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Agri products worth ₹ lakh cr ruined every year due to lack of infrastructure: Modi

PTIWooing young honchos Prime Minister Narendra Modi addressing young CEOs during the ‘Champions of Change’ initiative organised by the NITI Aayog, in New Delhi, on Tuesday

PM urges young CEOs to partner with govt for various welfare initiatives

Prime Minister Narendra Modi said the Centre wants to move towards making India a less-cash society and to achieve this he asked young CEOs to partner with the government to build momentum.

He was addressing young CEOs under the ‘Champions of Change - Transforming India through G2B partnership’ initiative, organised by NITI Aayog here on Tuesday.

The bulk of Modi’s address was focussed towards doubling farmers’ income. Giving examples of value addition in agriculture, Modi said a multi-pronged approach is essential for achieving desired objectives such as doubling of agriculture income.

Emphasising on the importance of food processing, the Prime Minister said lack of infrastructure is leading to huge losses in the agriculture sector. “Agri products worth ₹1 lakh crore are annually ruined due to insufficient infrastructure in the agricultural sector…This is a huge opportunity for financial institutions and real estate players to focus on.”

Modi said: “Reasons for an agrarian-driven economy like India to import timber need to be addressed. A policy can be made to allow farmers to grow and sell timber on the edges of their fields. This is one of the options being considered in the government to cut imports and aid farmers.”

Doubling income is not possible without thinking of animal husbandry, poultry and fisheries, he added.

Modi also proposed extending the oil for food scheme to more countries in West Asia. He said, “Countries in the West Asia are scare in water and agro-products. Can it be possible to study the agrarian demands of these countries and help domestic farmers grow and export these products? It will be a win-win situation if we can assure the nutritional requirements of West Asian countries and they can assure our energy requirements.”

A similar scheme has been in place between India and Iran. It was instituted when US sanctions on Iran had cast a shadow on crude oil and natural gas trade between the countries.

India will host a global event for the food processing sector in November, the Prime Minister said.

Six groups of young CEOs made presentations before the PM on themes such as Make in India; Doubling Farmers’ Income; World Class Infrastructure; Cities of Tomorrow; Reforming the Financial Sector; and New India by 2022.

The Prime Minister said people’s participation is an important element of governance. He said the attempt at CEOs partnership with the government is aimed at enhancing their participation in the welfare of the people and the nation.

(This article was published on August 22, 2017)

Organic exports face testing times from redundant norms

Daniel AckerJumping through hoops: The organic products are tested in multiple laboratories, which involves time and cost s,and is an example of why India has a low rank in the ease of doing business

Repeat testing by various bodies is driving up costs:ICRIER report

Exporters of organic products face a tough time getting their products tested in the country as the presence of multiple export control bodies has narrowed the choice of laboratories for them and also increased costs due to multiple-testing requirements, according to a recent study by a Delhi-based think tank.

While there are 112 laboratories accredited by the National Accreditation Board for Testing and Calibration Laboratories (NABL) that are also approved by the Food Safety and Standards Authority of India (FSSAI), less than one-fifth are approved by export control bodies such as the Agricultural and Processed Food Products Export Development Authority(APEDA), Export Inspection Council, BIS and Tea Board, a report by the Indian Council for Research on International Economic Relations (ICRIER) on organic farming in India pointed out. The report will be released on Wednesday.

Hassles all the way

“Since all export control bodies want the testing laboratories to register with them, it is a hassle for the laboratories, which have to spend a lot of time and money getting multiple registrations done,” said Arpita Mukherjee from ICRIER.

APEDA, which regulates fruits and vegetables and has been implementing product traceability for products such as peanuts since last December, has just 14 laboratories listed as being competent to carry out sampling and testing of organic products against 112 laboratories accredited by NABL and FSSAI.

Of these, the Export Inspection Council (EIC) of India, the nodal agency for export control of food products such as pepper, milk and basmati rice, recognises just eight laboratories, while 13 laboratories are recognised by the BIS and seven laboratories are recognised by the Tea Board.

“If food items are accredited by both the NABL and the FSSAI, all aspects of testing and food safety are covered and there should be no need for further tests. Allowing export control bodies to insist on separate registrations is what is making life difficult for exporters and should be done away with,” Mukherjee said.

No export testing

The report pointed out that it was ironic that while 98 laboratories approved by NABL and FSSAI were eligible to test for organic product imports or items sold in the domestic market, they cannot test products for export.

Redundant testing

For exporters of certain items, including spices such as turmeric, the consignments have to be tested not just in an APEDA approved laboratory but also in a Spices Board of India-approved quality evaluation laboratory, despite the fact that organic is free from chemicals and/or additives, which should have come up in the APEDA approved laboratory test report itself.

“The product is being tested in multiple laboratories, which involves time, effort and cost and is an example demonstrating why India has a low rank in the ease of doing business,” the report stated.

In 2016-17, export of organic products from India was valued at $370 million, which was about 17.5 per cent higher than the previous year. In 2015-16, some of India’s top markets were the EU, the US, Canada, Korea and Australia.

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anada opens doors to Indian banana, mango, pomegranate

Canada has opened its markets to Indian fruits and vegetables such as banana, mango, pomegranate, custard apple and okra (bhendi).

The Agricultural & Processed Foods Exports Development Authority (APEDA), in an advisory to exporters here, conveyed Canada's decision on opening its doors to Indian vegetables and fruits, asking them to tap the North American market.

The shipments will be subject to general phyto-sanitary import requirement and inspection by the Canadian Food Inspection Agency.

The decision could help revive India's sagging agri and processed food exports to Canada, which came down to ₹838 crore in 2016-17 from around ₹1,046 crore in 2014-15. Fresh vegetable exports to Canada account for ₹36 crore, while fresh fruit shipments, including grapes, stood at ₹13.7 crore in 2016-17.

Big potential

Apeda Chairman DK Singh said the Canadian market holds potential for Indian mangoes and pomegranate arils (seed pod). Considering that India is exporting mangoes to the US, exporters could easily tap the neighbouring Canadian market, he said.

Though Canada is an important market, the distance between the two countries has resulted in higher freight charges, especially air freight, for exporters, Singh said.

There is a need to develop sea-freight protocols between the two countries and Apeda proposes to work with R&D centres and labs in this regard.

India’s agri and processed-food exports rose by around 7 per cent in the April-June quarter to ₹28,320 crore over the corresponding year-ago quarter’s ₹26,525 crore.

(This article was published on August 22, 2017)

Survey estimates 6.4% drop in soyabean acreage for kharif 2017

In its first survey on soyabean crop for kharif season 2017, the Soyabean Processors' Association of India (SOPA) has reported a 6.4 per cent decline in the area under soyabean at 102.6 lakh hectares against 109.7 lakh hectares last year.

During the period from August 14 to 20, 2017, two teams of SOPA officials had conducted an extensive field survey in 42 major soyabean growing districts of three states Madhya Pradesh (23), Maharashtra (13) and Rajasthan (6), to assess the factors such as shift in area, crop condition and expected productivity.

Re-sowing in some areas

In its observations, SOPA noted that even if the monsoon arrived on time and the sowing of soyabean was done during June 10 to July 20, 2017, there were some instances of re-sowing in some areas because of an extended dry spell.

"Overall condition of the soyabean crop in most of the areas is normal. In some parts of Madhya Pradesh and Maharashtra, where light soil exists, soybean crop has already been damaged due to moisture stress, which may affect the overall productivity adversely in these areas," SOPA said in a statement.

While states such as Maharashtra and Rajasthan reported no change in acreage, extended dry spell led to pests and insects attack in some districts of Madhya Pradesh. However, no threat to crop by weeds was seen.

SOPA further commented that the recent spell of rains over the past couple of days will help save the crop from further loss in yield.

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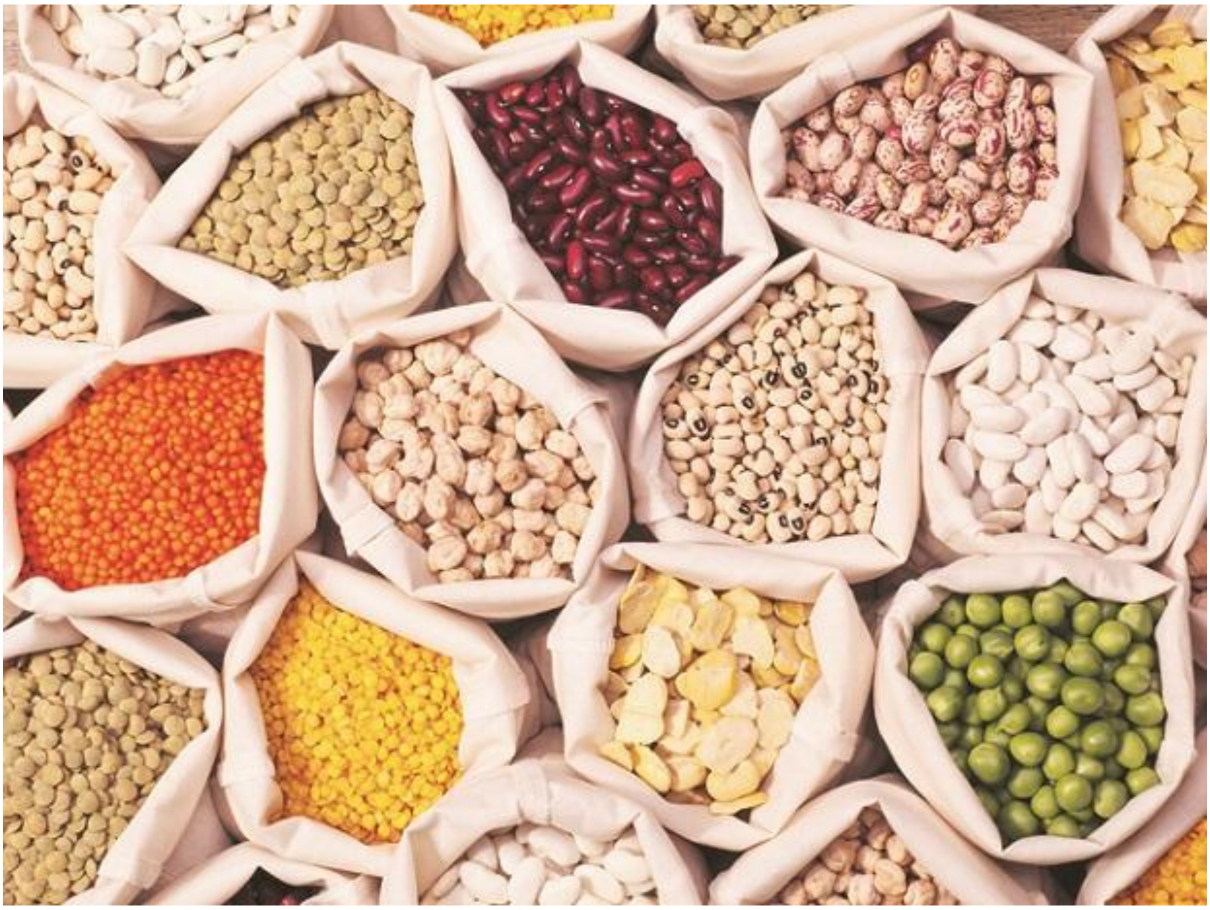
Business Standard

Pulses get dearer on import curbs

Due to a record high crop last year, govt procured nearly 2 mn tonnes of pulses at MSP from farmers



Import restrictions on tur, urad and moong before the harvesting season seem to be working as their prices have started climbing up from below their minimum support prices.

Prices of tur, urad and moong have climbed 5-10 per cent in August in the Navi Mumbai wholesale market. According to government data, the prices have still not crossed the MSPs in some *mandis*.

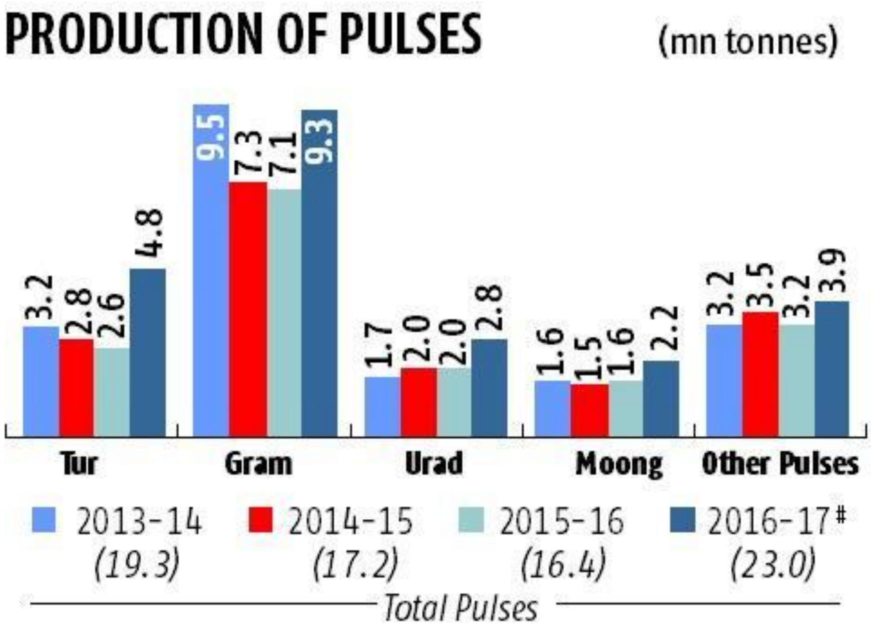
Prices of whole tur and moong rose by Rs 200-300 per quintal after Monday evening's announcement to Rs 4,800 and Rs 5,000, respectively. Whole tur prices are still little below their MSP. Tur prices corrected in the international market in August from $400 per tonne to $300 per tonne as Indian demand waned after the restriction on imports. In the last few weeks most pulses are down 10-15 per cent in the international market. On August 5, the government put tur in the list of restricted commodities, capping its import in 2017-18 at 200,000 tonnes. Yesterday, the Directorate General of Foreign Trade issued a notification putting urad and moong in the restricted list, capping their imports at 300,000 tonnes. The restrictions do not apply to the government's import commitments under bilateral or regional trade agreements.

"Tur imports since April have almost exhausted their quota, while half the quota for moong and urad imports has been utilised," said an importer. Imports of lentils, chana and rajma are expected to continue. The price of chana, a major rabi crop, is comfortably above the MSP and hence does not pose a serious concern for farmers.

After tur imports were restricted traders were expecting similar restrictions on urad and moong. Prices of tur went up consistently in August and following Monday's announcement moong and urad prices have also shot up in spot markets. Importers said this was the first time the government had restricted tur imports since 1977. According to the India Pulses and Grains Association (IPGA), pulses imports were 5.7 million tonnes in 2015-16 and 5.4 million tonnes in the first three quarters of 2016-17. In January-March 2017, the industry estimates 600,000 tonnes of pulses were imported. "Following the restrictions, imports of pulses could fall by 15 per cent," said Pravin Dongre, Chairman, IPGA.

He added the move to restrict imports was timely because the harvesting season for kharif pulses was approaching and the government could not afford prices remaining below MSP.

Farmers have increased acreage under pulses from 10.74 million hectares to 11.49 hectares in this season although the area under tur has declined. Due to a record high crop last year, the government procured nearly 2 million tonnes of pulses at MSP from farmers. "There has to be consistency in policy. Myanmar and some African nations grow pulses to feed Indian demand. If they reduce pulses acreage, India will not have enough imports in a crisis," said Bimal Kothari, vice-chairman, IPGA.



"Restricting imports is the right step. It meets WTO norms while ensuring India achieves self-sufficiency in pulses," pointed out Devendra Vora, partner, Friendship Broking.

Dongre said prices would stay firm and farmers would receive better realisations a month from now.