ACFI NEWSLETTER

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Fertiliser, power woes: Congress raises issue with administration

FP NEWS SERVICE
Mahidpur

State Congress committee members on Friday held a met with sub divisional officer and asked him to ensure availability of fertilizers in adequate quantity and supply of adequate electricity to the farmers, here in Mahidpur town in Ujjain district.

Under the leadership of Ranchod Trivedi and Block Congress Committee Jharda President Vikram Singh Sisodia, the Block Congress Committee Mahidpur along with Panchayat members and General Secretary of State Congress Committee, Ranchod Trivedi, Block Congress Committee Mahidpur held a meeting with sub-divisional officer KC Thakur, here in Mahidpur. The party leaders also handed over a demand letter to the officer on Friday.

Members in the demand letter urged to ensure availability of fertilizers in adequate quantity and supply of adequate power to the farmers in the Mahidpur Constituency. As sowing of Rabi crops is underway, the farmers are facing a shortage of fertilizers. They said on Friday that the shortage of fertilisers was a persistent issue in the district. It is not just the power shortage that farmers have been reeling under, but the shortage of urea fertilisers has also adversely affected farmers in the area. Farmers remain in long queues outside office of cooperative societies from dawn to dusk, but it is an uphill task to get fertilisers.

Zila Panchayat members Ranchor Dwivedi, Block Congress Committee President Bharat Sharma, Jharda Block Congress Committee President Vikram Singh Sisodiya, Block Seva Dal President Laxmi Narayan Rathore, Congress President Sonu Banjara among others were present.

Fertiliser shops inspected in Alot

FP NEWS SERVICE
Alot

SDM Rajesh Kumar Shukla inspected chemical fertilizer shops along with agriculture officials recently.

Inspections are being conducted by administration at the chemical fertilizer shops to ensure that chemical fertilizers are available in sufficient quantity in time for the farmers. Alot SDM along with agriculture officer staff inspected the chemical fertilizer shops in Tal Nagar on Thursday.

After conducting the necessary investigation, a report will be prepared and sent to the district magistrate Ratlam, according to whose guidelines necessary action will be taken at the shops.

Sub-divisional officer revenue Rajesh Kumar Shukla, assistant agriculture officer

Chandrawat reached the chemical fertilizer shop located in front of the old police station of Tal Nagar and made necessary investigation and necessary action was taken after inspecting the godowns.

Information about the fertilizer bags found in the trolley was also collected from the driver present on the spot.

Amid shortage fears, govt forms team on fertiliser delivery

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NEW DELHI: The Union government has formed a 'crack team' to ensure priority movement of fertilisers to key food-bowl states as fears of shortage have triggered panic buying of crop nutrients, people familiar with the matter said.

For the first time, a hub-and-spoke model is being implemented to reach supplies from nearly 50 factories and ports to about 1,000 railheads, backed by real time tracking, as farmers scramble for key crop nutrients. The hub-and-spoke model aims at central coordination and management of supplies from a single central point.

Officials are redirecting railway rakes, or wagons, to areas of shortage and are holding a series of meetings with fertiliser firms and their dealers to quicken shipments to Punjab, Rajasthan, Haryana and Uttar Pradesh, the people cited above said.

"We are sure there will be no crisis. The team is monitoring movement and dispatch of fertilisers and coordinating with port authorities and railways to ensure faster movement (of fertilisers)," an official in the fertiliser department said, requesting anonymity.

Additional railway rakes, or train wagons, were being made available to ship fertilisers on a priority basis and at short notice, the official added.

ADDITIONAL RAILWAY RAKES, OR TRAIN WAGONS, WERE BEING MADE AVAILABLE TO SHIP FERTILISERS ON HIGH PRIORITY

Escalating global prices and a supply-chain squeeze have hit the availability of fertilizers, threatening the oncoming winter-sown or rabi farming season. Cultivators have been making beelines for crop nutrients in many districts of states, such as Punjab, where they said some key farm chemicals were selling at higher than label rates.

"I bought two bags for ₹1,400 each against the label price of ₹1,200," said Lakhbir Singh of Nizampura Vegetable Growers Association in Punjab.

Inventories of key crop nutrients, especially DAP (diammonium phosphate) and muriate of potash (MPO), have hit a five-year low, the managing director of one of India's largest crop-nutrient firms said, requesting anonymity.

"Rumours of a shortage have prompted farmers to panic and buy nutrients like DAP in excess quantities," said Amrik Singh, an official of the Punjab agriculture department. DAP is an essential nutrient for the winter-sown wheat.

A sharp increase in international prices, lower production of feedstock or raw materials during the peak pandemic phase and shipping bottlenecks are key reasons for the crisis.

On October 14, the Union government revamped parts of its subsidy regime for fertilisers and crop nutrients to continue providing them at below-market rates, while rolling over special discounts announced for the summer-sown season to the oncoming winter-sown months.

International prices of raw materials for some crop nutrients, such as DAP and 22 grades of P&K fertilisers, have been increasing for over 18 months, trade data showed. Most of these fertilisers have seen a jump of over 50% in prices, forcing the government to expand subsidies.

India offers subsidies to compensate fertiliser companies who sell them at below-market rates. The country imports up to a third of its fertilizers to meet domestic demand. China, the largest producer of DAP, is a key supplier of the nutrient to India.

"Prices have gone through the roof and urea, for instance, is very very expensive to buy. That is the main issue," said KS Raju, chairman of the board at Nagarjuna Fertilizers and Chemicals, a large conglomerate.

● TRADE REBOUNDS

Exports hit record $35.5 bn in Oct

However, imports surge at a faster pace

FE BUREAU
New Delhi, November 1

MERCHANDISE EXPORTS HIT a record $35.5 billion in October, registering a 42.3% rise from a year before and 35.2% from the pre-pandemic (same month in FY20) level. The exports were supported by strong order flow from key markets such as the US and China in the wake of an economic resurgence there and elevated global commodity prices.

But at $55.4 billion, imports surged at a faster pace of 62.5% in October from a year before and 45.8% from the pre-pandemic level. This kept trade deficit at an elevated level of $19.9 billion in October,

Source: Ministry of commerce

although it was lower than the record $22.6 billion witnessed in September, according to the preliminary estimates released by the commerce ministry on Monday.

Of course, domestic demand has been improving in recent months after Covid-induced compression last fiscal. But import bill was greatly inflated by elevated global crude oil prices, which are hovering around 3-year highs, and massive purchases of gold in the build-up to the festival season.

Imports of petroleum products jumped over 141% year-on-year to $14.4 billion, while gold purchases from overseas climbed 104% to $5.1 billion ahead of Dhanteras. Coal imports surged 119% and edible oil imports shot up by 60%. Of course, base effect, too, remained unfavourable.

However, policy-makers may seek comfort in the fact that trade recovery has taken roots, with merchandise exports having exceeded the pre-pandemic level for eight months in a row. Exports between April and October hit a record $232.6 billion, up 54.5% from a year before and 25.5% from the same period in FY20.

Core export (excluding petroleum and gems and jewellery) rose 27.5% in October from a year before and 36.6% higher than the level witnessed in October 2019. Similarly, core import (excluding petroleum and gold) rose 39.3% year-on-year and 30.7% from the pre-pandemic level.

With the sharp rise in September and October, merchandise imports in the first seven months of this fiscal stood at $331.3 billion, up 78.7% from a year ago and 15.3% from the pre-Covid level.

Aditi Nayar, chief economist at ICRA, said: "Non-oil non gold imports surged further to $35.8 billion in October 2021, with a broad-based uptick across various commodity groups reflecting rising commodity prices, the expectation of healthy festive demand and a turnaround in domestic economic activity."

● STALLING DRAGON

THE DISSIPATION OF CHINA'S POWER CRISIS IS UNLIKELY TO FIX THE GLOBAL SUPPLY-CHAIN IMMEDIATELY. THE AFTER-EFFECTS WILL LIKELY LINGER & INPUT PRICES WILL STAY HIGH FOR A WHILE

The great China shock

ABHEEK BARUA

Chief economist, HDFC Bank
Views are personal

THE PROBLEM WITH assessing the impact of the current slowdown in China on global supply chain is the sheer complexity of its links. It is the mother factory of the world with its products, particularly industrial inputs, feeding a mindbogglingly diverse range of shop floors from across the world. Thus, unless China's industrial growth problems, particularly its energy shortage, get resolved soon, the impact on global output could be significant. Prolonged global stagflation is a real risk as the shortage of inputs curbs output while, at the same time, pushing up prices of intermediates as demand outstrips supply. Final goods producers have to choose between accepting a squeeze on margins or passing the cost-spikes on to consumers.

China contributes ~17% global GDP. Its share of the world's total exports rose to 15% in 2020 (as compared to 12% in 2014). Besides, it is the centre of the global value chain, accounting for 19% of global manufacturing exports.

The decade after the Great Financial Crisis saw a trend towards "deglobalisation" of supply chains as countries woke up to the perils of interdependence. The share of imported inputs (excluding those from China) in total exports and total output declined. Take the case of the global chemicals value-chain, where trade intensity (the share of total exports to total output) declined 5.5% between 2007 and 2017. It had risen by 7.8% between 2000 and 2007. For automotives, the fall was 7.9% compared to a rise of 11% in the two corresponding periods.

However, somewhat curiously, China itself "deglobalised", in that it reduced its reliance on foreign inputs for exports. China's import of intermediate goods (as a percentage of its total imports) moderated to 20.3% in 2018 from 24.7% in 2005. However, on the export front, it bucked the trend. China's export of intermediate goods (as percentage of its total exports) rose to 16.7% in 2018 from ~16% in 2007. The share of China's intermediate goods in global GDP rose from 0.26% in 2007 to 0.5% in 2018.

While a comprehensive assessment of the "China supply shock" is difficult, the Grubel-Lloyd index published by UNCTAD gives an idea of the vulnerability of different sectors of the global industrial economy. Chinese manufacturing is essential to several supply chains in the precision instruments, machinery, automotive and communication equipment sector.

One can also attempt to get a broad idea of the impact on different economies, based on their principal imports from China. Overall, the most impacted economies will be the EU, the US, Japan and South Korea, due to their heavy reliance on machinery and electrical equipment, transport equipment, intermediate goods, metals and chemicals from China.

In fact, the impact is already visible on global economic activity. For example, Germany's manufacturing activity (as gauged from the manufacturing PMI) slowed in September 21 amid supply bottlenecks and escalating costs. Japan's PMI marked its slowest pace of expansion since February.

India too has its share of problems. Its reliance on intermediate goods from China is high. It imported $23.3 billion worth of such goods in 2019, ~15% higher as compared to 2010. Auto, appliance makers, consumer durables producers in India could face shortages of raw materials. Around 40% of India's electrical machinery and equipment is imported from China. As per industry estimates, 80-85% of the parts used to manufacture TVs and 65-70% of the parts used to manufacture ACs are sourced from China. Anecdotal evidence suggests that the companies typically maintain inventory for 2-3 months. Hence, the impact could be felt from December onwards (should supply disruptions in China persist).

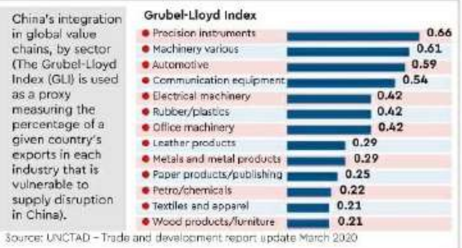
There is the demand side to think of as well. China is India's one of the biggest market for domestic merchandise goods, accounting for around 7% of India's exports in 2020. Exports of commodities like organic chemicals, and ores among others are likely to take a hit should China's slowdown persist.

Moreover, trade is not the only channel that would hurt global supply. The world's exposure to China on technology and capital also increased while China's exposure fell. According to the McKinsey Global Institute, the aggregate global index for trade, technology and capital put together rose to 1.2 in 2017 from 0.6 in 2000 while China's exposure to the world eased to 0.6 in 2017 from 0.9 in 2007.

How long will the supply shock persist? China's power crisis is expected to continue for the next 3-4 months at the least. It has already made clear that power prices will be allowed to rise by as much as 20% from current base levels for commercial use, barring agriculture-linked industries. However, the dissipation of the power crisis is unlikely to fix the global supply-chain immediately. The after-effects are likely to linger and input prices will take a while to moderate.

The effort to contain the impact of the pandemic has, until now, largely focused on the demand side. Policy making now has to reorient itself to handle the supply front. It is not an easy transition to make.

*Co-authored with **Swati Arora**, economist, HDFC Bank*



Source: UNCTAD – Trade and development report update March 2020

India, Israel Explore Expanding Ties in Tech, Agriculture

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New Delhi: Prime Minister Narendra Modi and Israeli Prime Minister Naftali Bennett on Tuesday discussed possibilities of expanding ties in the fields of innovation, technology, space, security, agriculture and food technologies.

The two met on the sidelines of the COP26 climate conference in Glasgow, Scotland, in what was their maiden meeting. Modi invited his Israeli counterpart to visit India.

"Our goal is to continue the wonderful path that you placed with my predecessor, and bring it to a whole new level, so we can ensure that our two nations work together on innovation, technology, space, security, agriculture, food technologies, and of course climate-related technologies," Bennett is understood to have told Modi. "I want to take this opportunity to wish you and your people greetings for the Diwali holiday, and I want to thank you again for the friendship."

Modi, on his part, told Bennett that the people of India deeply value the friendship with Israel. Earlier on Monday, Modi accompanied by foreign minister S Jaishankar, interacted with Bennett in a visibly cordial brief meeting.

In a video tweeted by Modi, the two leaders were seen exchanging pleasantries during their discussion. "Indeed! We shall continue working together for stronger bilateral ties and for a better planet," Modi tweeted on Tuesday.

As per Israeli media reports, Bennett, who became Prime Minister in June this year, is likely to visit India next year.

India and Israel elevated their bilateral relations to a strategic partnership during the historic visit of Prime Minister Modi to Israel in July 2017. Since then, the relationship between the two countries has focused on expanding knowledge-based partnership, which includes collaboration in innovation and research, including boosting the 'Make in India' initiative.

MODI, DEUBA TO WORK TOGETHER ON POST-PANDEMIC RECOVERY

Modi also met his Nepalese counterpart Sher Bahadur Deuba in Glasgow on Tuesday and resolved to work together towards post-pandemic recovery. It was their first meeting since Deuba assumed the PM's office.

Record wheat output likely in rabi season

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TOI/ Photo for representation only

Madhya Pradesh is the second largest wheat producing state

Indore: Adequate soil moisture amid good rainfall in many farming pockets may increase wheat productivity up by over 10% in Madhya Pradesh during the current rabi season, according to the Indian Council of Agricultural Research (ICAR).

ICAR's Indore regional station has estimated yield in wheat to jump to at least 30 quintals per hectare as against 26.3 quintals per hectare last year, pushing production higher this season across the state.

Madhya Pradesh is the second largest wheat producing state in the country with an estimated area of 6.5 million hectares.

Principal scientist and ICAR's Indore head Dr K C Sharma said, "Rainfall was good at most places in MP and it has made the soil conducive for wheat production. There are possibilities of higher production and productivity of wheat this season."

Sharma said, "Wheat productivity is anticipated to be about 30 quintals per hectare or may be higher in the current season".

Early sowing has begun in the key producing areas of the state, while in most parts farmers will begin planting between November 10 and November 15.

The research institute is producing breeder seeds for the newly notified H1 1636 breed variety and H1 8823 durum wheat variety seeds.

Sharma said, "We are producing breeder seeds of two varieties and will provide them to seed producing agencies and progressive farmers in the next year. Some very good genotypes are in the pipeline for release next year."

Wheat, chana and peas are major winter crops of the Indore division. According to the agriculture department, around 20,000 hectares is likely to go under chana and 1.85 lakh hectares under wheat in Indore district. The total area under rabi crops in Indore division is likely to go up to 16.9 lakh hectares, according to official data.

Global food prices soar, raise fears of trade protection

FAO index up at 133.2, the highest since July 2011 on costly cereals, edible oils

SUBRAMANI RA MANCOMBU

Chennai, November 5

Led by continuous strengthening of global prices of vegetable oils and pulses, world food prices have soared to a 10-year high, giving rise to fears of a new wave of trade protection setting in.

The Food and Agriculture Organisation (FAO), an arm of the United Nations, said in a release on Thursday that the FAO Food Prices Index (FFPI) averaged 133.2 points last month, up three per cent from September and 31.3 per cent from October last year.

This is the highest since July 2011.

"After rising for three consecutive months, the FFPI in October stood at its highest level since July 2011," it said.

The FAO Cereal Price Index averaged 137.1 points in October, up 3.2 per cent from September and 22.4 percent over the year-ago period.

"Higher food prices, along with the recent spike in energy costs, are pushing food price inflation up and raising food-security concerns in several developing economies," the World Bank said in its Commodity Markets Outlook.

Mixed FAO price indexes

Year	Food	Meat	Dairy	Cereals	Vegetable oils	Sugar
2017	98	97.7	108	91	101.9	99.1
2018	95.9	94.9	107.3	100.8	87.8	77.4
2019	95.1	100	102.8	96.6	83.2	78.6
2020	98.1	95.5	101.8	103.1	99.4	79.5
2021 Sept	129.2	112.8	118.1	132.8	168.6	121.2
2021 Oct	133.2	112.1	120.7	137.1	184.8	119.1

Base 2014-16 = 100 Source: FAO

Markets outlook

Fitch Solutions Country Risk and Industry Research (FSCRIR), in its note on "Weekly Commodity Strategy" on Friday, said the surge in agricultural and food prices since the beginning of this year could lead to a new wave of trade protectionism and panic buying in the agricultural sector, last seen during the onset of the Covid-19 pandemic in March-April 2020.

FAO said: "International prices of all major cereals increased month-on-month (in October). World wheat prices continued to surge for a fourth consecutive month, rising by a further five per cent in October, to stand 38.3 per cent higher year-on-year, and reaching their highest level since November 2012."

Tighter availability in global markets due to lower harvests in major exporters, especially Canada, the Russian Federation and the US, continued to put upward pressure on prices, it said.

"Reduced global supplies of higher quality wheat, in particular, exacerbated the pressure, with premium grades leading the price rise," the food agency said.

World maize prices also firmed up, supported by gains in energy markets. However, increased seasonal supplies and easing of port disruptions in the US limited the increase in maize values.

"International rice prices also edged up further in October, although the onset of main crop harvests in various Asian suppliers capped the increases," FAO said.

Russian, Chinese curbs

Fitch Solutions pointed out that both China and Russia have introduced policies to curb their exports of fertilisers and/or agricultural crops. "These measures could be extended and/or tightened over the coming months. Argentina may also enact tighter trade policies, as they have previously done so in the past," it said.

In his comments on soaring energy prices, Ayhan Kose, Chief Economist and Director of the World Bank's Prospects Group, said the sharp rebound in commodity prices is turning out to be more pronounced than previously projected. "Recent volatility in prices may complicate policy choices as countries recover from last year's global recession," he warned.

FSCRIR said most other governments were seemingly focusing on subsidising agricultural production and/or key inputs for now.

"But, we note that there is a sizeable risk that they (will) turn to more restrictive trade practises in the near future if food prices remain elevated," it said.

The World Bank said this year prices of some commodities increased to or exceeded levels not seen since the spike of 2011.

It said the risk of greater agricultural protectionism is higher in emerging markets (EMs) than developed markets, as consumers in EMs spend a greater proportion of their incomes on food products.

Direct impact

Also, there is more of a direct impact between agricultural and food prices due to fewer intermediaries involved throughout the supply chain. Some countries, such as Russia and Argentina, are well known for enacting restrictive trade policies, whereas the US is not.

Referring to the Chinese curb on export of fertilisers from September this year, Fitch Solutions, a unit of the Fitch Group, said it impacted rice production in Thailand and Vietnam, where the respective governments have asked farmers to cut fertiliser application by 50 per cent.

It said India, which was the top export destination for Chinese fertiliser last year, has warned its growers not to hoard fertilisers.

China has also asked its households to stop up essentials in case of emergencies, leading to panic purchases.

COP26 CLIMATE SUMMIT

India signs up sustainable agriculture action agenda

PTI ■ LONDON

India is among 27 countries to sign up to a sustainable agriculture action agenda at the conclusion of the first week of the COP26 climate summit in Glasgow, laying out new commitments to make farming more sustainable and less polluting.

The 'Sustainable Agriculture Policy Action Agenda for the Transition to Sustainable Agriculture and Global Action Agenda for Innovation in Agriculture' was among the highlight action pledges to be clinched by the participating countries at the 26th Conference of Parties (COP26) of the United Nations Framework Convention on Climate Change (UNFCCC) on Saturday.

The countries laid out new commitments to change their agricultural policies to become more sustainable and less polluting, and to invest in the science needed for sustainable agriculture and for protecting food supplies against climate change.

"If we are to limit global warming and keep the goal of 1.5 degree Celsius alive, then the world needs to use land sustainably and put protection and restoration of nature at the heart of all we do," said Alok Sharma, the Indian-origin UK Cabinet minister, in his role as the President of COP26.

"The commitments being made today show that nature and land use is being recognised as essential to meeting the Paris Agreement goals, and will contribute to addressing the twin crises of climate change and biodiversity loss. Meanwhile, as we look ahead to negotiations in week two of COP, I urge all parties to come to the table with the constructive compromises and ambitions needed," he said.

Others besides India to sign up to the action plan include Australia, Uganda, Madagascar, Tanzania, Vietnam, Nigeria, Lesotho, Laos, Indonesia, Guinea, Ghana, Germany, Philippines, Ethiopia, UK, Colombia, Costa Rica, Morocco, Netherlands, New Zealand, Nigeria, Philippines, Sierra Leone, Spain, Switzerland and the UAE.

The announcement follows Ocean Action Day on Friday of over 10 new countries signing up to the "30by30" target to protect 30 per cent of the world's ocean by 2030. These include India, Bahrain, Jamaica, St Lucia, Sri Lanka, Saudi Arabia, India, Qatar, Samoa, Tonga, Gambia and Georgia, with the target now supported by over 100 countries.

Among other developments from week one of the COP26 climate summit, the World Bank will commit to spending USD 25 billion in climate finance annually to 2025 through its Climate Action Plan, including a focus on agriculture and food systems.

The conclusion of the first week, which opened with the World Leaders' Summit attended by Prime Minister Narendra Modi, was marked by a massive protest march by environmental activists in Glasgow on Saturday.

Swedish activist Greta Thunberg joined thousands at the "Global Day of Action for Climate Justice" march, the biggest so far during the COP26 summit which took place alongside hundreds of similar events around the world.

After a brief break on Sunday, the climate talks will resume on Monday and conclude at the end of the summit next Friday.

At 188 lakh tonnes, Punjab procures 4% less paddy, yet second highest ever

ANJU AGNIHOTRI CHABA
JALANDHAR NOVEMBER 15

PUNJAB HAS procured 4 per cent less paddy this year compared to last year, with the current figure at around 188 lakh tonnes. The kharif season had also seen around 5 per cent less area under paddy (non-basmati) this year compared to 2020.

This, however, is still the state's second highest procurement overall after one of the highest per-hectare yield ever, according to the Punjab Agriculture Department's Crop Cutting Experiments (CCEs) across 23 districts of the state.

Total 187.86 lakh tonnes of paddy arrived in Punjab's mandis this year for government purchase on MSP until November 14. Last year, 203 lakh tonnes of paddy - the highest ever - was procured when there was an all-time high area under paddy.

The Punjab government had estimated procuring 190 lakh tonnes paddy this season.

As per FCI records 162.54 lakh tonnes (LT) was procured in 2019-20, 169.36 LT in 2018-19, 176.9 LT in 2017-18, and 165.15 LT in 2016-17.

Around 54 per cent paddy arrived from seven of 23 districts of Punjab, with Sangrur district topping the list (20.19 lakh tonnes paddy procured), followed by Ludhiana and Patiala, where 17.58 lakh tonnes and 14.53 lakh tonnes, respectively, was procured. This was followed by Bathinda (13.11 LT), Moga (12.81 LT), Ferozepur (12.19 LT) and Jalandhar (10.77 LT).

This year, according to the Punjab Agriculture department, 30.66 lakh hectares area was under rice, including 26.05 lakh hectares under paddy, against 31.49 lakh hectares under rice, including 27.43 lakh hectares under paddy, last year.

In past five years since 2017, the area under rice cultivation touched over 3 million hectares including the highest area under paddy too between 25.44 lakh hectares to 27.43 lakh hectares.

EXPLAINED

Increasing paddy, falling water table

With the advent of the Green Revolution in 1966-67, paddy, historically never the main crop of Punjab, was adopted on a large scale. A Central Groundwater Board report says 4,000 litres of water are required to grow just 1 kg of paddy. The result: With increasing areas under paddy cultivation, the state's water table has started declining. At present, nearly 80 per cent of the blocks in the state have dried up, and 4 per cent are on the verge of drying up.

No scientific basis to GM crops' regulation

It is odd that the GEAC should undermine its own role, by seeking States' go-ahead before giving its approval for field trials

RAM KAUNDINYA

The successful Covid vaccine drive and use of Bt Cotton technology for the economic benefit of the cotton farmers are great examples of using science and technology to solve problems in the health and agriculture fields.

However agri biotechnology continues to get the cold shoulder. Since 2010 there have been concerted efforts made to derail the regulatory process for deployment of agricultural biotechnology-based solutions for the problems faced by Indian farmers.

It started with the imposition of moratorium on Bt Brinjal in spite of the data based scientific evidence supporting the efficacy and safety of the technology and the approval of the regulatory body, the Genetic Engineering Appraisal Committee (GEAC). Simultaneously a new rule mandated industry to seek No Objection Certificate (NOC) from States for conducting confined field trials with GM crops, after obtaining GEAC approval. As expected, most of the States, under the influence of vested interests and unscientific arguments, have not been giving NOCs, which has created a huge obstacle in field testing of GM crops.

States' NOC, a pain point

This problem is further compounded with GEAC now asking the applicants to get the NOC from the States even before issuing its approval for conducting field trials. Approval of field trials, which should have been a pure science based regulatory process, has now been converted into a political and public consultation process. In the absence of a uniform scientific process for issuing NOC, States might resort to the only process they follow in such cases, — seeking public opinion.

This happened with the case of our member company's application in Karnataka last month. Public consultation for a research trial is a wrong precedent. Scientific assessment and approval for field trials by GEAC should have come first. Regulatory assessments of technologies should be based on science.

Central and State governments should exercise judgement based on scientific assessment rather than allowing regulatory decisions being taken on majority opinion. Field trials help us to understand the technology and its performance better based on which GEAC can make its decision. Rejection of applications for field trials will hinder scientific progress.

Karnataka farmers need solutions for problems such as bollworms in cotton and Fall Army Worm in maize. The public has to be educated about safety and usefulness of the technology and the need to test new technologies. Ideology and activism-based objections should not prevail as was seen during the public consultation conducted for Bt Brinjal. Hopefully, Karnataka government will allow field trials.

Ideally the government should have notified some testing sites under the control of ICAR and agricultural universities and allowed companies to conduct trials in those sites without need for NOC from States. This would have helped in generating scientific information for assessment of technology. Notification of such designated sites for field trials has been pending for the last several years.

The regulator is the only independent body who should assess the scientific validity and safety of a new technology. The role of the government and the policy makers is to identify the specific areas in which agri biotechnology is to be deployed in the best interests of the farmer, the consumer and the country.

For the sake of transparency and predictable policy regime, the role of public institutions, Indian and foreign private industry needs to be defined in this policy. This will encourage investments in the sector by both the public institutions and the private sector. This has been missing for the last 11 years in India.

In the absence of such clear policy, Bt Brinjal and GM Mustard did not get political support and were kept on hold by the government. Some of the political parties and States are permanently opposed, either directly or indirectly, to the use of agri biotechnology. They oppose even trials for reasons not based on science. GM technology has not progressed in India due to these reasons and the losers are farmers, as is seen with proliferation of cultivation of unapproved GM traits in Cotton for weed and insect control. This is dangerous for farmers who buy this seed from unauthorised sources without any quality assurance.

In addition to all this negativism, GEAC has now asked for the States' opinion on the draft guidelines for deployment of the new non-GM Gene Editing technology in agriculture. The draft guidelines were cleared by scientific body RCGM under the Ministry of Science and Technology.

There were inputs from eminent scientists of the National Academy of Agricultural Sciences and ICAR. In spite of this and the full powers given to GEAC by the Environment Protection Act to decide such matters, the States' opinion is being sought.

GEAC will find itself in a tricky spot if the comments of States are in contrast to the science-based conclusions of all the technical experts in several committees or States give a fractured verdict or delay their responses. These are dangers of judging scientific matters through majority opinion rather than scientific assessments.

Gene editing potential

Gene editing technology has potential to help breeders develop crop varieties that can withstand biotic and abiotic stresses better and enhance their nutritional content. Guidelines are already delayed by more than two years. It is essential to build capacity among States to understand the technology and support it.

Denying farmers access to modern science and technology will diminish their competitiveness in global markets.

A basket of technological tools must be made available to the farmer and the choice should be left to him. No single technology is a silver bullet, be it GM or Gene Editing or chemicals or fertilisers or Organic or Natural Farming. There is a place for each one of them.

The Centre has to take a leadership role in deployment of modern biotechnology in agriculture. There is an urgent need for a dialogue between Centre and States and among political parties to put this derailed process back on track. Otherwise we will be letting down our farmers who are fighting the impact of climate change, pests, diseases, stagnant yields and age-old agronomic practices.

The writer is Director-General, Federation of Seed Industry of India

Tech focus The bollworm attack on Bt cotton needs a scientific solution MURALI KUMAR K

● FROM PLATE TO PLOUGH

AGRITECH-STARTUP-LED E-COMMERCE HAS THE POTENTIAL TO STEER THE SHIFT FROM GOVT-CONTROLLED AGRICULTURAL MARKETS TOWARDS MORE DEMAND-DRIVEN DIGITAL MARKETS

An agritech revolution has been seeded

ASHOK GULATI

Gulati is Infosys Chair professor for agriculture, ICRIER

AGRI-STARTUPS, LIKE startups in other areas, are mushrooming, and are trying to raise funding. India is next to the US and China in the agri-startup space. According to Agfunder, India witnessed an increase in funding, from $619 million in H1 2020 to $2 billion in H1 2021, preceded by the US ($9.5 billion) and China ($4.5 billion). A 2020 study by EY pegs the Indian agritech market potential at $24 billion by 2025, of which only 1% has been captured so far. Among various agritech segments, supply-chain technology and output markets have the highest potential, worth $12.1 billion. Currently, India seems to have about 600-700 agritech startups, many of them using artificial intelligence (AI), machine learning (ML), internet of things (IoT), etc, to unlock the potential of big data for greater resource-use efficiency, transparency, and inclusiveness.

The pandemic helped them catapult, and the Farm Laws 2020 can give them a further boost by providing a legal framework to work with farmers collectives. Here, we focus on some startups in marketing space that are empowering farmers, small agrifood operators, and giving consumers a better deal for their money.

Ninjacart, Dehaat, and Crofarm (Otipy) are three of the many startups that are redefining the agrifood marketplace. Their novelty is not limited to empowering farmers but also encompasses co-opting local grocery stores as well as small agrifood businesses. This is in contrast to the organised retail wave of the mid-2000s, wherein the livelihood of the unorganised retailers and small businesses were perceived to be threatened.

Some interesting trends are emerging.

Multiple models of engagement: Ninjacart started off as a farmer-to-con-

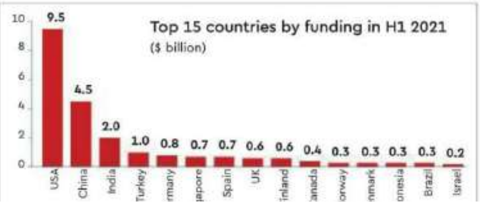
need to address the challenges that confront the agrifood ecosystem and achieve greater scale effects. Dehaat *Beej se Baazar Tak* is a full-stack agri-service startup that engages through B2F and F2B models. It uses data science, agri science and analytics to nurture a thriving ecosystem of farmers, micro-entrepreneurs and institutional buyers. Crofarm is a F2B digital supply-chain that manages logistics, inventory and supply of fresh produce directly from farms to retail chains like Big Bazaar, Reliance Retail, BigBasket and Grofers. Crofarm's Otipy is an app-based F2B2C social commerce platform that delivers (in addition to grocery and other household items) fruits and vegetables directly sourced from farmers to consumers through their partner resellers.

Promising investment and valuation trends: With a total funding of $162 million since June 2014, Dehaat raised $115 million alone in October 2021, claimed to be one of the biggest funding in agritech space. Its valuation, as on January 20, 2021, was $158 million. Ninjacart raised funding worth $222 million since March 2016 and is valued at $503 million (as on October 21, 2020). With a total funding of $16.9 million since July 2016, Crofarm is valued at $24.4 million as on July 16, 2021. Since 2019, Otipy has raised funding worth $12.7 million, of which $10.2 million was raised in July 2021.

Increasing footprint of agritech startups: Dehaat is present in Bihar, West Bengal, Odisha, and Uttar Pradesh, working with 6,50,000 farmers through 1,890 Dehaat Centers. Ninjacart sources fresh produce from farms and supplies to retailers, restaurants, grocery and kirana stores, and small businesses, and is operational in nearly 11 cities. With a farmer network of 10,000-plus, Crofarm has served more than 1 lakh consumers and 5,000 businesses. Otipy has emerged as one of the popular app-based platform with nearly 2 lakh customers and more than 8.25 lakh mobile downloads. It currently works with 10,000-plus resellers in Delhi NCR and is also present in Uttar Pradesh, Gujarat, and Himachal Pradesh. About 70% of the resellers are women.

Demonstrated impact: Ninjacart reduced wastage to 4% compared to upto 25% in traditional chains through demand-driven harvest schedule. Logistics-optimisation enabled delivery in less than 12 hours at one-third the cost in traditional chains. Farmers' net incomes are reported to have increased by 20%. Dehaat has enabled farmers to secure upto 50% increase in income as a result of savings in input costs, increased farm productivity, and better price discover.

Agritech-startup-led e-commerce platforms can potentially steer the shift from government-controlled agricultural markets towards more demand-driven digital markets. However, sustainability and scalability of these ventures is yet to be tested. The startup-FPO partnership can be strengthened under the Centre's programme to add 10,000 new FPOs by 2024. The network of agritech startups, incubators, accelerators and investors needs to work closely with policymakers, academia, and think-tanks to create solutions for shared value in India's dynamic agrifood system. If policies, institutions and partnerships are able to harness the current momentum, the startup ecosystem can be the next-generation technology revolution in agrifood sector.



'Stop APEDA from accrediting agencies certifying organic products shipments'

SUBRAMANI RA MANCOMBU

Chennai, November 11

Four European Union (EU) organisations that deal with organic products have asked the EU Committee on Organic Production to stop the Agricultural and Processed Food Products Export Development Authority (APEDA) from giving accreditation to agencies certifying organic products exports from India to the Union.

They have also asked the EU to delist India from the list of countries recognised for organic product exports to the EU and directly supervise the shipments from the subcontinent.

The organisations, in a letter to the Committee Chair Elena Panichi, pointed towards the steps taken by the United States Department of Agriculture (USDA), which took over direct supervision of organic products exports from India.

In July this year, the USDA ended a 15-year agreement with the Agricultural and Processed Food Products Export Development Authority (APEDA) allowing the latter to accredit agencies certifying organic products export to the US. The USDA had said it was changing its approach to organic "oversight" in India under its National Organic Programme.

Additional audits

The four organisations asked the EU to improve the quality of organic products imported into the EU permanently and control APEDA's functioning in this perspective.

One of the ways could be coming up with "some additional audits" and making sure that APEDA "is reacting and working as appropriately as the control system needs them to be". The organisations even suggested that an alternative body to APEDA should be allowed to come up. Until then, Indian farmers should be given time for transition and EU countries be allowed to import Indian organic products without disruption.

'Review derecognition'

The communication was sent to the EU Committee asking it to review its decision on blacklisting five certifying agencies certifying organic products exports from India to the European Commission.

Four trade firms ask the European Union to delist India from list of nations recognised for organic item exports

The five certifying agencies - CU Inspections India, Ecocert India, Indian Organic Certification Agency (Indocert), Lacon Quality Certifications and OneCert International - have been derecognised for their failure to meet the norms for ethylene oxide (ETO) presence in their consignments, particularly sesame (til/gingelly).

APEDA followed up the derecognition of the five firms by suspending accreditation to Aditi Organic Certification for a year and banning four others - CU Inspections India, ECOCERT India, Indian Organic Certification Agency (Indocert) and OneCert International - from registering any new organic processor or exporter for organic products certification.

All the five came under APEDA lens after some shipments cleared by them failed to meet the norms for ETO presence.

APEDA officials did not comment on the four organisations' letters until this report was published.

The EU organisations said in view of the committee's blacklisting, "hundred thousands of Indian organic farmers will find difficulty to export their organic products to EU and also the interests of companies selling and customers buying their products in Europe are harmed".

The organisations – Organic Processing and Trade Association (OPTA), Europe, SYNABIO, BioNederland and Association for Organic Food producers – said ETO was a post-harvest related issue and the farmers were not the cause but victims of contamination.

Charge against authority

"Information was withheld or forwarded very late to the control bodies and also the information given by the control bodies to APEDA was forwarded very late to the Commission by APEDA," the four organisations alleged.

Trade analysts saw the move by the four organisations as trying to dictate terms on behalf of the certifying agencies and intervening with India's sovereign rights.

Basmati exports to gain momentum as Iran lifts seasonal ban on rice imports

High freight rates, container availability remain a challenge, say an exporter

VISHWANATH KULKARNI

Bengaluru, November 9

Basmati shipments to Iran, the largest buyer of the Indian aromatic rice, are set to pick up with reports of the West Asian nation lifting the seasonal ban on rice imports.

"Though there is no formal information yet, it is learnt that Iran has lifted the seasonal curbs on rice imports. We expect basmati shipments to gain pace in the coming months although the higher ocean freight rates and non-availability of containers remain a challenge," said Vinod Kaul, Executive Director, All India Rice Exporters Association.

Iran has traditionally imposed an annual seasonal ban on rice imports during its domestic harvest season from July to mid-November to protect its growers.

Revival of fortunes

Basmati Exports to Iran

Year	Volumes (lakh tonnes)	Value ($ billion)
2020-21	7.47	0.59
2019-20	13.19	1.23
2018-19	14.83	1.56
2017-18	8.77	0.90
2016-17	7.16	0.67

Source: DGCIS

Logistics woes

However, what could help the Indian exporters this year is the fact that Iran, perhaps, has had a lower than normal crop, Kaul said.

Also, payment issues that Indian exporters faced in the recent past have largely been resolved and the trade is now taking place in third party currency – the United Arab Emirates Dirham (AED), he said.

India's basmati exports during April-August this year were impacted by the shortage of containers and sharp increase in freight rates, Kaul said.

The main issue is the availability of containers on time, Kaul said adding that the shortage still persists, while the demand is almost normal.

Exports fluctuate

As per APEDA figures, during April-August this year, basmati shipments in volume terms dropped 16 per cent to 1.7 million tonnes, from 2.03 million tonnes a year ago.

In value terms, the shipments were 20 per cent lower at $1.44 billion against $1.8 billion in the same period a year ago.

Commenting on the domestic output, Kaul said the production is good and the new crop has been coming into the market.

New export markets

Exports should gain momentum from now till March, traditionally the peak season for Indian basmati shipments, Kaul said.

In the current year, some Latin American countries have imported some fair quantities of Indian basmati.

"We can say some new opening have come this year from Latin America. However, that will still remain a limited market while West Asia, which accounts for 72-80 per cent of the total basmati shipments continues to be the mainstay," he added.

India exported 4.63 million tonnes of basmati rice valued at $4.02 billion during 2020-21 against 4.45 million tonnes valued at $4.37 billion in the same period previous year.

Growth rate of agri emissions picking up since 2015

Share of agriculture in India's emissions may be falling, but it still accounts for a fifth of the total

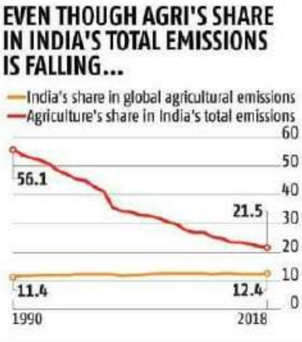
ISHAAN GERA

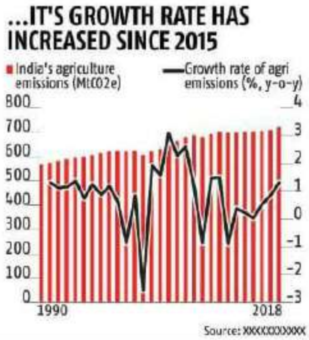
New Delhi, 12 November

Although India refrained from signing the COP26 Action Agenda on Sustainable Agriculture at the climate summit in Glasgow though it was part of the negotiations, data suggests it needs to move fast in addressing the issue of agricultural sustainability.

A *Business Standard* analysis of Climate Analysis Indicators Tool (CAIT) data from 1990-2018 shows that even though India ranks third in terms of total greenhouse gas emissions, it has the top rank in terms of agricultural emissions. It accounted for over 12 per cent of the global greenhouse emissions from agriculture and related activities. It emitted 7 per cent more than the next highest polluting country, China, and 30 per cent more than Brazil, which ranked third in agricultural emissions. In absolute terms, agriculture emissions from India were 719 million tonne of carbon dioxide equivalent (MtCO2e), whereas agricultural emissions from China were 673 MtCO2e. India surpassed China as the top agricultural emitter in 2011.

The share of agriculture in India's total emissions may have declined from close to a third to just over 20 per cent between 2009 and 2018. Further analysis of CAIT shows that the growth rate of agriculture emissions had been increasing since 2015. The year-on-year growth in emissions in 2016 was 0.5 per cent and rose to 0.83 per cent in 2017. In 2018, the emissions had increased 1.3 per cent. Although the data since 2018 is not available, given that rice cultivation has increased, emissions from agriculture would also have picked up. Rice cultivation accounts for 18 per cent of agriculture emissions. The fourth advanced estimates released in August put the rice production in the country at 122.27 million tonne in 2020-21 — 8.7 per cent higher than the last five years' average production.





India not signed up to COP26 agenda on sustainable agriculture

NEW DELHI: The Centre on Tuesday clarified that India has not signed up to a sustainable agriculture policy action agenda during the COP-26 Climate Summit in Glasgow.

The clarification was issued by the Union Agriculture Ministry following media reports that India had signed up for the agenda.

"It is clarified that such statements are baseless and factually incorrect. India has not signed up for the Sustainable Agriculture Policy Action Agenda during the COP-26 Climate Summit," the ministry said in a statement.

A National Mission for Sustainable Agriculture (NMSA) is one of the Missions within the National Action Plan on Climate Change (NAPCC) that is operational in the country to deal with the issue of climate change, it said.

The mission aims to evolve and implement strategies to make Indian agriculture more resilient to the changing climate, it added.

According to the ministry, NMSA was approved for three major components: rainfed area development, on-farm water management as well as soil health management. PTI

Agtech platform Arya.ag starts 'buy now, pay later' service

OUR BUREAU

Chennai, November 12

In a first, Indian agtech platform Arya.ag has launched 'buy now, pay later' (BNPL) service for every buyer buying 150-200 tonnes of agriculture produce. It will apply to buyers on Arya.ag platform for the purchase of grains, oilseeds and pulses.

A press release said buyers could receive credit of up to ₹25 lakh at zero interest rate for 14 days. "This will shortly be raised to ₹2 crore," the firm said.

Availing scheme

To avail of the BNPL scheme, buyers would need to upload their basic know-your-customer documents and financial details. Once onboard, they can avail credit in a matter of minutes. Arya.ag will bring together multiple players to offer the BNPL service. The financial solutions will be extended to warehouse rent, etc.

STATE OF PLAY India must replace a tariff mindset with best practices in global trade

Enough of FTA-Dragging

Pranab Dhal Samanta

India's economic conversation with the world needs a reboot to reflect the strategic realities of the day. And the approach it brings to bear in some of its crucial free trade agreement (FTA) negotiations, besides initiating reform measures domestically, will hold the key to convey both its economic ambition and political intent to pursue the course.

Currently, compared to other big economic players, India is out of any major trading arrangement. China has the Regional Comprehensive Economic Partnership (RCEP), the US anchors the North American Free Trade Agreement (Nafta), and then there is the EU. India has opted out of RCEP for now, given the skewed experience under the India-Asean (Association of Southeast Asian Nations) FTA, and the worsening security dynamic with China. This leaves us largely with North America, the EU, West Asia and Australia.

India has, for now, prioritised pursuing eight FTAs, of which Britain, Australia, the UAE and Israel are moving forward. Negotiations have resumed with the EU, while the US is still to resolve its domestic approach on trade in light of the political sensitivities on the subject. On the face of it, there's progress. But a lot more is required for India to seal some of these deals and not let them fall by the wayside like in the past.

For starters, India has to embrace the fact that the nature of trade deals has changed from being about tariffs and duties to quality and standards. This includes social, political and environment standards. Earlier, trade deals largely had chapters on goods, services, investment, dispute settlement, etc. Today, the new-generation FTAs will have to deal with digital technologies, ecommerce, intellectual property rights (IPR), environment sustainability, labour, gender and such issues.

Also, it's true that these subjects accrue way more relevance while dealing with the West. But, for India to position itself as a natural destination for Western value chains, it has to consider refashioning its political approach on certain issues that inform new-generation FTAs.

China's belligerence with India has forced New Delhi to start a complex decoupling process. Last month, after a long hiatus, the US, with a total trade of \$11.46 billion (₹85,234 crore) with India, overtook China's at \$10.48 billion (₹77,945 crore). More significantly, in China's case, the bulk of the trade was imports by India amounting to about \$8.76 billion (₹65,152 crore), while the distribution was more even-handed with the US. In fact, Indian exports were of about \$7.23 billion (₹53,773 crore), with imports at \$4.2 billion (₹31,237 crore).

Maintaining the Balance

Clearly, the trade with the US conveys better strategic and economic stability. But India will have to diversify to maintain this balance in the long term. The larger problem is that 70% of India's trade happens in goods that account for 30% global trade. Which means India has to diversify into areas such as electronics, hi-tech manufacturing, green technology, renewables, etc. Only then will it be able to leverage its trading partners more effectively.

What is working for India is a favourable global political climate that is willing to invest in a stronger India economic profile. But the concern is that, according to some assessments, roughly 80% foreign direct investment (FDI) flowing into India is for manufacturing and sale in the domestic market, not further exports. The concept of making in India for the world, one of the key pillars of the Aatmanirbhar Bharat policy frame, is yet to achieve traction with businesses trying to relocate their supply chains.

So, while looking for a meeting point to embrace new-generation FTAs, it's important to do away with certain old habits in keeping with the quality trends India now needs to adopt. It may be worth considering that even if India is not part of any trading arrangement, it could, for its own benefit, unilaterally follow the best practices of some of these groupings.

In other words, it's in India's interest to lower its duties and tariffs to more acceptable and competitive levels. Innumerable studies have shown that higher duties have not yielded much, either in terms of revenue or developing higher-end products. One of the reasons India has always found easier political acceptability with the West is because even at adversarial moments, like during the 1998 Pokhran nuclear tests, Delhi, unlike Beijing, always made sure it followed global standards as a democracy even if it never signed off on them for other reasons.

When it comes to the economic conversation, India has always had its issues with the West. In fact, post-reform India found it easier to look East. But, now, it must reopen the conversation with the West on the strength of its democratic politics. There is no reason for India to duck democracy issues. World politics has also transitioned into accepting a broader democratic frame, largely because of the security threat non-democratic entities pose today.

Embracing the New Order

In many ways, those issues that were once seen as insurmountable non-tariff barriers may well be opportunities to leapfrog into a new growth model. Any which way, these are conversations India must have and conclude, because progress here would also distinguish it from China as a politically acceptable, reliable economic partner.

The emerging fault lines of conflict convey a big sense of insecurity. Which is why knitting together a web of progressive new economic relationships is not just desirable, but also a national security and strategic imperative that deserves urgent attention.

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FILE PHOTO

Show your hand, raise the chips

India has to diversify into areas such as electronics, hi-tech manufacturing, green technology, renewables. Only then can it leverage its partners more effectively

'Technology is key for farm sector growth'

Deloitte study says its disruption is crucial to meet demand, improve value chain

SUBRAMANI RA MANCOMBU
Chennai, November 16

With the food spend of an average Indian household expected to increase to 35.4 per cent by 2025, technology will be the key enabler to meet the demand and ensure affordability, according to a study by Deloitte.

The study — Future of Food: Innovation in managing demand and supply disruptions — says technology-led disruption is improving the entire agri and food value chain, using minimum inputs and maximising output.

Market potential

"Blockchain technology, machine learning and artificial intelligence, besides a multiplicity of different technologies are coming into play in the food sector," said Anand Ramanathan, Partner, Deloitte Touche Tohmatsu India LLP.

The entire agri-tech market is led by 1,000-plus start-ups in India, with the market size estimated at ₹1,400 crore last year. It has a potential of ₹1,68,700 crore, Ramanathan said, explaining the features of the study.

According to the study, the Indian government is supportive of technology adoption and has invested in 300-plus start-ups. Ramanathan said investments in agri-tech start-ups during 2019-20 totalled ₹3,150 crore.

Many multinationals have invested in these start-ups, mainly in view of the data they are generating, he said.

Technology is seen as key to meeting India's future demand as the share of middle-income households increases to 80 per cent from the present 50 per cent and drives 75 per cent of consumer spending, the study said.

Increasing prosperity

"Rising population and increasing prosperity are expected to increase food demand in India significantly. In terms of food spending by 2025, meat and poultry are estimated to account for 30.7 per cent, bread, rice, and cereals 23.8 per cent, and fruits 16 per cent," it said.

The rise in prosperity is leading to a change in the food pyramid, resulting in demand-supply mismatch.

"India is facing a deficiency in pulses at a time when there is demand for smart proteins. Also, less land is available for pasture. This is where technology can play a crucial role with regard to market linkages and supply chain," Ramanathan said. This is one of the reasons why the poultry and dairy segment will see rapid development over the next couple of decades, the study said.

One of the significant changes in the food pyramid is that there is a revival of ethnic cuisine despite political divisions.

"There is a need to augment pulses and millets production. The urban consumer needs more fresh food and this has resulted in direct procurement from growers," he said.

The Indian government is supportive of technology adoption and has invested in 300-plus start-ups

Drones in agricultural farms get wings

Life science firm demonstrates use of drones in agriculture operations

SPECIAL CORRESPONDENT
HYDERABAD

Life science firm Bayer on Tuesday conducted a field demonstration on use of drones in agricultural operations at its multi-crop breeding centre in Chandipa, near Hyderabad.

First such by the firm, it came on the back of Bayer securing approvals to conduct research and development and agriculture spraying operations to make the drone technology available for smallholders.

Stating this the firm, in a release, said, drones can help support more targeted applications of insect, weed and disease-control products. The move will ensure correct dosage and also limit the risk of accidental exposure to chemicals. Besides, drones also offer real-time agronomic advisory to farmers, enhancing farm productivity and fostering sustainability, it said.

CEO and managing director of Bayer CropScience D. Narain said, "We are proud of the results of our drone trial in Hyderabad. It showcases the potential of the future of farming. Drone applications are operating in other small farmer countries in Asia and have the potential to deliver significant value to smallholders in India."

Bayer said it has partnered with drone start-up General Aeronautics and conducted several in-house and external R&D trials with universities and central research institutions to generate data to make drone-based services available to farmers. Growers may be able to explore the technology's capabilities in aiding paddy, corn, sugarcane, wheat, vegetables, fruits and plantation crops and harvests in the future, the company said. Union Minister of Agriculture Narendra Singh Tomar said Bayer's project on use of drones in agriculture comes amid India's giant strides in technology and digitalisation.

A drone in action at the multi-crop breeding centre of Bayer near Hyderabad on Tuesday. • ARRANGEMENT

Gujarat groundnut farmers prefer open market sale to MSP procurement

Only 3,602 farmers have availed of govt purchase process

OUR BUREAU

Ahmedabad, November 17

With the market price for groundnut hovering above the minimum support price (MSP), farmers in Gujarat are preferring to sell in the open market than participate in the procurement process.

Evidently, out of the 2,65,558 farmers who have registered online to participate in the MSP procurement process initiated by the State government, only 3,602 farmers had availed of the facility till November 15. Notably, the procurement process will continue for 90 days since the start of the process from November 11. However, farmer sources revealed that market prices of groundnut have improved in the past fortnight and are quoting in the range of ₹4,800 per quintal to as high as ₹6,080 per quintal at markets in Saurashtra, including prominent ones at Rajkot, Jamnagar and Gondal. The arrivals in Gondal market crossed one lakh quintal.

Market prices of groundnut have improved in the past fortnight, say sources

The Centre has fixed the MSP for oilseed at ₹5,550 per quintal for the season 2021-22.

Kharif crops procurement

Gujarat Agriculture Minister, Raghavji Patel, on Tuesday informed that the procurement of kharif crops including oilseeds is being undertaken in the State under the Centre's Price Support Scheme (PSS). The Gujarat State Civil Supplies Corporation is the nodal agency for the procurement process for groundnut, moong, urad and soyabean.

"So far today, 2,65,558 farmers have registered to participate in groundnut procurement, 182 farmers for moong, 382 for urad and 321 for soyabean," Patel. He also noted that the market prices of good quality groundnut were ruling higher than the market price in the current market situation.

After farm Acts' repeal, govt may table seeds Bill in Winter Session

SANJEEB MUKHERJEE

New Delhi, 22 November

The Centre, after the repeal of the farm Acts, may bring in another important piece of legislation concerning farmers in the form of the long-pending Seeds Bill.

This will be in the forthcoming winter session of Parliament.

Sources said the draft Seeds Bill, in the way it was prepared in 2019, sought to overcome several of the shortcomings of the Seeds Bill of 2004, which was proposed to replace the Seeds Act of 1966.

However, the 2004 Bill could not be cleared owing to deficiencies in it.

The draft Seeds Bill of 2019 regulates the quality of seeds sold and facilitates their production and supply to farmers.

The Bill also provides for mandatorily registering all varieties of seeds, empowers the government to fix their prices, and authorises the Centre to reconstitute the Central Seed Committee, which will be responsible for its implementation.

The Bill exempts farmers from registering the seeds they develop if they do not sell them.

Also, farmers are allowed to sow, exchange, or sell their farm seeds and planting material without having to conform to the prescribed minimum limits of germination, physical purity, and genetic purity (as required by registered seeds).

The draft Bill, according to some reports, fixes a penalty of ₹5 lakh for sellers of spurious seed or imprisonment of one year or both. Currently, the penalty is much less stiff.

The registration of "Truthfully Labelled Seeds" in the draft Bill has been kept voluntary.

One of the most controversial clauses of the original draft Bill is that it enables the Consumer Protection Act of 1986 to deal with all complaints related to unproductive seeds.

Several farmer groups have complained that the Consumer Protection Act is not always the right platform on which a farmer can get justice for such seeds and the process is unusually long and cumbersome.

The Indian seeds industry is governed by a clutch of laws including the Seeds Act (1966), Seed Rules (1968), Seed (Control) Order (1983), New Policy on Seed Development (1988), Plants, Fruits & Seeds (Regulation of Import into India) Order (1989) and, the most important of them all, the Protection of Plant Varieties and Farmers' Right Act (2001).

SOWING SEEDS OF HOPE

- **The draft Bill seeks to regulate quality of seeds** sold and facilitate the production and supply of these seeds to farmers
- **Calls for mandatory registration of all seed varieties,** empowers the government to fix price of seeds
- **Authorises the Centre to reconstitute the Central Seed Committee** that will be responsible for its effective implementation
- **Exempts farmers from mandatory registration** of seeds developed by them
- **Allows farmers to sow,** exchange or sell farm seeds and planting material without having to conform to the prescribed minimum limits

Will intensify protest if talks not held urgently, says Tikait

VIRENDRA SINGH RAWAT

Lucknow, 22 November

Rakesh Tikait, the head of nearly one-year-old farmers' protest against the three contentious central farm laws, on Monday warned of intensifying the stir across the country unless all pending demands were met by the Union government.

Prime Minister Narendra Modi has announced plans to repeal the three laws, but there has been no word on the remaining demands, which are equally important, Tikait told *Business Standard* in Lucknow. "On the one hand, the Centre has announced to repeal farm laws, they are concurrently in the process of introducing 17 other laws, which have a direct bearing on farmers' livelihood. The government should immediately initiate a dialogue to resolve the stalemate."

"The Centre has announced to repeal farm laws, but is also in the process of introducing 17 other laws, which have a direct bearing on farmers' livelihood"

RAKESH TIKAIT
Farm leader

He claimed the Centre had still not reached out to the farm leaders after the PM in his televised address to the nation on Friday announced to repeal the laws in earnest.

Tikait was addressing a Kisan Mahapanchayat in the UP capital under the aegis of the Samyukta Kisan Morcha (SKM), which has been spearheading the protest, mainly comprising the farmers of Punjab, Haryana, and western UP, at the Delhi borders since November last year.

"The Kisan Mahapanchayat has been organised to mobilise support for our movement. The agitation will intensify in the days to come unless the Centre takes the initiative to resolve the contentious issue through talks and by accepting our demands," he said.

Tikait also said the Union government was conspiring to divide the farmers on communal and community lines to weaken their unity. "Merely an apology by the PM will not benefit the farmers, but a guaranteed minimum support price (MSP) mechanism will."

While serving as the Gujarat chief minister in 2011, Modi had presided over a national financial committee tasked by the Manmohan Singh government to give its recommendation over MSP, Tikait said.

SC panel member to take call on report after legal consultations

Anil J Ghanwat, part of the three-member Supreme Court-appointed committee on farm laws on Monday said he will decide on whether to release the panel's report after analysing the legal consequences and claimed that the two other members have given him the freedom to take a call.

The panel, after studying the three farm laws and consultation with stakeholders, had submitted its report to the apex court on March 19.

Since then, the report has not been made public despite Ghanwat having requested the Chief Justice of India in a letter dated September 1 to release the report in the public domain saying its "recommendations will pave the way to resolve the ongoing farmers' agitation."

Ghanwat, President of Shetkari Sanghatan, said the committee met on Monday against the backdrop of the government deciding to repeal the three farm laws. "We discussed in detail whether to make the report public or not. The other two members gave me the freedom to take a call on this issue. I will decide after analysing the legal consequences, if any," he said. PTI

Indian agriculture needs a Verghese Kurien

Amul's success does not seem to have become a catalyst for similar movements across other agricultural commodities

C. SARAT CHANDRAN

Many wish for legendary "Milk Man of India" Verghese Kurien's presence in our midst today as the conflict between the Central government and the farming community on the issue of the farm laws appears to be still unresolved. November 26, 2021 was also Kurien's 100th birth anniversary. Kurien's deep understanding of Indian farming and the trust he earned from the farming community could have helped to find a possible solution to the current crisis. His widely cited observation, that "India's place in the sun will come from the partnership between the wisdom of its rural people and the skill of its professionals", captures the essence of his life and mission.

There was a time when Kurien seemed to be an improbable architect of a rural revolution that would eventually transform the lives of millions of farmers in Gujarat. There were many who saw him as an outsider to that world. He hailed from distant Kerala, belonged to an upper middle-class Christian family, and was educated in a western university in a subject like metallurgy which is far removed from agriculture.

Only as a cooperative model

Yet, quietly and with self-confidence, Kurien won the farmers over with his professional integrity and his vision of a central role for farmers in India's journey of development. It is on that foundation that Kurien went on to design his idea of Amul as a co-operative, turned it over the years into a global brand, and later launched the White Revolution that would make India the largest milk producing nation in the world. It was all a well-knit plan.

Central to Kurien's vision was the co-operative model of business development. He decided that Amul would grow and establish its identity neither as a public sector undertaking nor as a private corporate entity. The co-operative model, he felt, was in the best interests of Gujarat's milk producers.

Kurien had a deep distrust of India's bureaucracy. He saw it as a leftover of the colonial mindset and the product of a western lifestyle. Equally, he had reservations about the social objectives of the private sector. Much of the corporate sector, he felt, was led more by a profit motive than by public good. Kurien's fascination for the co-operative model was also influenced by Gandhian thinking on poverty alleviation and social transformation. He viewed co-operatives as the closest embodiment of Mahatma Gandhi's powerful insight that "what the world needs is not mass production, but production by the masses".

FILE PHOTO/SHAJU JOHN

Charting a path and questions

Notwithstanding his reservations, it must be said to Kurien's credit that he saw a great deal – that he could borrow from the ideas and the practices of the corporate world. In areas such as innovations in marketing and management, branding and technology, the private sector excels and sets benchmarks for businesses across the world to follow and adopt.

At the same time, Amul was steadily emerging as a laboratory, developing significant innovations and evolving technologies of its own, and these have strengthened its competitive power against multinational corporations. Its biggest success came when under the leadership of H.M. Dalaya, a distinguished dairy engineer, Amul achieved a breakthrough in converting buffalo milk into skim milk powder and condensed milk. It was one single innovation that gave Amul a distinct competitive advantage and profoundly changed the lives of milk producers in Gujarat and beyond.

Two questions are central to evaluating Verghese Kurien's legacy and his contributions to India's growth story.

One, how has Amul performed in the years after its iconic founder left the world in 2012?

Second, how far has the cooperative movement in general met its professed objective of an economic transformation at the grassroots level.

Amul has grown steadily on the strong foundation laid by its visionary leader, diversifying its product range and adding new ones. Amul continues to remain one of India's best-known food brands and is an inspiration to other dairy cooperatives such as Nandini in Karnataka, Aavin in Tamil Nadu and Verka in Punjab.

Focus on digital revolution

Sadly, Amul's success has not been the catalyst for similar movements across other agricultural commodities in India. For millions of farmers, life is still a struggle for survival.

India's digital revolution has bypassed the agriculture sector. India talks about smart cities, not smart villages, nor even liveable villages. Farmers' suicides are not uncommon, weighing heavily on the nation's conscience.

The cooperative movement in India is in a state of flux. It has suffered due to lack of professional management, adequate finance and poor adoption of technology.

In the meantime, the pandemic has deepened the urban-rural divide. While the corporate sector is reaping billions on the crest of a stock market boom, incomes are drying in rural India and the nation seems to be facing a grave human tragedy. This is truly a moment to reflect on Verghese Kurien's remarkable legacy and the unfinished task he has left behind.

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Scientists pitch for use of digital intelligence in farming

International scientists deliver keynote addresses during the plenary session at PJTSAU

ESA BIN ABDUL REHMAN
RAJENDRANAGAR

STRESSING that the digital intelligence in farming was the need of the hour, Prof Raj Khosla of Kansas State University, USA said that the public-private partnership was essential for digital agriculture and using the GPS technology, all farm operations could be digitised as precision input usage would enhance farm productivity.

Delivering a lecture on 'Future of Farming: Big data, Analytics and Precision Agriculture' during the plenary session at Prof Jayashankar Telangana State Agriculture University (PJTSAU) on Thursday, Prof Khosla emphasised the need of artificial intelligence enabled digital tools for boosting farm income and productivity.

Dr Bruno Gerrad and Ben Guerir from Morocco delivered lectures on 'Conservation Agriculture – a global perspective.' They said that converting conventional agriculture into conservation agriculture helps in conserving natural resources that help combat climate-related crop losses. Besides, developing suitable farm machines for small and marginal farm holdings can greatly influence the adoption of conservation agriculture. They opined that Axial flow pumps should be used to conserve moisture during drought stress periods.

Dr Simon Cook of Future Food Institute, Murdoch University, Australia while delivering a keynote on 'Digital Agriculture for Smart Agriculture', has highlighted the importance of digitalisation in agriculture to make precise application of input for marginal and small farmers.

"In recent decades, usage of digital systems in India is picking up pace. Digital-agritech supports greater changes in agricultural production, capital gains, consumer and governance point of view," he asserted.

Meanwhile, the third day plenary saw four keynote addresses by national and international scientists, 15 lead papers, 15 oral and 17 rapid presentations.

FSSAI seeks views on GM food norms

NEW DELHI

FOOD safety regulator FSSAI has sought public comments on draft regulation on manufacture, storage, distribution, sale and import of any food or food ingredient derived from genetically modified organisms (GMOs). All food products having individual genetically engineered ingredients one per cent or more should be labelled as "Contains GMO/ingredients derived from GMO."

The regulation applies to GMOs or genetically engineered organisms (GEOs) or living modified organisms (LMOs) intended for direct use as food or for processing. It also applies to processed food containing genetically modified ingredients produced from but not containing LMOs or GEOs or GMOs. As per the draft notification, prior approval of FSSAI is required for manufacture, storage, distribution, sale and import of any food or food ingredient derived from GMOs. The approval of FSSAI is mandatory even after taking prior approval from the biotech regulator Genetic Engineering Appraisal Committee (GEAC) under the Environment Ministry. FSSAI may either grant approval or reject the application on the basis of the safety assessment of the article of food and food ingredient of processing aid. After receiving the FSSAI approval, food business operators are required to apply for license as per the procedure specified in the Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011. Post approval, the FSSAI said if a food business operator has reason to believe that the GMOs or GEOs pose any risk to health, he should immediately "suspend" the manufacture, import, sale or distribution of such food items and take steps

to recall the same. Once a GMOs or GEOs or LMOs having 'unique identification code' (provided by the Biosafety Clearing House, Organisation for Economic Cooperation and Development, etc) is approved by FSSAI, the approval for the same will not be required for any other food business operator, the draft notification said. Approval will also not be required if it is used as an ingredient in any product, it added. Further, FSSAI said any food laboratory having a designated GM food testing area may be designated for GM foods testing. FSSAI has given 60 days time from the date of issue of the draft notification dated November 15 for any objections or suggestions from the public.

What meeting MSP demand would cost govt

HARISH DAMODARAN
NEW DELHI, NOVEMBER 28

UNION AGRICULTURE Minister Narendra Singh Tomar has said the Centre would table the Bill to repeal its three contentious farm laws "on the very first day" of the Parliament's Winter Session, which starts Monday. This follows Prime Minister Narendra Modi's November 19 announcement on rolling back the agriculture reform laws, against which farmers – mainly from Punjab, Haryana and western Uttar Pradesh – have been protesting on Delhi's borders for over a year.

Now that the three laws are set to be withdrawn, pressure is mounting on the government to implement the other, no less vociferous, demand by the farm unions: Providing legal guarantee for the minimum support prices (MSP) of crops.

Why are the unions seeking legal guarantee for MSP?

The Centre currently announces the MSPs of 23 crops: 7 cereals (paddy, wheat, maize, *bajra, jowar, ragi*, barley); 5 pulses (*chana, tur/arhar, moong, urad, masur*), 7 oilseeds (rapeseed-mustard, groundnut, soyabean, sunflower, sesamum, safflower, nigerseed); and 4 commercial crops (sugarcane, cotton, copra, raw jute). While the MSPs technically ensure a minimum 50% return on all cultivation costs, these are largely on paper. In most crops grown across much of India, the prices farmers get, especially during harvest time, are well below the officially-declared MSPs. And since MSPs have no statutory backing, they cannot demand these as a matter of right. The unions want the government to enact legislation conferring mandatory status to MSP, rather than it being just indicative.

How can that be implemented?

There are basically three ways.

The first is by forcing private traders or processors to pay MSP. This is already applicable in sugarcane. Sugar mills are required, by law, to pay farmers the Centre's "fair and remunerative price" for cane, with some state governments fixing even higher so-called "advised prices". The Sugarcane (Control) Order, 1966 issued under the Essential Commodities Act, moreover, obliges payment of this legally-guaranteed price within 14 days of purchase. During the 2020-21 sugar year (October-September), mills crushed some 298 million tonnes (mt) of cane, which was close to three-fourths of the country's estimated total production of 399 mt (see table).

The second is by the government undertaking procurement at MSP through its agencies such as the Food Corporation of India (FCI), National Agricultural Cooperative Marketing Federation of India (Nafed) and Cotton Corporation of India (CCI). Such purchases accounted for nearly 50% of India's rice/paddy production last year, while amounting to 40% for wheat and over 25% in cotton.

Government agencies also bought significant quantities – upwards of 0.1 mt – of chana (chickpea), mustard, groundnut, tur (pigeon-pea) and moong (green gram) during 2019-20. Much of that was post the lockdown in April-June 2020, when rabi crops were being marketed by farmers.

PROCUREMENT AT MSP

(In lakh tonnes, except for cotton, figures for which are in lakh bales)

Crop	Procurement		Production		% Procurement	
	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21
Sugarcane*	2503.67	2984.24	3705	3992.53	67.58	74.75
Rice	518.26	600.78	1188.7	1222.7	43.6	49.14
Wheat	389.92	433.44	1078.6	1095.2	36.15	39.58
Cotton	105.15	91.89	365	353.84	28.81	25.97
Chana	21.43	6.3	110.8	119.9	19.34	5.25
Tur	5.36	0.11	38.9	42.8	13.78	0.26
Mustard	8.04	0	91.24	101.12	8.81	0
Groundnut	7.21	2.84	99.52	102.1	7.24	2.78
Moong	1.47	0.2	25.1	30.9	5.86	0.65
Sunflower	0.05	0.04	2.13	2.3	2.47	1.69
Soyabean	0.11	Neg.	112.26	128.97	0.09	0
Masur	0.01	Neg.	11	14.5	0.13	0

Procurement by sugar mills Note: Figures are for agriculture year (July-June), and Oct-Sept for sugarcane. Source: FCI, Nafed, CCI, National Federation of Cooperative Sugar Factories, Ministry of Agriculture & Farmers' Welfare

Procurement of these crops, however, fell in 2020-21. In the case of mustard, *tur, moong, masur* (yellow lentil) and soyabean, the need for procurement wasn't really felt, as open market prices largely ruled above MSPs.

Generally speaking, MSP implementation has been effective only for four crops (sugarcane, paddy, wheat and cotton); partly so in five (*chana*, mustard, groundnut, *tur* and *moong*) and weak/non-existent in the remaining 14 notified crops. In livestock and horticultural produce – be it milk, eggs, onions, potatoes or apples – there is no MSP even on paper. The 23 MSP crops together, in turn, account for hardly a third of the total value of India's agricultural output, excluding forestry and fishing.

The third route for guaranteeing MSP is via price deficiency payments. Under this, the government allows all sales by farmers to take place at the prevailing market prices. Farmers are then paid the difference between the government's MSP and the average market price for the particular crop during the harvesting season.

What would be the fiscal cost of making the MSP legally binding?

The MSP value of the total output of all the 23 notified crops worked out to about Rs 11.9 lakh crore in 2020-21. But this entire produce wouldn't have got marketed. The marketed surplus ratio – what remains after retention by farmers for self-consumption, seed and feeding of animals – is estimated to range from below 50% for ragi and 65-70% for bajra (pearl-millet) and jowar (sorghum), to 75-85% for wheat, paddy and sugarcane, 90%-plus for most pulses, and 95-100% for cotton, soyabean, sunflower and jute. Taking an average of 75% yields a figure – the MSP value of production actually sold by farmers – just under Rs 9 lakh crore.

The government is further, as it is, procuring many crops. The MSP value of the 89.42 mt of paddy and 43.34 mt of wheat alone bought during 2020-21 was around Rs 253,275 crore. To this, one must add the MSP value of pulses and oilseeds purchased by Nafed (Rs 21,901 crore in 2019-20 and Rs 4,948 crore in 2020-21) and kapas or raw un-ginned cotton by CCI (Rs 28,420 crore in 2019-20 and Rs 26,245 crore in 2020-21). Besides, the MSP value of the sugarcane crushed by mills (Rs 92,000 crore in 2020-21) has to be considered.

All in all, then, the MSP is already being enforced, directly or through fiat, on roughly Rs 3.8 lakh crore worth of produce. Providing legal guarantee for the entire marketable surplus of the 23 MSP crops would mean covering another Rs 5 lakh crore or so. It would be even lower, given two things. The crop that is bought by the government also gets sold, with the revenues from that partly offsetting the expenditures from MSP procurement. Second, government agencies needn't buy every single grain coming in to the *mandis*. Mopping up even a quarter of market arrivals is often enough to lift prices above MSPs in most crops.

Is there be a catch to all these calculations?

Yes. FCI's grain mountain is evidence of how cumbersome public procurement and stocking operations can be. This is not to mention the huge scope for corruption and recycling/leakage of wheat and rice. Also, while cereals and pulses can be sold through the public distribution system, disposal becomes complicated in the case of nigerseed, sesamum or safflower. Even when it comes to sugarcane, mills' huge payment arrears to growers are proof of the practical limitations of "legal MSP".

That leaves deficiency payments, which may be a more workable and fiscally feasible option in the long run. There is, in addition, a growing consensus among economists for guaranteeing minimum "incomes", as against "prices". That would essentially entail making more direct cash transfers either on a flat per-acre (as in the Telangana government's Rythu Bandhu scheme) or per-farm household (the Centre's PM-Kisan) basis.

*(The writer is National Rural Affairs & Agriculture Editor of **The Indian Express** and currently on sabbatical with the Centre for Policy Research, New Delhi)*

Bayer conducts drone trials for farm operations

OUR BUREAU

Hyderabad, November 23

Bayer, a life sciences company focusing on healthcare and agriculture, has deployed drones for the first time to carry out agricultural operations. The demo was held at its multi-crop breeding centre in Chandipa near here.

Bayer has partnered with drone start-up General Aeronautics to conduct several in-house and external research and development trials with universities and central research institutions to generate data and make drone-based services available to farmers.

Tapping the technology

"Based on the initial achievements of drone farming, growers may be able to explore the technology's capabilities in aiding paddy, corn, sugarcane, wheat, vegetables, fruits and plantation crops," a Bayer statement has said. Besides addressing labour short-

Bayer is in pact with start-up General Aeronautics for R&D

age and low yield, they can also help in targeted applications of insect, weed and disease-control products. This ensures correct dosage and also limits the risk of accidental exposure to chemicals, it said.

"Usage of drones in agriculture will revolutionise farm operations and empower our farmers especially the smallholders with information and applications that will help them enhance their yields and income in the long run," Union Minister of Agriculture Narendra Singh Tomar said.

Move may Hit Sourcing & Expansion Plans: Food Processing Companies

Development a setback, will dash industry hopes of cheaper input costs, say executives

Ratna Bhushan & Shambhavi Anand

New Delhi: The withdrawal of farm laws could impact sourcing and expansion plans and dash industry's hopes of cheaper input costs, said executives belonging to food processing companies, while describing Friday's development as a setback.

"The farm laws were good for small and big farmers, and would have definitely been good for companies like ours, but unfortunately, they could never get implemented in full measure," said Angshu Mallick, chief executive officer and managing director of one of the country's largest packaged and branded edible oil players Adani Wilmar. "Indian farm laws need changes; with a changing global scenario, it is very important to relook at the ancient laws," Mallick added. Adani Wilmar sells edible oils, rice and pulses under the Fortune brand.

The Indian processed foods market is estimated at over ₹2.6 lakh crore, and large companies were drawing up fresh plans to benefit from sourcing directly from farmers.

'Would have been a Win-win Situation' ▸▸ 5

In a Spot

MOVE MAY IMPACT

- Sourcing and expansion
- Investment
- Input costs

Cos were drawing up plans to source directly from farmers and leverage ₹10,900-cr PLI scheme

WHAT INDUSTRY SAYS

- Farm laws would have helped in removing middlemen from supply chain
- Farmers would have received better price for produce
- Would have reduced wastage, led to improved productivity, higher returns, creation of post-harvest infrastructure

India, US to talk Trade Forum Revival, IPR

Market access for agricultural goods also on talks agenda during USTR Tai's visit ahead of WTO meet

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New Delhi: India and the US are likely to revive the Trade Policy Forum, discuss issues related to intellectual property rights (IPR) and market access for agricultural goods such as cherries, pomegranates and pecans this week during United States Trade Representative Katherine Tai's visit.

Tai's two-day visit, starting Monday, comes ahead of a crucial ministerial conference of the World Trade Organization (WTO) next week.

"Some long standing bilateral agricultural issues could be discussed," said an official. "Our wish list includes market access for table grapes and pomegranate arils while the US wants duty cuts on certain products such as pecans, walnuts and almonds." India's goods exports to the US in FY21 were $51.6 billion while imports were $28.8 billion.

The commerce and industry ministry has already sought comments and suggestions from industry on their concerns and difficulties such as filing, registration, enforcement or commercialisation of IP rights in the US, which can be taken up in the forum.

As per another source, Tai will meet commerce and industry minister Piyush Goyal and some other senior ministers during her visit, the first as US' chief trade negotiator.

Earlier this month, Tai and Goyal met virtually, wherein they agreed to take a comprehensive look at ways to expand trade relationship, ensure success of the Trade Policy Forum and find meaningful outcomes at the ministerial.

In agriculture, the US wants India to allow import of certain American products such as cherries, alfalfa hay and pork. It also wants India to accept the dairy export certificate agreed upon in 2020. In return, India is hopeful of simplified procedures for export of its mangoes, grapes and pomegranate arils, and market access for bovine meat.

Both sides have decided to hold the Trade Policy Forum after four years

Fresh Forum

Katherine Tai's visit crucial, a week before WTO ministerial

India wants TRIPS waiver in WTO meet outcome, US has partially supported

Agri Concessions

- **US wants** duty cuts on pecans, walnuts, almonds
- **Wants India** to import cherries, alfalfa hay
- **India wants** market access for grapes, pomegranate arils, bovine meat
- **Easier norms** to export mangoes, pomegranates

Sri Lanka revokes ban on fertilizers

Govt. ends restrictions on all agrochemicals, including herbicides and pesticides

AGENCE FRANCE-PRESSE
COLOMBO

Sri Lanka abandoned its quest to become the world's first completely organic farming nation on Sunday, announcing it would immediately lift an import ban on pesticides and other agricultural inputs.

The island country has been in the grips of a severe economic crisis, with a lack of foreign exchange triggering shortages of food, crude oil and other essential goods.

Authorities had already walked back restrictions on fertilizer imports last month for tea, the country's main export earner.

But ahead of planned farmer protests in the capital, Sri Lanka's Agricultural Ministry said it would end a broader ban on all agrochemicals, including herbicides and pesticides. "We will now allow chemical inputs that are urgently needed," Ministry secretary Udith Jayasinghe told the private News First TV network.

Damage control: President Gotabaya Rajapaksa had said that he wanted to make Sri Lankan farming 100% organic. • AFP

Food security

"Considering the need to ensure food security, we have taken this decision," he added.

Vast tracts of farmland were abandoned after the import ban, first introduced in May. Shortages have worsened in the past week, with prices for rice, vegetables and other market staples having doubled across Sri Lanka.

Supermarkets have also rationed rice sales, allowing only five kilograms per customer. sFarmers' organisations had planned to march on the national parliament in Colombo on Friday to demand the import of essential chemicals to protect their crops.

President Gotabaya Rajapaksa had justified the import ban by saying he wanted to make Sri Lankan farming 100% organic.

The policy was introduced after a massive hit to the cash-strapped island's economy in the wake of COVID-19, with tourism earnings and foreign worker remittances drastically falling.

Authorities attempted to save foreign exchange by last year banning a host of imported goods, including some food and spices.

Sri Lanka also shut its only oil refinery last month after running out of dollars to import crude.

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