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Report Highlights:

GM Varieties: SC Notice to Ministries, *New Regulatory Body likely for GM Crops*, *AP puts on hold NOD for sale of Bollgard-11*, *Government defends field trials for GM crops*, *Reliance eyes Pan-India Retail footprint in 5 years*, *Government to introduce norms for poultry health*, *Revised oilseed output pegged at 14 MT*, *Mustard area giving way to Chickpeas, Wheat*, *Foodgrain shortage ahead: Pawar*.

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.

GM VARIETIES: SC NOTICE TO MINISTRIES

The Supreme Court has issued a notice regarding public data on toxicity and allergenicity of genetically engineered plant varieties to the Ministries of Environment and Forest, Science and Technology, and Agriculture. The notice was in response to a petition filed by the NGO Gene Campaign. Gene Campaign claimed that critical data relating to the environmental and health safety of genetically engineered plants had not been provided to the Genetic Engineering Approval Committee (GEAC). The NGO alleges that GEAC was sanctioning field trials of insufficiently tested plants. The notice calls for a moratorium on any field trial until a proper controlling and regulatory mechanism exists to check the potential health and environmental hazards of GMOs. (Source: Indian Express, 11/09/06)

NEW REGULATORY BODY LIKELY FOR GM CROPS

On Wednesday, during an address to the economic editors Minister Pawar said, "the setting up of a National Biotech Regulatory Authority (NBRA) for promotion and regulation of the application of biotechnology in agriculture is at an advanced stage." Two expert panels had suggested a common regulatory authority for all biotechnological applications, including GM crops and food, recombinant pharmaceuticals and transgenics in livestock. (Source: Financial Express, 11/09/06)

AP PUTS ON HOLD APPROVAL FOR SALE OF BOLLGARD-11

The Andhra Pradesh Government has put on hold permission to Mahyco to sell Bollgard-11 (Bt-11) cottonseed in the State. Bollgard-11 is a double stranded insect-protected cotton technology. The upgraded Bt seed also offers built-in protection against heliothis pests. The price of Bt-11 cottonseed seemed to be a cause of concern for the State Government. (Source: Business Line, 11/09/06)

GOVERNMENT DEFENDS FIELD TRIALS FOR GM CROPS

The government said in an affidavit filed before the Supreme Court that GM crops should be allowed, as they do not pose any threat to the ecology and environment. The argument is in response to a public interest litigation, which alleged that GM crops were hazardous to the ecology and environment. The government also said that approval for commercialization of GM Bt cottonseed was legal and valid based on the adequate assessments relating to its safety and impact on the environment and ecology. (Source: The Economic Times, 11/06/06)

RELIANCE EYES PAN-INDIA RETAIL FOOTPRINT IN 5 YEARS

Reliance Industries (RIL) inaugurated its ambitious retail venture-Reliance Fresh- with the launching of the first set of 11 stores in Hyderabad. The company intends to have its presence in five more cities in the state of Andhra Pradesh by the end of the year. The pilot

stores will sell fresh fruits and vegetables, staples, groceries, fresh juices and dairy products. The stores will also contain a separate enclosure and supply chain for non-vegetarian products. Estimating the Indian retail industry at \$300 billion, dominated largely by small merchants and cart vendors, Reliance is contemplating partnering with small-scale traders by setting up separate outlets for traders to purchase groceries from them. (Source: Business Standard, 11/05/06)

GOVERNMENT TO INTRODUCE NORMS FOR POULTRY HEALTH

The government is planning to introduce regulatory measures, focused to prevent an AI outbreak and the spread of other infections in poultry livestock. An intensive awareness program may also be launched for enhancing the adoption of these measures amongst producers. The industry perspective and OIE guidelines will be given special consideration while framing the action plan. The government measures will ensure the quality of poultry products and development of the production chain. (Source: The Financial Express, 11/09/06)

REVISED OILSEED OUTPUT PEGGED AT 14 MT

The summer oilseed production estimate released by the government for the current crop year is lowered to 13.93 million ton from 14.55 million ton projected last week. Peanut and soybean production have been revised down to 4.03 million ton and 8.09 million tons, respectively. However, the 'Central Organization of Oil Industry and Trade' estimates a comparatively lower kharif output at 12.8 million tons. The main reason for the lower output is lower peanut area. (Source: The Financial Express, 11/07/06)

MUSTARD AREA GIVING WAY TO CHICKPEAS, WHEAT

The latest official data puts mustard/rapeseed planting down at 2.66 million ha compared to 3.3 million ha last year. Some rapeseed area is reported to have shifted to wheat and chickpea this year. The reason behind lower rapeseed acreage is unchanged minimum support price (MSP) and large rapeseed stocks. Currently, the National Agricultural Cooperative Marketing Federation of India (**NAFED**) is reportedly holding around 2 million tons stocks and the private trade stocks are at 1.5 million tons. (Source: The Financial Express, 11/07/06)

FOODGRAIN SHORTAGE AHEAD: PAWAR

India may soon become a major foodgrain importer if the government does not initiate immediate steps to boost farm output. "If we take today's level, a situation will emerge by 2020 where India will be a major importer," Agriculture and Food Minister, Mr. Sharad Pawar said while addressing queries at the Economic Editors Conference.

In rice too, the government plans to tackle the problem by raising productivity levels, the Minister said. A paradigm shift in rice is required as the focus needs to be on raising productivity per unit of water and not per unit of land due to water shortages.

The Minister unveiled a multi-pronged strategy focusing on four major problems in agriculture. These include public investment and credit deficit, infrastructure deficit, market economy deficit and knowledge deficit. (Source: The Economic Times, 11/09/06)

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