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Press Review

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Indian Agriculture and Food Industry

Export ban, stock limit pull wholesale onion prices to under Rs 30 per kg at Lasalgaon

Onion prices have been on the rise since August

Business Line, October 3, 2019

Onion prices declined below Rs 30 per kg at Lasalgaon in Maharashtra, Asia's largest wholesale market for the bulb crop, **after the Government banned export and imposed stock limit on traders.**

The maximum wholesale rate of onion at Lasalgaon in Nasik district has declined from the peak of Rs 51 per kg during mid-September, according to data maintained by the National Horticultural Research and Development Foundation (NHRDF).

Lasalgaon mandi sets the price trend for onion across the country. Any fluctuation in this market reflects in onion prices in other parts of the country.

The average wholesale price of onion was Rs 26 per kg on Thursday at the Lasalgaon Agriculture Produce Market Committee, while the maximum rate was Rs 30.20 per kg and minimum rate Rs 15 per kg.

Onion prices have been on the **rise since August, as floods in key growing states**, Maharashtra and Karnataka, disrupted supplies. The **likely fall in area sown to kharif onion** further put pressure on prices.

Stored onion from the rabi crop of last year is now being sold in the market. The fresh kharif crop is expected to hit the market from November onwards.

Onions prices at Rs 60-70 per kg

Since onion has been a **politically sensitive crop**, the Government has **taken several measures** to boost the supply in the domestic market and contain price rise in retail markets. Lately, onion prices shot up to Rs 60-70 per kg in the national capital and other parts of the country.

To give relief to consumers in Delhi and NCR, cooperatives National Agricultural Cooperative Marketing Federation of India (Nafed), National Cooperative Consumers' Federation (NCCF), as well as State-run Mother Dairy are selling the buffer onion at a cheaper rate of Rs 23.90 per kg.

Other state Governments have also been offered buffer stock onion maintained by the central Government.

Last week, the Government banned the export of onion and imposed stock limit on traders.

Government struggling to find space for fresh rice stock

Data from the FCI shows the combined stock of rice and wheat at more than 71 million tonnes.

The Economic Times, October 3, 2019

NEW DELHI: The government is **struggling to find storage space for expected rice stocks before procurement season starts this month**, as granaries are overflowing and there is no plan to reduce stock.

"Storage is a big problem for us," said a senior food ministry official, who did not wish to be identified. "Most of the procurement for the central pool happens in Punjab and Haryana, where **godowns are brimming with grain**. Since rice needs covered storage, unlike wheat that can be kept in makeshift plinth storage, **there is a need to liquidate old stock to create space.**"

Data from the Food Corporation of India (FCI), the agency that buys grains for the central pool for public distribution and other welfare schemes, shows the **combined stock of rice and wheat at more than 71 million tonnes (mt), apart from 8 mt of unmilled paddy – the highest for August. This is almost three times the minimum stock needed to run welfare schemes.**

National storage capacity is around 88 mt — 75 mt covered and 13 mt covered area plinth (CAP). "Around 75% of wheat procured from Punjab is stocked under CAP, which is partly exposed to rains and weather.

This time, more wheat will be exposed to rains as we expect heavy procurement,” said the official.

The liquidation of stock has become even more important as the **cost of storage for FCI is increasing** year by year. **“FCI spent Rs 3,610 crore for foodgrain storage in 2017-18, which went up to Rs 4,358 crore in 2018-19. Cost is estimated to go up to Rs 5,201 crore in 2019-20.** It makes sense to liquidate stock for some welfare programmes,” said another official.

In April, open auctions were launched for millers and biscuit manufacturers to dispose of 10 mt wheat and 5 mt rice from FCI godowns.

Cotton crop in peril in Maharashtra on increasing whiteflies attacks

Business Line, October 8, 2019

The cotton crop in Maharashtra is facing **whiteflies attacks** and if enough attention is not provided by the State Government then the **problem could aggravate and cause significant economic damage**, senior Maharashtra Government officials told BusinessLine.

Changes in weather and **higher moisture content in the air coupled with the use of synthetic Pyrethroids for killing pink bollworms has lead to the ingress of whiteflies**, such pesticides act as a booster for the flies. The cotton shrubs also become vulnerable to attacks by whiteflies if farmers mix different pesticides and spray the cocktail on the shrubs,

The problem could soon reach an economic threshold (ET), defined as the insects' population-level at which the value of the crop destroyed exceeds the cost of controlling the pest. ET is an indicator for initiating preventive measures. In Punjab, whiteflies have already destroyed large areas of cotton crop in the last four years, the officials said.

When whiteflies attack a cotton shrub, it leads to the curling of leaves, reduces plant vigour by affecting photosynthesis and lint gets contaminated with secretions from the flies. It also makes the shrub vulnerable to fungal attacks and leaf curl virus disease. The flies suck the sap from the cotton shrub's phloem or living tissue that transports food made in the leaves through photosynthesis to other parts.

The officials said that the attacks have been detected in all major cotton grown areas of Vidarbha including Pandharkawda in the Yavatmal district. The extent of damage is still being assessed. The whiteflies attacks have been detected in Maharashtra in the last five years but this time it is more virulent, which could cross ET.

In areas where an excess amount of insecticides have been used, whiteflies attacks have been stronger.

At the local level, farmers are being sensitized to avoid spraying of synthetic Pyrethroids, use of less harmful methods such as sticky traps, which are hard paper consisting of a sticky glue layer mounted on a piece of cardboard. These cardboards are tied to the shrubs on which the flies get attracted due to its yellow colour and their wings get immobilised, which eventually kills them, the officials said.

After onion, tomato price soar to Rs 80/kg in Delhi

According to traders, tomatoes have turned costlier in the last few days as supplies have been impacted.

The Economic Times, October 9, 2019

NEW DELHI: After onions, **retail price of tomatoes shot up to Rs 80 per kilogram in the national capital** on Wednesday due to **supply disruption** caused by heavy rains in key growing states, including Karnataka.

However, the price of onions has come down marginally compared to past week and is now hovering around Rs 60 per kg in the national capital.

According to traders, tomatoes have turned costlier in the last few days as supplies have been impacted.

At Mother Dairy's Safal outlets, tomatoes are being sold at Rs 58 per kg, while local vendors are selling between Rs 60 and 80 per kg on Wednesday, depending on the quality and locality, they said.

As per the central government data, **the average retail price of tomato in Delhi increased to Rs 54 per kg on Wednesday from Rs 45 per kg on October 1.**

"Tomato prices have increased sharply in the last few days as the supply has been affected because of floods and heavy rains in the key growing states," a wholesale trader at Azadpur Mandi told.

Southern states like Karnataka and Telangana as well as some hilly states have witnessed rains in the last few days, which has led to damage of the crop, creating a supply disruption, he added.

Retail price of tomatoes in other metros were also ruling high. Tomato was quoted at Rs 60 per kg in Kolkata, Rs 54 per kg in Mumbai and Rs 40 per kg in Chennai on Wednesday, as per the government data.

Meanwhile, price of onions in retail markets in Delhi has come down to below Rs 60 per kg due to increase in supply of the bulb by the central government through cooperatives Nafed, NCCF and Mother Dairy. These cooperatives are selling onions at a cheaper rate of Rs 23.90 per kg.

However, the price is still on the higher side in the retail market.

These entities are selling onions from the buffer stock maintained by the central government. Out of 56,700 tonnes of onion stored as buffer stock, 18,000 tonnes have been offloaded in different markets, including Delhi.

Boost egg consumption, handle sustainability issues: IEC Chief

Push poultry sector to increase output and improve efficiency, says Suresh Chitturi, the first Asian to head a global egg industry

Business Line, October 11, 2019

An average Japanese eats 340 eggs per year. The Chinese consume 300 eggs per capita. What's your guess on the per capita consumption of an Indian?

According to estimates, **the per capita consumption is around 70 eggs per year, with a total production of about 84 billion eggs.** The Indian Council of Medical Research (ICMR) **recommends at least 180 eggs per head per annum.**

While the adage "An apple a day keeps the doctor away" was popularised to promote health, attempts are on to encourage consumption of "An egg a day for good health and nutrition".

Taking into account the nutritional value of having an egg and the growth of the poultry industry, **Suresh Rayudu Chitturi, the newly-elected Chairman of the International Egg Commission (IEC), wants to give a big push for the growth of the sector,** keeping in mind the global environmental and sustainability issues.

Top priorities

In an interaction with BusinessLine, Suresh Chitturi, who took over the post in Copenhagen recently, said his top three priorities would be, one, to **expand the IEC membership from the present 80 nations** so that more poultry farmers, especially in the developing countries, can participate. Two, to **create a comprehensive database on the nutritional value of eggs** with an intent to increase its consumption in poor nations and, three, **address the environment and sustainability issues, especially biosecurity.**

Suresh Chitturi, currently, Vice-Chairman and Managing Director of Srinivasa Farms is not only the first Indian, but **the first Asian, to head the London-headquartered IEC**, which was formed in 1964. **It brings together egg producers, processors and related industry players** on one platform.

Exhaustive study

The IEC will soon form two scientific panels with representatives from the best universities in the world to undertake an exhaustive study on the benefits of eggs and the environmental aspects, related to production and sustainability. Efforts will be initiated to work more closely with the WHO and medical fraternity to highlight the nutritional value of eggs and to enable poultry industry bodies to deal with the rational use of antibiotics, anti-microbials, vaccines etc, he added.

It's important to realise that Japan, China and India drive the global egg industry, and Asia produces two-thirds of the world production. The Indian poultry sector, estimated to be about ₹30,000 crore, is growing at a healthy pace too and will soon be the second largest after China.

In the Indian context, the IEC Chief said: “the **focus should be on promoting consumption of eggs in children, pregnant mothers and boost the overall per capita consumption**. This will require some innovative thinking in terms of including eggs in a variety of snacks and in midday meals”.

As the Indian poultry industry grows, its emphasis should be on increasing production, improving efficiencies and ensuring bio-security concerns.

Better feed, reducing usage of antibiotics, ethical practices in production units, controlled houses and many more such initiatives need to be put in place, Suresh Chitturi feels.

Government Policies and Initiatives

Sustainable agri report aimed at policy reorientation and action plan

Food and Beverage News, October 3, 2019

Policy reorientation and making an accelerated action plan for achieving sustainable agriculture for improved livelihood of smallholder farmers as well as addressing the issues of poverty, hunger and malnutrition that continue to prevail in India, despite various agricultural revolutions (Green, Blue, White, etc.) over the past few decades, were the objectives of a new report on Policies and Action Plan for Secure and Sustainable Agriculture.

It was presented by a committee, chaired by R S Paroda, and tasked with the aforementioned objectives, to K Vijayraghavan, principal scientific advisor to the Government of India.

The report highlighted **how adoption and scaling of new technologies and innovations through an enabling policy environment, with inclusiveness of all stakeholders, can accelerate agricultural growth.**

It spelled out a clear strategy and road map that can lead India to achieve sustainable, innovative and profitable farming approaches to remove the triple burden of poverty, hunger and malnutrition, while ensuring conservation of natural resources, as enshrined in the agenda of Sustainable Development Goals (SDGs).

The report had some **transformative suggestions** that encompass policy, institutions, infrastructure, market, science, technology and innovations, which together **contribute directly or indirectly to agricultural output**, and thereby, the gross domestic product (GDP) of the country.

More importantly, it has **kept farmers in the centrestage**, while suggesting reforms that would address their distress and enhance income as well as well-being.

Some **key institutional reforms recommended** included **review of existing agricultural policies** and forming a **new policy on agricultural development and farmers' welfare to meet emerging challenges**; needed **reorientation of on-going missions/national programmes**, including urgency for **initiating some new missions**; **strengthening of ICAR/SAUs/KVKs/PRIs** with urgency for doubling current public funding for research; the **establishment of a new National Agricultural Development and Farmers' Welfare Council (NAD&FWC)** under the chairmanship of the Prime Minister to ensure effective coordination and convergence so critical for agriculture, being a state subject; **establishing farmers' welfare commissions both at the Central and state level**; an independent strategic planning, monitoring, and evaluation unit expanding the mandate of KVKs as Knowledge-Skill-Innovation Centres and to facilitate the **establishment of agri-clinics**, and finally the

empowerment and motivation of women and youth to remain in agriculture and become important game-changers.

The report also suggested needed **policy reforms to increase capital investment in agriculture** (both public and private); increase in **credit access to the farmers and young entrepreneurs** at low interest rate (four per cent), and **creation of more financial institutions** such as Kisan Banks, **provision of pledged warehouses, availability of farm machinery on custom hire basis** etc.

The committee has strongly recommended that henceforth, **the subsidies in agriculture be rationalised as incentives for good agronomic practices through direct benefit transfer (DBT) mechanism**.

It is recommended to convert existing subsidies as incentives for both farming efficiency and environmental services at Rs 10,000 per acre per annum up to a maximum of 10 acre (four hectare) per farming family.

It is also recommended that the **farmers be henceforth paid minimum support price (MSP) at 1.5 times of cost C2 and the procurement be extended to all important agricultural commodities**.

Also, there is a need to **enhance markets intensity in rural areas** and ensure **market linkages through e-NAM** requiring the uniform adoption of the Agriculture Produce and Livestock Marketing (APLM) Act and the Contract Farming Act by various states.

Further, the Mandi tax has also to be rationalised at about 5-7 per cent only. The Essential Commodities Act (ECA) and Agricultural Produce Marketing Committee (APMC) Act also need to be reviewed for their relevance in the present context when we want one national market for e-NAM (electronic National Agriculture Market) and for global exports.

The concerns of the seed industry with regard to implementation and harmonisation of Biological Diversity Act and Protection of Plant Varieties and Farmers Rights Act (PVP&FRA), unresolved issues relating to access and benefit sharing (ABS) for use of genetic resources, besides intellectual property (IP) protection on innovation such as genetic modification (GM), genome editing, etc., pricing policy on seeds and the **long-awaited revision of the Seed Act need to be addressed on priority**.

Corporate social responsibility (CSR) will now be linked to efficient technology dissemination through active involvement of youth (including women) as technology/extension agents, input and/or service providers and for the establishment of agri-clinics involving young entrepreneurs. **Export-import (EXIM) policy needs to be made long-term and foresight-oriented**, for which APEDA needs to be strengthened.

The Seed Bill, the Pesticide Management Bill, the Biotechnology Regulatory Authority of India (BRAI) Bill, and other important Bills/Acts relating to agriculture and rural development need to be cleared by Parliament on priority.

National Policies on Biotechnology, Livestock Breeding, and Land Utilisation should be considered for quick decision and implementation by all the states concerned.

Finally, it is the committee's resolve that the growth of agriculture sector can be accelerated to help achieve SDGs much faster provided the recommendations given in the report are implemented through both a missionary zeal and as a package by the Government.

Govt proposes up to 7% increase in MSP for Rabi crops

The development comes ahead of the assembly election in the food bowl state of Haryana.

The Economic Times, October 9, 2019

The agriculture ministry has **proposed a 5-7% increase in minimum support price (MSP) of rabi**, or winter-sown, crops to improve the lot of farmers, a development that comes **ahead of the assembly election** in the food bowl state of **Haryana**. Punjab and Haryana together **contribute around 70% wheat** to the central pool, which is used to run public distribution and other welfare schemes.

The ministry has proposed raising of wheat procurement price by **4.6% to Rs 1,925 per quintal from last year's Rs 1,840**. This is likely to put an **additional burden of around Rs 3,000 crore on the government's Rs 1.84 lakh crore food subsidy bill**. The cabinet is **likely to take a decision soon as the winter sowing begins from November**.

The ministry has proposed a **5.3% increase in the mustard MSP**, which will take the existing floor price of Rs 4,200 a quintal to Rs 4,425, and a higher increase of 5.9% in the MSP of barley. It has proposed the **highest increase of 7.26% in the MSP of masur (lentils), to Rs 4,800 a quintal**.

The **Commission for Agricultural Costs and Prices (CACP)**, which recommends MSP for major crops, **takes into consideration the overall cost of production**. Prime Minister Narendra Modi has assured farmers MSP at 150% of the input cost.

"The **proposals are under consultation with related ministries like food before being sent to the cabinet for approval**. Normally, CACP's recommendations are accepted fully. The prices will soon be notified," said a senior agriculture department official, who did not wish to be identified.

The government has been promoting cultivation of pulses and oilseeds over foodgrains for the past few years. There has been record production of foodgrains with each successive year, leaving the government granaries overflowing. With more than 71 million tonnes of foodgrains in stock, the government aims to augment the production of edible oil to reduce the import bill, which has swelled to around Rs 80,000 crore. **"A significant rise is proposed in mustard and safflower to encourage farmers to shift from wheat to oilseeds**. Among coarse cereals, barley too got a boost," said another official.

Proposed MSP for Rabi Crops			
(2019-20)			
Crops	Existing MSP	Proposed MSP	% Hike
(in Rs/quintal)			
Wheat	1,840	1,925	4.61
Barley	1,440	1,525	5.9
Mustard	4,200	4,425	5.35
Masur	4,475	4,800	7.26
Safflower	4,945	5,215	5.4

Government may set up Rs 6,000 crore fund for farmer bodies

Plans to train, ensure easy credit and provide support to 10,000 farmer producer organisations.

The Economic Times, October 11, 2019

NEW DELHI: The government is **planning to set up a Rs 6,660 crore fund to nurture 10,000 farmer producer organisations (FPOs) across the country over the next five years**, a promise made by finance minister Nirmala Sitharaman in the budget.

These FPOs — organised groups of small and marginal farmers — will help farmers **improve income through better market access and collective bargaining power**.

"This will completely be a **centrally sponsored programme**. We have got the go-ahead from the agriculture minister," a senior agriculture ministry official told ET on condition of anonymity. "Now, the proposal is being vetted by the Department of Expenditure before it is sent to cabinet for approval."

Under this programme, the agriculture ministry will **fund, handhold, train, ensure easy credit availability and provide other support to these FPOs to make them viable**. The government will also provide them with **technological interventions for better output** and they will be able to have **access to shared affordable resources**.

As per the proposal, every FPO should have a minimum of 500 member-farmers on board with central government having a sizeable equity. "The **main challenge before FPOs is availability of credit as banks don't give them loan owing to unsecured returns**," said the official. "With government's equity, **FPOs will be able to have an easy access to credit** backed by sovereign guarantee. This will help FPOs expand their operations."

These FPOs will run as a business unit and the profit generated would be shared between the member-farmers. Like a corporate body, these FPOs would also have capacity-building programmes to enhance their

competitiveness in the market.

“We would be working closely with state governments, Nabard and staterun Small Farmers Agri-Business Consortium (SFAC), which has been mandated to provide FPOs an ecosystem for sustainable and viable growth,” said another official.

FSSAI to review packaging regulations to accommodate eco-friendly materials

Food and Beverage News, October 14, 2019

The Food Safety and Standards Authority of India (FSSAI) will **review its packaging regulations to accommodate more environment-friendly materials**. This will **help the companies to look for materials which can be substitute to single-use plastic**, according to FSSAI.

Although, the government, for the moment, has decided to put a hold on the issue of banning single-use plastic considering its impact on overall economy and employment, the FSSAI seems to be ready to meet the challenges that such a ban will bring forth.

In this regard, Pawan Agarwal, CEO, FSSAI, stated, **“Plastics are most widely used in the food and beverages sector and therefore food businesses have greater responsibility in managing plastic waste.”**

He, however, pointed towards the role of the FSSAI in the whole process and added that the apex food regulator would help the companies to migrate to alternatives of single-use plastic.

Agarwal stated, “FSSAI was thus far concerned only about safety of packaging material, now FSSAI would also focus on sustainability of food packaging. It would review all its regulations, particularly packaging regulations and view them with sustainability lens. It would also promote reduction in use of plastics in food packaging, find suitable alternatives and ensure that plastic used is recycled and businesses participate in collection and recycling of plastics.”

Meanwhile, **according to FSSAI, 22 of the top food companies including multinational companies committed themselves to effectively manage plastic waste** in their operations and reduce their plastic footprint in the coming years. They signed a voluntary pledge in this regard.

Further, **FSSAI has kick-started a campaign for safer and sustainable food packaging**. There are materials, which could be considered, like glass, bamboo, compostable plastic, however, according to sources, FSSAI would look into the possibility of allowing such materials for the purpose of food packaging only after ascertaining their food safety.

It is pertinent to mention here that since Prime Minister Narendra Modi called for a ban on single-use plastic, the government was expected to announce a ban on the same.

It was also reported earlier that the Department of Consumer Affairs had already started talks with the industry in this regards while the Central Pollution Control Board had finalised the list of the items to be banned.

International Trade and Cooperation

The \$7B UAE-India food corridor started in lieu to food security

Agro and Food Processing, October 4, 2019

In line with the National Food Security Strategy 2051, the UAE has been investing in developing food security. **In 2018, there were talks about the potential investments from the UAE into India in the food sector, expanding to agricultural produce as well as logistics for storage and transport.**

UAE entities have expressed their **interest to invest up to US\$5 billion in mega food parks, logistics and warehouse hubs, fruits and vegetable hubs in various Indian cities, which would create 200,000 jobs across India.**

Piyush Goyal, Indian Minister of Railways and Minister of Commerce and Industry and Emaar has been on the forefront of this potential investment. In a statement to WAM, they said, “Emaar Group is coordinating with the Government of India in respect of the investment relating to food security in the UAE. The investment will be made by other UAE entities, the details of which will be declared at a later.

Piyush Goyal, who was recently on an official visit to the UAE, also revealed that **Emaar Group is coordinating with other entities to invest up to \$5 billion in mega food parks and similar facilities in various Indian cities, as well as \$2 billion in contract farming, sourcing of agro commodities and related infrastructure.**

The proposed mega food park projects are in various cities, such as Kutch in the western state of Gujarat, and Aurangabad that falls under the western state of Maharashtra. Projects also include another food park in Pawarkhedha (Madhya Pradesh), fruits and vegetables hub in Nashik (Maharashtra), logistics and warehouse hub in Itarsi (Madhya Pradesh), and another warehousing hub in Bhiwandi (Maharashtra). The possibility of eight food parks is currently being evaluated, revealed Goyal.

India has a large agriculture industry, which is one of the primary occupation for many of its citizens living in the countryside. The sector counts for 50% of the country’s employment while adding 18% to its GDP. However, the conditions for farmers have been challenging.

Moreover, India grows more food than its citizen’s needs, and imports much of it. Even then, 30 percent of its food goes to **waste owing to lack of infrastructure. The investment from the UAE can help change this.** Lesser food waste is key to food security.

In addition, the **UAE can benefit from lower food prices from India** while adding to its food security.

This \$7 billion investment could also be highly advantageous in strengthening the logistics and trade sector in the UAE. The **more sources of food that the UAE has, the better it will be able to cater to the demands of its population.** The food and beverage industry also stands to benefit on multiple fronts.

Food security is one of the key pillars of UAE’s vision. In November 2018, the National Strategy for Food Security was presented during the UAE Government’s second Annual Meetings. The strategy’s goals focused on “facilitating the global food trade, diversifying food import sources identifying alternative supply schemes, and covering three to five sources for each major food category.”

Coffee exports set to fall for second year on lower output

Exporters focus on retaining Europe sales

Business Line, October 05, 2019

India’s coffee exports in calendar 2019 are seen heading for a **decline for the second successive year** as the availability of beans for shipments has dwindled **due to lower output during the 2018-19 crop year ending September.**

As a result, **exporters have slowed down their efforts chasing new orders** to push Indian beans overseas amidst the **fear of losing markets in Europe**, a major destination for Indian coffee, to large producers such as Vietnam.

In calendar 2019, till October 3, **coffee shipments from India, including re-exports, stood at 2.90 lakh tonnes, marginally higher than the corresponding last year's 2.89 lakh tonnes.**

The marginal increase was on account of **higher re-exports**, which stood at **70,201 tonnes as against 68,637 tonnes** in the same period last year.

Shipments of **India-grown beans** were **marginally higher** at 2.20 lakh tonnes as compared to 2.19 lakh tonnes in the same period last year.

"There's not much coffee left for exports. There won't be many shipments in the October quarter and we may end up a few percentage points down over last year," said Ramesh Rajah, President, The Coffee Exporters Association.

In 2018, India's coffee shipments stood at 3.5 lakh tonnes, down from the record 3.78 lakh tonnes in 2017. Shipments during the fourth quarter of 2018 stood at 63,217 tonnes.

Downward trend

(India's coffee exports)

Year	Quantity (tonnes)	Value (\$ million)
2019 (Jan1-Oct 3)	2,90,537	657.62
2018	3,50,194	851.07
2017	3,78,988	938.7
2016	3,48,417	798.17
2015	2,98,100	794.01
2014	2,89,005	804.16

Source: Coffee Board

Rajah attributed the limited availability of coffees for shipment during the October quarter mainly to the bad crop last year. Output during the 2018-19 coffee year ending September stood at 3.19 lakh tonnes, per the Coffee Board's post-monsoon estimate.

"We don't expect October-December to be a good quarter due to lower availability. Exporters are also not keen to push because we are not sure of supplies," Rajah said. However, the exporters are concerned about losing markets to large producers such as Vietnam.

"Vietnam is waiting for getting into India's markets, mainly in Europe. If India is not able to cater to that market we may lose that market," he said.

Further, shipments may revive from January, once the new crop arrives. India's coffee crop for 2019-20 is seen lower than the previous year's 3.19 lakh tonnes as erratic weather patterns have impacted output. However, there's no clarity on the crop size as both the Coffee Board and the trade are yet to come out with the crop estimates. **Erratic blossom showers at the beginning of the year coupled with unusual high temperatures that resulted in increased infestation of white stem borer have impacted the crop. Also the incessant monsoon has resulted in berries dropping, which would result in lower output.** "Two continuous years of bad weather and the prevailing low prices are not very encouraging for the coffee sector," Rajah added.

India to expand cotton assistance programme to 5 more African nations in 2nd phase
India remains committed to building on its longstanding development partnership with Africa, especially in the field of cotton, said Smriti Irani.

The Economic Times, October 7, 2019

NEW DELHI: India will **cover five more African countries in the second phase of its cotton technical assistance programme (TAP)** for the region, Union minister Smriti Irani said on Monday. India implemented a technical assistance programme (TAP) for cotton in six African countries, namely **Benin, Burkina Faso, Chad, Malawi, Nigeria and Uganda, from 2012 to 2018.**

"In the five year long second phase, the programme will be scaled up in size and coverage and will be introduced in **five additional countries, namely Mali, Ghana, Togo, Zambia and Tanzania.** The Cotton TAP programme will now cover 11 African countries including the C4 (Benin, Burkina Faso, Chad and Mali)," an official statement said.

India remains committed to building on its longstanding development partnership with Africa, especially in the field of cotton, Union Textiles Minister Smriti Irani said at the opening session of World Cotton Day in Geneva.

As **one of the world's largest producers and consumers of cotton, India** supports the World Cotton Day as an opportunity to recognise the significance of cotton as a global commodity, and, more importantly, as a source of livelihood for millions of small and marginal farmers in developing countries, said Irani.

Irani further said that India is also engaging meaningfully in **providing assistance** to strengthen both the agriculture and textile part of the cotton value chain in Africa **through training and capacity-building of farmers, scientists, government officials and industry representatives and through the creation of cotton-related infrastructure.**

She said that it is fitting that Mahatma Gandhi has been chosen as the icon for the World Cotton Day and to mark the celebration of the first World Cotton Day, India will gift a replica of Mahatma Gandhi's Charkha to the WTO.

The Textiles Minister also informed that cotton farming and the domestic cotton textile industry continue to be important pillars of India's economy.

As a country of **8 million small and marginal cotton farmers, India is sensitive to the challenges faced** by the cotton sector in developing countries and India has been a proponent for the elimination of asymmetries and imbalances in the WTO agreements that lead to a distortion of global cotton markets, the Minister added.

Irani expressed hope that the World Cotton Day will help showcase innovative initiatives in the cotton eco-system and channel more development assistance for cotton.

[Govt asks dal millers to import pulses by Oct 31, industry seeks time till year-end](#)

According to industry data, of the 4,00,000 tonnes quota for tur, 1,36,000 tonnes have already been imported.

The Economic Times, October 12, 2019

NEW DELHI: The government has asked dal millers to import pulses by October 31 **to ensure availability and keep a check on the domestic prices**, but the industry has sought time until the end of the year saying **high global prices have delayed signing of contracts.**

On Friday, director general of foreign trade Alok Vardhan Chaturvedi met representatives of several millers' associations to discuss timely import up till the allocated quota for pulses, including tur, moong and urad.

The meeting comes at a time when pulses' prices are firm on reports that rains in Madhya Pradesh, Rajasthan and Maharashtra are expected to reduce output, millers and importers said.

"We will be able to import 1,50,000 tonnes each of moong and urad by October 31. However, it will be a bit **difficult to import tur in that time.** We have asked the government to **extend the deadline to import tur or re-allocate additional quota of 1,00,000 tonnes,**" said Suresh Aggarwal, president of the Indore-based All India Dal Mill Association.

According to industry data, **of the 4,00,000 tonnes quota for tur, 1,36,000 tonnes have already been imported.** Moong and urad imports have been close to 60,000 tonnes, with some ships on way, importers said. Heavy rain has delayed harvest of urad and moong which could reduce supply, said Pradeep Jindal, convenor for north India, Indian Pulses and Grain Association. He said **imports were required because tur harvest would begin only by December.**

Processors said **poor production of tur in Malawi, Mozambique and Kenya has raised prices and delayed contracts.** "It will take **45 days for the ships to arrive at Indian ports from Africa.** An extension to import will help ease the availability in the domestic market," said an importer.

The government has allowed import of 4,00,000 tonnes of tur this year.

[India sets quality standards for global potato trade](#)

The standard guidelines cover all the commercial varieties of potatoes, considering shape, skin colour and flesh colour.

The Economic Times, October 12, 2019

NEW DELHI: Quality standards proposed by India will apply to global trade in potatoes. **The Codex Alimentarius Commission**, an international food standards body established jointly by the Food and Agriculture organization and the World Health Organization, **has approved these standards** at a session in Mexico.

India's Agriculture commissioner, SK Malhotra, who chaired the global working group for development of standards for potato, told ET over the phone from Mexico that **standard and quality guidelines for potato would contribute to the safety, quality and fairness of this international food trade.**

"Apart from protecting health of consumers from substandard food products, these standards are recognised as the reference food standards in any WTO dispute settlement under various agreements," he said.

The standard guidelines **cover all the commercial varieties of potatoes, considering shape, skin colour and flesh colour.**

"The shape varies from spherical to ovoid and oblong, elongated; the skin colour from white through yellow to tan and the flesh colour from white to yellow to blue. The provisions concerning quality, sizing, minimum requirements and tolerances allowed in each class have been elaborated in standards," Malhotra said.

Globally, **380 million tonnes of potato is produced in more than 100 countries and 50% of this is consumed fresh.** The tuber is important for food security for millions of people across South America, Africa, Europe and Asia.

India produced about 53 million tonnes of potatoes during 2018-19. The country exports around 3.5 lakh tonnes of potatoes a year, earning Rs 350-400 crore.

Enterprises

Syngenta opens agri research centre in AP

Business Line, October 2, 2019

Syngenta, an agricultural company, has **set up an innovations and learning centre** at Bhimadolu village near Eluru, the district headquarters town of **West Godavari, in Andhra Pradesh** on Tuesday.

Erik Fyrwald, the CEO of the company on a two-day visit to the country, said providing food to the rising population of India and the world was a huge challenge and further it should be done in a sustainable manner, without harming the environment. Syngenta was addressing the problem and **providing innovative solutions to farmers. Reducing chemical pesticide and fertiliser use**, without bringing down the output, was another challenge and the company had largely succeeded in the endeavour.

A **seed care institute would be set up at Bhimadolu** and it would **provide customised solutions** to the farmers. Dr. K.C Ravi, Chief Officer, Syngenta India, said the company would also **focus on women engaged in agricultural activities**. The company had chosen Andhra Pradesh as it was one of the leading agricultural states in India.

India is a big talent market for us, says Cargill's new Asia-Pac chief Marcel Smits

Recently, Cargill completed an investment of around \$80 million in India

Business Line, October 11, 2019

Global commodity major Cargill has said it would **invest \$160 million over the next three years** to augment its operations in India. This would be **in addition to the \$80 million** that the Minnesota-based private food and agricultural behemoth has **already invested** in the last two years.

"India is a **regionally important country** for us. It has the second-highest investment in the Asia Pacific region, after China. We **have invested half a billion dollars in India already**, which is **about 1 per cent of the**

company's total investment," said Marcel Smits, Cargill's Chairman and CEO the Asia-Pacific region, who was on a recent visit to India.

Smits, who took up the top job in Asia last year, was in India last week to review the performance of its operations in India as well as meet key government functionaries, including Minister for Food Processing Industries Harsimrat Kaur Badal and NITI Aayog Vice-Chairman Rajiv Kumar.

"We are happy with the progress we are making in India. The country is doing well. Your growth numbers are very impressive with the government pushing through a lot of reforms," Smits told *BusinessLine*.

Recently, Cargill completed an investment of around \$80 million in India. Of this, **\$20 million is being spent on an animal feed facility coming up in Kota in Rajasthan and \$10 million on an aqua feed plant near Kakinada in Andhra Pradesh, in addition to \$10 million invested in a state-of-the-art maize silo built in Davangere, Karnataka.** The company said it would spend an **additional \$160 million over the next three years for fresh acquisitions and expanding business** in India.

The US food and agricultural major sent out clear signals that the Asia-Pacific region is becoming very important in its scheme of things when Smits was moved to Singapore to take care of the region last year. "Smits is the first member of the Cargill Global executive leadership to move to Asia," said Simon George, President, Cargill India, who was also present at the meeting.

Investments in Asia have doubled in last 15 years: Smits

According to Smits, **Cargill's investments in Asia have doubled in the last 15 years and the region now accounts of 15 per cent of global assets.** In comparison, the US has 40 per cent, Europe 25 per cent and Latin America 15 per cent of Cargill's investments. He indicated that Cargill cannot ignore Asia, as the region is soon expected to account for 40 per cent global GDP and more than 60 per cent of global growth is projected to come from Asia.

Smits, who was Cargill's Chief Financial Officer before taking up the current position in December last year, said he was particularly impressed with the talent pool that Cargill has in India.

"India is an important talent market for us. Five years ago we had just 100 employees in our centre in Bengaluru, but now the **Cargill Business Service Centre has over 2,500 knowledge workers who specialise in a range of areas including IT, human resources, logistics and procurement.** This is the largest knowledge worker concentration we have anywhere in the world," he said.

Recently, Cargill's Bengaluru centre developed an app called MiApp for market intelligence. The app which helps customers analyse commodity prices on daily basis is already a hit in Europe. "Even the Cargill Board is very appreciative of the work coming from the centre," Smits said.

He said Cargill is in the process of becoming a truly global operation. As part of this, in Asia, Cargill is adopting business models that are vastly different from those deployed in the US or Europe. "The mindset has long been that our products that have been successful in the US and Europe can be taken to Asia. But in practice, **what we see is that we can accelerate our success rate only if we allow more "Asianisation" of our business,**" he said.

Focusing more on India, George said Cargill registered double digit growth in every sphere of business it is in India — edible oil, animal feed and starch and sweeteners — in the first quarter which has just gone by. Cargill follows June to May year globally. He said the company has procured six lakh tonnes from Indian farmers in 13 commodities in the previous financial year.

India may be the second-largest agro producer in the world, but reports say its conversion to food processing is a poor 6 per cent, against China's 24 per cent, 69 per cent by the US and 71 per cent by the Philippines, he said. "The ability to improve the food processing conversion ratio gives a big boost to farmers from the market perspective," George said.