority or Felda.

The company **did not cite the palm oil dispute as a reason for the increase in purchases,** but the two sources, who are familiar with discussions between the company and the government on the purchase, said it was a bid **to appease India, which has been urging Malaysia to reduce the trade deficit between the countries.**

India, the world's largest edible oil buyer, this month effectively halted Malaysian palm oil imports apparently in retaliation to Malaysian Prime Minister Mahathir Mohamad's comments criticising New Delhi over its policy on Kashmir.

India has been the biggest buyer of Malaysian palm oil for five years.

Malaysia's exports to India were worth \$10.8 billion in the fiscal year that ended on March 31, **while imports totalled \$6.4 billion.**

India is the world's biggest sugar producer and the country's exports have climbed because of a surplus and are expected to rise to a record 5 million tonnes for the 2019/20 season.

Malaysia imported 1.95 million tonnes of raw sugar in 2019, according to data from the International Sugar Organization on Refinitiv Eikon.

[Indonesia to increase imports from India amid New Delhi-Malaysia spat: Sources](#)

Indonesia, the world's biggest palm oil producer and exporter, is expected to be the biggest beneficiary of India's row with Malaysia. Indonesian crude palm oil has sold at a premium to Malaysian oil since India this month placed curbs on imports of refined palm oil.

Economic Times, January 24, 2020

KUALA LUMPUR/NEW DELHI: **Indonesia has agreed to immediately increase imports of Indian buffalo meat, sugar and auto parts after India boosted purchases of Indonesian palm oil amid a spat with rival supplier Malaysia**, two Indian government sources with direct knowledge of the matter told Reuters on Friday.

Indonesia and Malaysia account for 85% of the world's palm oil output while India is the biggest buyer of edible oil. India has effectively halted imports of refined palm oil from Malaysia since early January in retaliation for Malaysia's accusation that recent Indian policies discriminate against Muslims.

India is a Hindu-majority country while Malaysia is mainly Muslim.

Indonesia, the world's biggest palm oil producer and exporter, is expected to be the biggest beneficiary of India's row with Malaysia. Indonesian crude palm oil has sold at a premium to Malaysian oil since India this month placed curbs on imports of refined palm oil.

The trade ministers of India and Indonesia, which want to more than double their bilateral trade to \$50 billion by 2025, met in Davos on Thursday and agreed to fast-forward trade between them, one of the informed sources said.

"This is a goal we agreed upon earlier, now the process accelerates," said the Indian source. Both declined to be named as they were not authorised to talk to the media.

"Starting now, they have promised that they will buy a lot more meat, a lot more sugar and autos/autoparts. Palm oil imports from Indonesia will increase and there are many areas where we will export more."

The sources declined to give figures.

An Indian government document, reviewed by Reuters, said that **Indonesia had "informally agreed" to double the annual quota for Indian bovine meat exports to 200,000 tonnes.**

Indian-Indonesian trade was worth \$21.2 billion in the last fiscal year that ended in March, \$15.84 billion of which comprised Indian purchases.

Indonesian Trade Minister Agus Suparmanto will visit India next month to hold further talks on enhancing trade, according to one of the Indian government sources.

A spokeswoman for Indonesia's trade ministry had no immediate comment. An Indian trade ministry spokeswoman did not immediately reply to a request for comment.

Indonesia imported 94,500 tonnes of Indian buffalo meat worth \$323 million in the 2018/19 fiscal year. It is the third biggest buyer of Indian buffalo meat after Vietnam and Malaysia.

Indonesia, however, bought only 555 tonnes of sugar from India last fiscal year.

"They have now changed some of their norms to let more Indian sugar come in," said one of the sources. "In other areas, there's an ongoing process of discussion on easing regulations or standards, or increasing quotas in these areas."

Malaysia's top sugar refiner told Reuters on Thursday that it would increase purchases of sugar from India, a move that two sources in Malaysia said was part of efforts to placate New Delhi amid the palm spat.

[US pushes India to buy \\$5-6 billion more farm goods to seal trade deal: Report](#)

US wants India to buy another \$5-6 bn worth of poultry and farm goods for reinstatement of GSP benefits.

Economic Times, January 25, 2020

The United States wants India **to buy at least another \$5-6 billion worth of American poultry and farm goods** if New Delhi wants to win reinstatement of a key U.S. trade concession, four sources familiar with the talks told Reuters.

U.S. President Donald Trump cited trade barriers last year when removing India from its Generalized System of Preferences (GSP) programme that allowed zero tariffs on \$5.6 billion of exports to the United States. In retaliation, India slapped higher tariffs on more than two dozens U.S. products.

Ahead of a Trump visit to New Delhi to meet Prime Minister Narendra Modi next month, negotiators on both sides are hammering out terms for a trade deal that would include **New Delhi rolling back higher tariffs on some farm goods such as almonds, walnuts and apples**, one of the sources said.

Both governments had hoped to work out a limited trade deal last year, but struggled to reach an agreement.

India's commerce ministry and the U.S. Embassy in New Delhi did not respond to a request for comment. The office of the U.S. Trade Representative did not immediately respond outside regular business hours.

While India has offered a partial relief on medical device price caps that have hurt American pharma giants and a roll back in tariffs on some U.S. goods, Trump's team wants a sweetener of \$5-6 billion in additional trade for U.S. goods to restore GSP privileges, three of the sources said.

That demand was conveyed by the United States to India in late December, said two sources.

As part of the negotiation, **the U.S. wants India to increase imports of frozen poultry products**, the first source said. The U.S. has already been pushing India to cut the high import taxes on poultry products.

"**The deal has to be agriculture focused, the U.S. is putting a number on everything** (if India wants GSP back)," said one of the sources.

The sources asked not to be named due to the sensitivity of the discussions.

Other than the agriculture sector, the United States could be swayed if some of that additional revenue goes to its energy sector, said one of the sources.

Indian oil minister Dharmendra Pradhan this week said India was looking forward to extending its energy cooperation with the United States and other countries, but didn't disclose any planned deals.

Trump is likely to visit India in late February, in what would be his first visit to the South Asian nation since he took office three years ago.

[Ahead of Trump visit: India and US set to finalise \\$10-billion trade deal in February](#)
The deal will be signed during Trump's visit to India, and is a precursor to a FTA between the two nations.

Economic Times, January 29, 2020

NEW DELHI: **India and the US are likely to finalise a mega trade deal pegged above \$10 billion** (more than Rs 71,000 crore) next month when United States Trade Representative (USTR) Robert Lighthizer visits New Delhi.

The deal, whose legal vetting is underway, will be signed during US President Donald Trump's visit to India, and is a precursor to a free trade agreement between the two nations, officials in the know of the plans said.

Lighthizer and commerce and industry minister Piyush Goyal are likely to meet in the second week of February to finalise the terms of the deal. Trump is expected to be in India during February 24-25, his first visit here as head of state.

There were meetings on the planned deal in Davos during the World Economic Forum. A six-member team from the US administration was in Delhi over the weekend, meeting Goyal and the relevant line ministries to discuss the contours of the proposed pact.

Goyal had met Lighthizer in the US last year.

'Medical Devices Issue Resolved'

"It is a fairly large deal," said an official aware of the details. The issue of medical devices, which was a key obstacle in the trade talks between the two countries, is resolved, the official added.

India and the US have been entangled in a series of trade spats across various sectors. The deal could touch upon Washington's demand of doing away with duty on American information and communication technology goods along with market access for its dairy products and duty cuts on Harley-Davidson motorcycles. **The US is also keen to sell more almonds to India. New Delhi, on the other hand, had sought market access to its fruits including grapes.**

"We expect the full deal to be signed this time and the longer-term idea is an FTA," the official added.

India also wants restoration of benefits under the Generalized System of Preferences (GSP).

Under the GSP, certain products can enter the American market duty-free if the beneficiary developing country meets the eligibility criteria established by US Congress. The benefits to India were withdrawn from June 5, 2019, after the US dairy and medical devices industries alleged that Indian trade barriers affected their exports.

In 2018, India exported goods worth \$6.3 billion (as per USTR figures) to the US under the GSP, accounting for around 12.1% of India's total export to the US.

The average duty concession accruing on account of GSP was almost \$240 million in 2018. "We want GSP as it spreads across sectors, from textiles to agriculture, and we want access for our goods in the American market," the official said.

Goyal had earlier told ET that any imported product which had got animal feed into the food chain was a redline for India if it was not properly marketed as a non-vegetarian, because of the religious sensitivities around it. Opening up access to certain agricultural products where India is self-sufficient and wants to protect the farming community is another such issue, the minister had said.

"There are always certain issues where one takes extra precautions and ensures that it doesn't affect the Indian ecosystem, but usually in a trade deal, there are no complete no-nos. One can always work around and find sustainable solutions which can be acceptable to all parties," he had said.

Lighthizer is coming first to close the deal and he will come again with Trump to announce it, officials said.

The two sides have been engaged in talks to **iron out the differences which began in 2018, when the US levied global additional tariffs of 25% and 10% on the import of steel and aluminium products, respectively. India responded by levying retaliatory tariffs on 28 products originating or exported from the US with effect from June 16, 2019, for which Washington dragged it to the World Trade Organization.**

India's exports to the US in the April-November period of fiscal 2020 totalled \$35.6 billion, compared with imports of \$25.1 billion. In the whole of fiscal 2018-19, exports were \$52.4 billion and imports, \$35.5 billion.

[GM Trade War back on front burner as Trump comes to India](#)

US companies which lead the global market on GM-based animal feed — mainly distillers dried grain with solubles have made a beeline for the Indian market. But they have not got the green signal from the government. Demand on Indian front is rising with increase in livestock population after the push on cow protection and new shelters for stray cattle.

Economic Times, January 29, 2020

New Delhi: **Genetically modified animal feed is set to emerge as a new flashpoint in India's trade talks with the United States, especially after China just allowed its import under the recently concluded trade deal.**

With US President Donald Trump slated to visit India next month, the issue is likely to be on the front burner.

This is no small business. **The Indian market is estimated to reach Rs 9,000 cr by 2024. Demand is only rising with the increase in livestock population—more so after the push on cow protection and new shelters for stray cattle.**

On the supply end, Centre's animal husbandry department noted in a May 2019 countrywide advisory that the **area under fodder cultivation is about 4% of the cropping area, and has remained so for the past four decades.**

So, **US companies which lead the global market on GM-based animal feed — mainly distillers dried grain with solubles (DDGS) —** have made a beeline for the Indian market. But they **have not got the green signal** from the government.

The problem is India is less economic, but more political. Anything **genetically modified is politically controversial** and opposed by the RSS-affiliate Swadeshi Jagran Manch. Civil society groups, including Coalition for GM-Free India and Alliance for Sustainable and Holistic Agriculture (ASHA), are equally vociferous in their opposition.

As a result, the **matter has not moved beyond the Genetic Engineering Appraisal Committee (GEAC)**, the apex regulator, for three years despite experts opining favourably.

ET has reliably gathered that the latest GEAC expert committee report - submitted in November 2019 on the subject has backed import of such feed. The expert committee chaired by Lalitha Gowda- former Chief a **scientist at Central Food Technological Research Institute, Mysore-** is **learnt to have taken the view that are no biosafety concerns involved here** as seen through recent studies and experiences in other countries.

The GEAC, which is part of the Environment Ministry's remit, has again sought more inputs on the proposed guidelines for import of DDGS based feed, as per the recently approved minutes of its November 11, 2019 meeting.

Those familiar with the issue told ET that the matter even came up at a recent meeting chaired by the Prime Minister, where import of GM products for animal feed was taken up in the context of trade talks with the US.

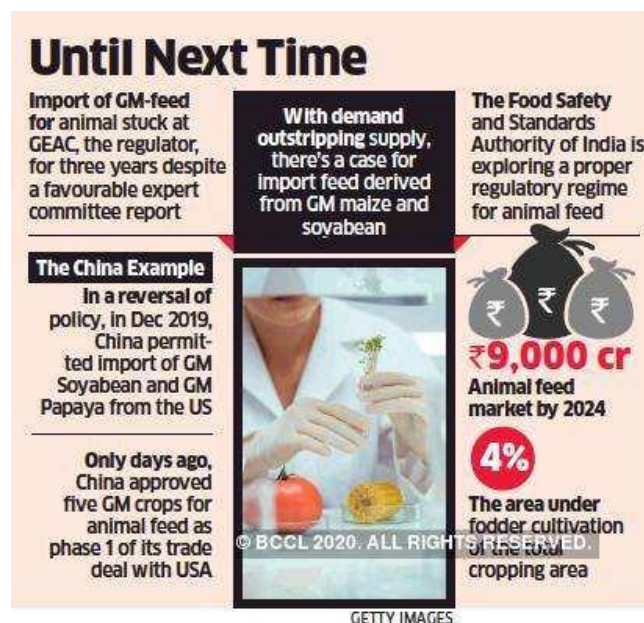
While the Animal Husbandry department is said to have opposed import of GM-based animal feed, the Food Safety and Standards Authority of India (FSSAI) is working on a proper regulatory regime for animal feed to address the policy vacuum.

"There is no final decision on the matter. We are examining the proposed guidelines...inputs have been sought", a senior official from the Ministry of Environment and Forests told ET.

Meanwhile, **with demand outstripping supply, price of domestic corn has shot up, which has strengthened the case for import such feed derived from GM maize and soyabean.**

As of now, **regular corn is being imported from Ukraine, but its cheaper GM version from the US is not permitted for fear that it will travel into the food chain and could have adverse health impact.**

These arguments were made by China in 2013 but it has now changed position. In December 2019, China permitted import of GM soyabean and GM papaya from the US. Only days ago, China approved five GM crops for animal feed as phase 1 of its trade deal with the US.



[Indo-UK collaboration in agri sector to expand](#)

Business Line, January 24, 2020

As part of the Transforming India's Green Revolution and Empowerment for Sustainable Food Supplies (TIGR2ESS) programme, a fellowship programme will soon be rolled out jointly by India's Department of Biotechnology (DBT) and the National Institute of Plant Genome Research (NIPGR), according to Howard Griffiths, Principal Investigator for the TIGR2ESS program and the University of Cambridge's advocate in Cambridge-India relations. This will further strengthen agriculture research in the country.

The fellowship will facilitate 30 Indian researchers to undertake work at crop science universities in the UK for two years, he announced at the four-day, General Assembly of TIGR2ESS, a UK-India research programme launched in 2018.

Around a hundred scientists from 20 research institutes and varied disciplines, who gathered at ICRISAT from January 20, to discuss an India-UK joint research program, called for more interdisciplinary research to make Indian agriculture sustainable in a changing world and to ensure food security.

Rajeev Gupta, co-lead in one of the flagship projects said, the multidisciplinary approach of TIGR2ESS is crucial for India's Green Revolution to reach the next level. "Screening of several hundred lines of sorghum and pearl millet for water use efficiency is among the many areas where the project has made progress since its inception," Gupta, a Principal Scientist at ICRISAT who oversees genomics and crop trait discovery, said.

"India is among the top producers of dairy, rice, wheat and pulses. It has seen around 2 per cent productivity gains in crops like pearl millet, owing to hybridisation and the private sector. In Africa, productivity is either stable or declining. Why are we lagging so far in Africa?" asked Peter Carberry, Director General, ICRISAT, while emphasising on the need for transferring the learnings and successes from the program to sub-Saharan Africa.

The program seeks to address four key research questions: (1) **What should an Evergreen Revolution deliver?** (2) **Can crop productivity increase, whilst maintaining yield stability?** (3) **Can water supplies be shared to match community demand?**, and (4) **How can we best engage and educate for local community well-being?**

These questions are being answered by six distinct, but fully integrated, flagship projects which rely on research collaborations, exchanges and women empowerment.

To strengthen collaboration between India and the UK's scientific institutions and to build research capacity, over 50 early career researchers, from both within and beyond TIGR2ESS, are receiving training in key research skills —from writing research grant applications to deep learning with artificial intelligence during the Assembly.