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### India

## **Agricultural Situation**

## Weekly Highlights & Hot Bites, #15

2007

### Approved by:

Oliver Flake U.S. Embassy, New Delhi

#### Prepared by:

A. Govindan, Santosh Kr. Singh, Deepa Dhankhar, and Sayed Sarwer Hussain

#### **Report Highlights:**

\*Health Ministry to oversee food safety\*, \*Food Safety Regulations must facilitate trade\*, \*GM Body flouting law - Plan panel\*, \*Rice exporters seek regulated tests on crops\*, \*Government approves \$31 million scheme for Avian Influenza\*, \*Pakistan wheat to land on Indian shores soon\*, \*Prime Minister to discuss steps to revive farm sector\*, \*Record Oilmeal exports in 2006-07\*, \*Meat Board to be set up in 2 months\*, \*BANGLADESH: Bird Flu detected in another Savar Farm: 2,000 chickens culled\*, \*BANGLADESH: Bird Flu surveillance to continue under development project\*.

> Includes PSD Changes: No Includes Trade Matrix: No Unscheduled Report New Delhi [IN1] [IN]

Welcome to Hot Bites from India, a weekly summary of issues of interest to the U. S. agricultural community. The report includes information that has been garnered during travel within India, reported in the local media, or offered by host country officials and agricultural analysts. Press articles are included and summarized in this report. Significant issues will be expanded upon in subsequent reports from this office. Minor grammatical changes have been made for clarification.

DISCLAIMER: Any press summary contained herein does NOT reflect USDA's, the U.S. Embassy's, or any other U.S. government agency's point of view or official policy.

#### HEALTH MINISTRY TO OVERSEE FOOD SAFETY

The Health Ministry seems to have won the turf war with the Food Processing Industry Ministry on the recently enacted Food Safety and Standards Act, 2006. At a Conference organized by the Confederation of Indian Industry (CII), Health Minister Ramadoss announced that his Ministry would appoint a Food Commissioner for the Act in four months after which the rules for the Act would be framed. He announced that the Health Ministry would lead the rule-making process for the Act. The Act consolidates eight laws governing the food sector and establishes the Food Safety Standards Authority to regulate the sector. (Source: The Times of India, 04/11/07)

*Post Comment*: The text of the Food Safety and Standards Act, 2006, is available at: <u>http://mofpi.nic.in/fsnstds.pdf</u>.

#### FOOD SAFETY REGULATIONS MUST FACILITATE TRADE

Inaugurating the first International Food Regulatory Summit 2007 on the theme "Aligning India to the World" in New Delhi, the Minister for Health & Family Welfare, Dr. Anbumani Ramadoss said that India has recently enacted a new Food Safety and Standards Act which provides an excellent opportunity to India to have a re-look at its Food Regulatory regime and bring about wide ranging improvements for ensuring safety and quality in Food Value Chains - from farm to fork. "Harmonization of food laws and regulations is not a process of developing one law for all nations. It is rather a process by which appropriate national law is established and administered to meet the needs of assuring acceptable levels of food quality and safety, which protects the life and health of the consumers/citizens – while at the same time facilitating trade at the domestic and international level without discrimination or arbitrary application of requirements and standards" he said. (Government Press Release, 04/10/07)

*Post Comment*: The full text of the Minister's speech is available at: <u>www.pib.nic.in/release/release.asp?relid=26769</u>. FAS/USDA supported this Summit by facilitating participation of Dr. Karen Hulebak, Vice Chairperson of the Codex Alimentarius Commission and Chairperson of the Codex Committee on Food Hygiene.

#### GM BODY FLOUTING LAW - PLAN PANEL

The Genetic Engineering Approval Committee (GEAC) is flagrantly disregarding the law, says a Planning Commission Taskforce report submitted recently as a precursor to the Eleventh Five Year Plan (2007-2012). The report has questioned the safety levels being used to regulate GM technology in India. The report rips through the functioning of the GEAC. "The failure of the GEAC to control the situation even many years down the line does not inspire confidence in its capabilities. The fact that it authorized commercial cultivation of Monsanto's Bt cotton even when there was no state or district level committee to oversee and monitor its release and cultivation did stir several controversies," says the Taskforce. The report hits at

the capability of the GEAC, stating, "At present, members of the GEAC are not qualified to understand the process of bio-safety assessment, environment assessment or environmental impact assessment, which are central to their functioning. (Source: The Times of India, 04/09/07)

*Post Comment*: The Planning Commission Taskforce report is available at: <a href="http://planningcommission.gov.in/aboutus/committee/wrkgrp11/tf11\_biodiv.pdf">http://planningcommission.gov.in/aboutus/committee/wrkgrp11/tf11\_biodiv.pdf</a>

#### RICE EXPORTERS SEEK REGULATED TESTS ON CROPS

The All India Rice Exporters Association has urged the government to bring a legislation for more stringent controls on the trials of genetically modified tests of conventional crops. Rice exporters fear a big loss in export market due to free-for-all tests of GM rice in India. The E.U. ban on imports of rice from the United States due to contamination with GM rice varieties may happen in India if timely action is not taken. (Source: Tribune 04/09/07)

#### **GOVERNMENT APPROVES \$31 MILLION SCHEME FOR AVIAN INFLUENZA**

The Cabinet Committee of Economic Affairs has approved the implementation of the program on "Preparedness, Control and Containment of Avian Influenza" with an allocation of \$31 million for IFY 2007/08 to 2009/10. The World Bank will fund more than 90 percent of the scheme. The focus of the program would be on activities such as pre outbreak preparedness, planning and coordination, supporting an outbreak containment plan and creation of a bird flu cell. (Source: The Financial Express, 04/13/07)

#### PAKISTAN WHEAT TO LAND ON INDIAN SHORES SOON

Traders and mill owners on the west coast and in south India are planning to import 17,000 tons of wheat from Pakistan through Karachi. They have already booked 700 containers of 24 tons each. The imported wheat will cost Rs, 1,000 (\$232) per ton at the port and Rs.1,100 (\$256) at mills and is expected to land in mid-May. The import orders may rise to 30,000 tons in the coming weeks. Though the crop has not yet been harvested in Pakistan, a price has already been fixed. (Source: The Economic Times, 04/12/07)

#### PRIME MINISTER TO DISCUSS STEPS TO REVIVE FARM SECTOR

Prime Minister Manmohan Singh will take stock of the steep rise in the prices of pulses and discuss measures to reverse the deceleration of growth in the farm sector and lower productivity in his meeting with the full Planning Commission and Cabinet ministers on April 18. The Prime Minister will also follow up on action to be taken on a National Farmers' Commission report, National Rain fed Area Authority, and the Mission on Pulses. A major focus of the meeting is believed to be on the rising price of pulses. The Prime Minister told the Planning Commission that the national agricultural policy has been discussed many times, and now the Commission should work out a comprehensive strategy for agriculture and allied areas with focus on special areas. The Plan panel had set up over a dozen working groups to identify issues hampering farm growth and productivity and suggest remedies. (Source: The Financial Express, 04/07/07)

*Post Comment*: The Plan panel reports on Agriculture are available at: <u>http://planningcommission.gov.in/plans/planrel/11thf.htm</u>

#### **RECORD OILMEAL EXPORTS IN 2006-07**

Oilmeal exports during IFY 2006-07 (Apr-Mar) have recorded a 17 percent increase at 5.2 million tons valued at \$1 billion, compared to 4.4 million tons in the previous year. According to the Solvent Extractors Association, the largest meal export was of soybean, which registered a marked increase to 3.7 million tons compared to 3.4 million tons last year. Rapeseed meal also reported a record figure of 0.97 million tons due to the maintenance of off season raw material supplies by Nafed. Vietnam and South Korea emerged as the major importers with imports equating 1.25 and 1.15 million tons respectively. (Source: The Financial Express, 04/9/07)

#### MEAT BOARD TO BE SET UP IN 2 MONTHS

According to government sources, the proposed National Meat and Poultry Board (NMPB) aimed at the development and promotion of the sector is likely to be established by June this year. The NMPB will be set up on the lines of the already successful organization, National Dairy Development Board (NDDB). NMPB would act as an apex body for the development and promotion of processed meat products for positioning quality products in Indian and global markets. The Ministry of Food Processing Industries will provide a grant of \$0.89 million to set up a modern slaughterhouse in the North Eastern region, according to the Food Processing Minister. (Source: The Financial Express, 04/9/07)

# BANGLADESH: BIRD FLU DETECTED IN ANOTHER SAVAR FARM: 2,000 CHICKENS CULLED

The avian influenza virus was detected on April 7 at another poultry farm in Savar (20 km north of Dhaka) where a total of 2,000 chickens were culled. The army and the police cordoned off the infected farm. Four teams of the Savar Livestock Office have been conducting drives in the area to investigate if there is any fresh infection of the avian flu virus at any farm or place in the upazila (sub-district). The Fisheries and Livestock Adviser at a meeting with poultry farm owners, local journalists, and government officials mentioned that the ministry will sort out a working plan by next week to determine how to help or compensate the affected poultry farm owners. (Source: The Daily Star, 04/08/07)

*Post Comment*: Earlier the Daily Star on 04/03/07 reported that around nine thousand chickens were culled on two more farms in Narayanganj district on April 1. The administration so far has culled around 12,000 chickens at seven farms in the district out of which three farms had confirmed bird flu cases. Culling was done in four other farms due to suspicion of infection.

# BANGLADESH: BIRD FLU SURVEILLANCE TO CONTINUE UNDER DEVELOPMENT PROJECT

The Livestock Ministry Secretary said that the government would continue surveillance and other related activities to avert the spread of avian influenza under the development project 2007–2011. The government has taken up a long-term plan known as the national avian influenza and human pandemic influenza preparedness and response plan Bangladesh 2006-2008, with the technical assistance of the Food and Agricultural Organization (FAO). The government is thinking of controlling the outbreak firstly and the compensation issue would be considered later, he said. The government has so far confirmed 25 poultry farms in six districts where avian influenza has taken place and about 70,000 chicks were culled until March 3. About 19,300 poultry farms were inspected and 16.6 million poultry chicks examined. (Source: The New Age, 04/04/07)

#### **RECENT REPORTS SUBMITTED BY FAS/NEW DELHI**

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IN7030	Weekly Highlights & Hot Bites, #14	04/05/07

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