



JULY-SEPTEMBER 2011



APEX Update

SHOWCASING INDIAN AGRI EXPORTS



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Winning Laurels

APEDA's traceability initiatives and trade fair participation are bringing it appreciation from all quarters, and adding more cheer are the record-making Indian exports.

Asit Tripathy | Chairman, APEDA

THE FIRST half of the financial year 2011-12 has witnessed brisk activities at APEDA. Our 'Farm to Fork Traceability System' has gained wide appreciation and has been showcased on many platforms in the ASEAN countries, Korea, Cambodia as well as Taiwan, etc. It has been shortlisted for the ultimate prize in the e-Asia Award and we are sure to finish on the podium at the least! Participation in trade fairs has been scaled up with bigger area, better construction of the India pavilion and additional activities like buyer-seller meets, workshops on export-related issues, etc. A lot of groundwork has been covered on our participation in a leading annual event, the Anuga Food Fair as well as the much anticipated 'Country of the Year' participation in Biofach, Nuremberg, Germany in 2012.

Exports of agri. produce throws off unexpected issues such as pesticide residues in consignments of rice, fruits and vegetables and we have recently hit a roadblock in USA. As always, the answer to this problem lies in the robust backward integration of exporters with the farmers. But, in the short-term, APEDA is engaging the regulators in the US for a solution.

The export performance of India in the first six months has been highly impressive with 57.21 per cent growth at the end of September 2011 and we at APEDA feel confident that our exports will reach the coveted USD 10 billion mark in this financial year.

I wish all the exporters and other stakeholders a bright second half of the financial year ■



Encouraging the Export of Value-Added Food Products

From bulk packs to consumer packs

INTERNATIONAL TRADE in agriculture is largely governed by competitiveness, both in terms of price and quality (including food safety). Various kinds of mechanisms are adopted by developed countries to encourage exports and discourage imports. These include issues of tariff and non-tariff nature. Among the tariff issues, the developed and also some developing countries like India resort to providing production/reduction in export subsidies and imposing higher import tariffs, which contribute to the erosion of

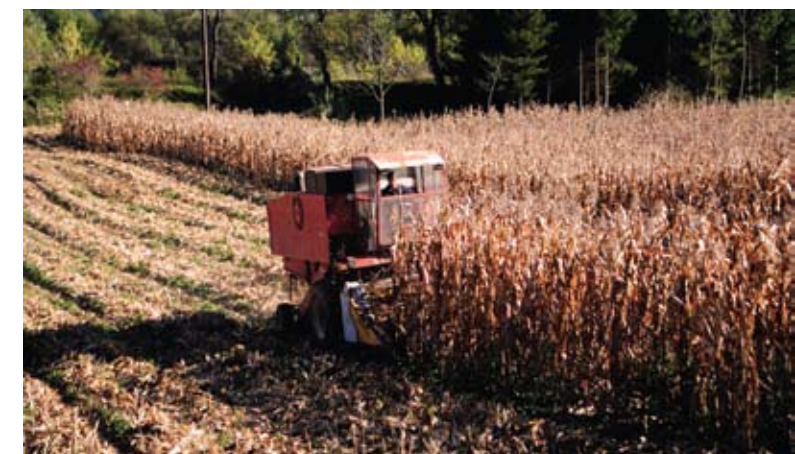
competitiveness of agricultural exports. It has also been observed that on a number of tariff lines, the import duties are in direct proportion to value addition. The other major cost components that have contributed to the decline in the price competitiveness of a number of agricultural products are the additional costs of meeting the SPS requirements, packaging and marketing promotion. Therefore, a number of steps would have to be undertaken to increase the price competitiveness of our agricultural exports and to improve our market share in the international market (which, currently, stands at 1.88 per cent). These would include encouraging value addition through financial assistance, thereby, decreasing the burden of interest and other costs on the processing units, as well as market promotion.

It is also observed that the level of export of processed products among overall export of agricultural products is quite low, in spite of the fact that India's production base of fruits and vegetables, livestock, milk and cereals is substantially high. Currently, export of processed products accounts for about 20 per cent in the overall

The inadequacy of the Indian food processing industry is on account of the fact that the food processing sector is relatively nascent and has not yet really taken off in India on a large scale to exploit the potential that India has in this sector. There is a dire need for a strategy for promoting exports of Indian value-added products.

agri exports (including marine products) from India. Notwithstanding the advantage of primary production, India lags behind in the export of processed products due to various reasons including inadequacy of general infrastructure, post-harvest infrastructure, scale of operation, high freight cost, price fluctuations, predominance of unorganised sector, lack of implementation of quality and food safety management systems (HACCP, GAP, GMP, etc.), absence of adequate backward linkages and low technology of processing facilities. Efforts are being made in all directions to improve the situation, but this is likely to take some time. In the meantime, competing countries are progressing on all these fronts at a rapid pace.

The inadequacy of the Indian food processing industry is on account of the fact that the food processing sector is relatively nascent and has not yet really taken off in India on a large scale to exploit the potential that India has in this sector. There is a dire need for a strategy for promoting exports of Indian value-added products. The integration of agricultural production and processing on a large scale would help to meet all these objectives. As the entire process of integration is expected to take some more time on account of various limiting factors, it is felt that there is a need to consider supporting the food processing sector with assistance to export of value-added products. If India can provide financial assistance support to meet the additional costs on account of disadvantages of various factors explained above, India would be able to become a prominent exporter of value-added products in the real sense. To elaborate on value addition, it is noteworthy that even converting wheat into wheat flour and packaging it could be termed as value addition. However, the intention under this proposal is to promote exports of ready-to-eat individually packaged, frozen or non-frozen *chapattis*, *parathas*, etc. It is this nature of value addition that needs to be supported.

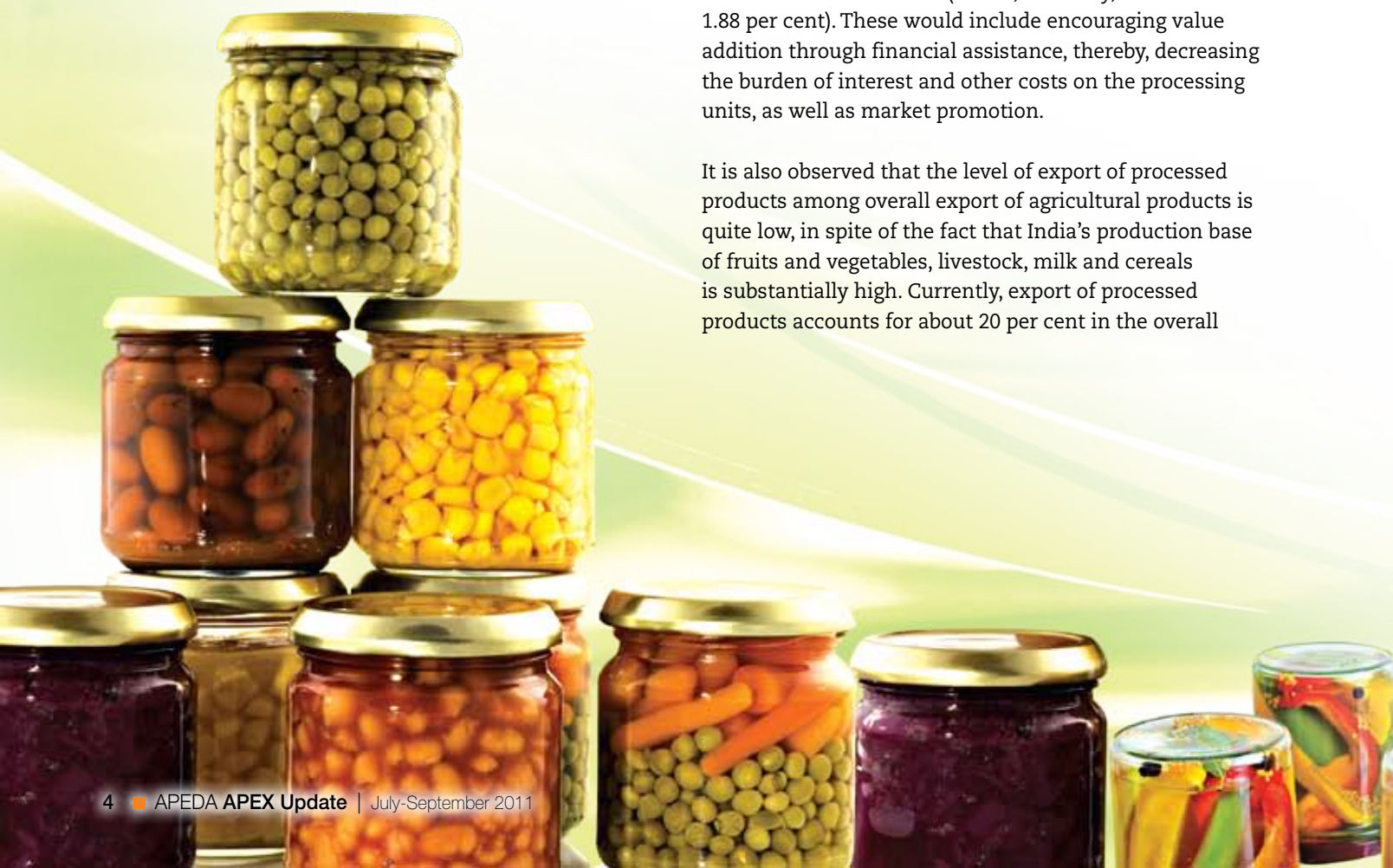


Additional costs due to various forms of disadvantages

On the basis of a study titled, 'Export of Value-Added Products from the Agriculture Sector: Impediments and Strategies for the Future' carried out by National Council of Applied Economic Research (NCAER), a few years ago, the following structure of additional expense on value addition was observed:

S. No.	Sector	Average additional expense on value addition
1.	Fruit and vegetable products	33 per cent
2.	Fruit juices, squashes, etc.	34 per cent
3.	Frozen and dried fruits and vegetables	36 per cent
4.	Pastas, pickles, etc.	16 per cent
5.	Processed gherkins	46 per cent
6.	Convenience foods	36 per cent
7.	Dairy products	47 per cent
8.	Meat and poultry products	31 per cent
9.	Dried fruits, guar gum, etc.	32 per cent

The above results show that the key bottlenecks that make Indian value-added processed products expensive and non-competitive vary from product to product as well as depend on the import tariffs in various countries. Exim Bank has also estimated that on a general basis, Indian exporters are suffering from cost disabilities of 16.3 per cent over their overseas counterparts due to various factors. On this basis, it may be estimated that the cost disability is at least double in the case of agricultural products as compared to the overall average.



Scope – Value addition

Value addition in India is taking place in all commodities, be it fruits and vegetables, livestock, dairy, beverages, etc. No individual item can be singled out under this proposal, as various forms of value addition are available in the country. However, assistance would be helpful in respect to food products exported in consumer packs. For instance, the following groups of products can be assisted. This list is only illustrative:

- Value addition to fruits in ready-to-eat form or fruit juices in consumer packs
- Value addition in the form of pre-cut frozen vegetables, mixed vegetables and ready-to-eat salads in consumer packs
- Value addition to vegetables, nuts, cereals, etc., in the form of ready-to-eat curried products in retort-pouches or frozen packaging in consumer packs
- Ready-to-eat *chapattis*, *parathas*, etc. in consumer packs
- Ready-to-eat cooked *biryani* of various ingredients and compositions in consumer packs
- Value added dairy products, poultry products in ready-to-eat form in consumer packs
- Ready-to-eat snack food items, sweets, bakery/confectionary products in consumer packs
- Ready mixes, pastas, etc., in consumer packs
- Preserved fruits and vegetables in ready-to-eat form in consumer packs
- Dried fruits (including peanuts), mixed dry fruits in consumer packs
- Special dietary products in consumer packs



The current level of export of value-added products of the nature referred to on the previous page is of the order of about ₹ 3,000 crore per year and has the potential to grow at least five-fold in less than five years. The amount of financial assistance determined for encouraging the exports of such products should be used for technological upgradation, maintenance of food safety and market promotion activities to provide a multiplier effect.

The design of any new scheme has to meet the provisions of the Agreement of Agriculture (AoA), which constrains the flexibility of member countries in terms of introducing any new support measures that do not satisfy the criteria laid down in the AoA. There are several provisions, which grant countries such as India the freedom to provide support. One of these provisions relates to the special and differential treatment under Article 9(d) and 9(e). These provisions grant developing countries the freedom to subsidise costs of marketing support to agricultural products and includes handling, upgrading and other processing costs and expenses incurred on domestic and international transport and freight.

The other provisions of the AoA, which grant member countries the flexibility to introduce support systems relate to the green box measures, which do not affect production and trade substantially. These measures include structural adjustment assistance and regional assistance programmes. Any assistance under these



measures however, has to meet the strict criteria of not relating support with either type or volume of production or prices, both domestic and international.

Considering this, there are possibly two ways of assisting the producers of value-added products. One way is to reduce the cost of marketing, handling, upgrading processing facilities and technological upgradation for improving food quality, safety and marketability of food for direct human consumption. The levels of such assistance may vary from region to region and commodity to commodity, which may be difficult to administer if the rates of assistance are not uniform. The other alternative of providing assistance is through the green box measure such as structural/regional assistance programmes under which every rural area with limited roads and electricity infrastructure could be designated as disadvantaged regions. The levels of assistance need not be related to the type or volume of production or domestic and international prices, but the levels of assistance can be limited to extra costs and loss of income that the producers in these areas have to bear by undertaking production and processing ■

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Fostering Economic Cooperation

An overview – The EU-27 countries' market

THE EU-27 countries can certainly be tagged as the world's biggest single market. Bringing together 500 million citizens and four of the world's seven largest economies, it has perhaps created a niche for itself. The European Union (EU) has always been the net importer of commodities and intermediate products with two-thirds

of its total imports coming from developing countries. As India's largest trading partner, the EU-27 countries account for about 27.1 per cent of the country's total agriculture exports. In the year 2009, India exported goods worth Euro 27.5 billion to the EU-27 countries and imported goods worth Euro 25.4 billion.

At a glance – The agricultural import scenario

Taking a look at the statistics of the total agricultural imports by the EU-27 countries, it is remarkable to note that the import figures in the year 2009 touched Euro 79.412 billion. The main countries contributing towards the imports were, the Netherlands (19.85 per cent), Germany (15.61 per cent), the UK (13.65 per cent), Italy (10.08 per cent) and Spain (9.03 per cent). The main items imported included meat products, bananas, grapes, coffee, nuts, cut flowers and wine.

Brazil remains the main supplier since 2003, with 15.28 per cent share in the EU's agricultural imports, followed by USA (7.63 per cent) and Argentina (7.51 per cent). Catching up fast is the Asian giant – China, currently ranked fourth while India is placed at the 14th position with 2.14 per cent market share. Other Asian countries like Thailand (2.37 per cent) and Indonesia (2.36 per cent) are at ninth and tenth place respectively.

Data Source: European commission

The 10 major importing countries in the EU

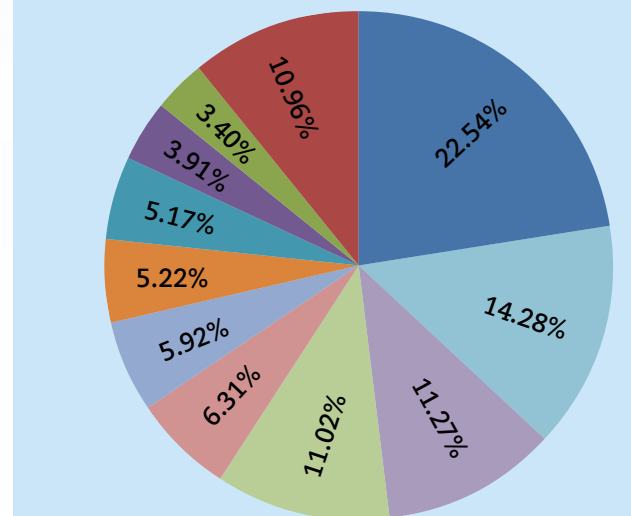
- The Netherlands (19.85 per cent)
- Germany (15.61 per cent)
- UK (13.65 per cent)
- Italy (10.08 per cent)
- Spain (9.03 per cent)
- Greece (8.05 per cent)
- Belgium (7.52 per cent)
- Poland (1.88 per cent)
- Denmark (1.72 per cent)
- Sweden (1.68 per cent)

Trading ties – India's agricultural exports to the EU

Of the total merchandise exports, India's agricultural export share to the EU-27 countries account for 27.01 per cent. In 2009, India's exports to the EU-27 countries stood at USD 3.01 billion. India's main market constituted of the UK (20.13 per cent), the Netherlands (13.31 per cent), Germany (12.87 per cent), Germany (18.34 per cent), France (11.03 per cent), Italy (9.61 per cent) and Spain (7.63 per cent). On the contrary, Indian agricultural exports to the east European countries of Bulgaria, Romania, Slovakia, Hungary, Czech Republic, Latvia and Lithuania, have been considerably low.

Data Source: UNCOMTRADE

India's export to the EU



- Fish and crustaceans, molluscs and other aquatic invertebrates
- Coffee, tea, mate and spices
- Cereals
- Edible fruits and nuts, peel of citrus fruits or melons
- Oilseeds and oleaginous fruits; miscellaneous grains, seeds and fruits; industrial or medicinal plants; straw and fodder
- Tobacco and manufactured tobacco substitutes
- Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes
- Preparations of vegetables, fruit, nuts or other parts of plants
- Edible vegetables and certain roots and tubers
- Lac; gums, resins and other vegetable saps and extracts
- Other products



Augmenting growth – Recent developments in the EU-27 market

The last five years have seen two vital developments in the EU-27 countries' agricultural trade. The first one being the EU-27 overtaking the US as the leading agricultural exporter since 2003 and the second one indicates significant improvement in the EU's agricultural trade balance, with export growth outstripping the imports. With this, the EU-27 countries turned into net exporters of agricultural products in 2009. This leap came as a surprise primarily because it occurred despite the strengthening of Euro and enlargement, which increased the net agricultural imports. However, in 2009, it again became the net importer with an import of Euro 77.12 billion and export of Euro 74.61 billion.

	2007	2008	2009
Exports	73.56	81.33	74.61
Imports	78.04	88.55	77.12
Balance	-4.48	-7.21	-2.51

Reviewing the trend – Product-wise analysis

The groups of items exported by India to the EU in the agricultural sector, which have been reviewed include:

- Marine products
- Floriculture products
- Fruits and vegetables
- Processed fruits and vegetables
- Animal products
- Vegetable plaiting material
- Morels and nuts
- Guar gum, manioc, sugar and molasses
- Medicinal plants and their extracts
- Cereals and cereal products
- Coffee, tea and their extracts
- Spices, seasonings and oleoresins
- Oilseeds and their extractions
- Shellac
- Tobacco
- Caster oil and vegetable fats and their derivatives



Till date, more than 95 per cent of the agricultural products exported to the EU in terms of value have been analysed. While the remaining 5 per cent are of little export interest ■



Comparison of some major product groups

	2006			2007			Growth (2006 over 2007)	
	Extra EU	India	% Share	Extra EU	India	% Share	Extra EU	India
APEDA products (including cereals, sugar)	54,375	638	1.17	61,803	814	1.31	+13.6%	+27.6%
Marine	13,150	450	3.4	13,298	470	3.5	+1.1%	+4.4%
Cashew	281	156	55.4	288	126	43.8	+2.4%	-29%
Tea	514	93	18.0	474	82	17.2	-7.8%	-12%
Coffee	4,316	159	3.7	4,816	161	3.3	+11.5%	1.2%
Spices	1,015	96	9.4	1,054	120	11.3	3.8%	+25%
Tobacco	1,682	66	3.9	1,807	72	4.0	7.4%	+9.9%
Shellac	40	11	27.5	40	10	25	-	-10%
Other agri products (vegetables, plaiting material, oilseeds, castor oil, etc.)	5,976	151	2.5	7,443	200	2.6	24.5%	+32.4%
Total	81,349	1,820	2.23	91,023	2,055	2.25	+11.8%	+12.9%



Kerala – Benign and Beautiful

Cruising through the lap of nature

KERALA – a state endowed with lush green backwaters, immaculate palm fringed beaches, cascading waterfalls, historic forts and monuments, rich cultural heritage, myriad flora and fauna, misty mountains of the Western Ghats and many other magnificent attractions – aptly captures the enchanting bounties of nature. The alluring serenity of this terrain indeed leaves its visitors spellbound.

Also known for yoga and the unique ayurvedic treatments, Kerala is believed to have emerged from the waters of the Arabian Sea with the blessing of *Varuna* – The God of Oceans and *Bhumidevi* – The Goddess of Earth. The sobriquet 'God's Own Country' thus bestows itself on Kerala. This evergreen paradise, lies along the Malabar Coast, to the extreme southwest of the Indian peninsula, wedged by the Arabian Sea on the west and the mountains of the Western Ghats on the east.

The self-effacing capital of Kerala, Thiruvananthapuram (though many people still call it by the colonial name – Trivandrum) rests on seven low hills with wide open spaces, sports stadia and low-lying paddy fields.

The economic scenario

The economy of Kerala is primarily agrarian. Although the state lags behind in terms of per capita income and infrastructure yet it surges higher than other states when it comes to Human Development Index (HDI) and living standards. In fact, on certain parameters, it is at par with many developed countries.

There are various aspects which the economy of the state. Be it livestock, agriculture, fisheries, forestry and wildlife, energy, minerals, industry, migration or banking and finance, each has a significant role to play.

The power sector plays a key role in all developmental activities in Kerala. Apparently, power crisis is the prime obstacle to start new initiatives in the industrial field.

Kerala's abounding water resources, due to the presence of a large number of rivers, have made the state replete with irrigation and power generation facilities. The water resources have facilitated the blooming cultivation of crops, especially rice. The Malampuzha Project is one of the most prominent schemes, bringing around (52,497.538 acres of land) under irrigation. Another milestone has been the tremendous expansion in the generation of hydro-electric power. The rich water resources across the state absolutely complement the widespread green cover.

Forests in Kerala constitute around 79 per cent of the total land area. The forest concentration is extremely dense over the Western Ghats, while there are only a few of them in the mainland. Thus, the spatial arrangement of forests is quite erratic/inconsistent and in small groups. There are also substantial variations in the forest type, which can broadly be classified into – tropical moist deciduous forests, tropical wet evergreen forests in the mountain ranges of the Western Ghats and tropical semi-evergreen forests which lie between these two types.

The power sector plays a key role in all developmental activities in Kerala. Apparently, power crisis is the prime obstacle hindering new initiatives in the industrial field. In order to address this concern, significant steps are being taken to increase the productivity of this sector.

Apart from this, another vital component of the economy is fisheries, making a contribution of around 3 per cent. Being blessed with an estimated marine fishery potential of 5.17 lakh tonnes, Kerala's share in the national marine fish production is about 20-25 per cent. The water resources of this state include a coastline of



590 kilometres in length. The continental shelf area of the sea adjoining Kerala is 39,139 square kilometres.

The industrial sector in Kerala mainly consists of traditional and modern industries. Besides, there are also new emerging areas like Information Technology (IT), IT-enabled Services (ITeS) and biotechnology. Since the bulk of industrial workers in the state are employed in traditional industries like coir, cashew, handlooms, *beedi* and cigar making, top priority has to be given to revive, modernise and strengthen them to face the increasingly competitive market conditions.

The livestock sector is highly livelihood-intensive and is also a major contributor to the Gross State Domestic Product (GSDP), sometime contributing around 40 per cent of the agricultural GSDP in Kerala. Statistics do not exhibit the exclusive contribution of livestock to the GSDP, but always club it with agriculture and allied sectors. Cattle population in Kerala, which was 33.96 lakh in 1996, declined to 21.22 lakh in 2003 and further to 17.19 lakh by 2006. The crossbred cattle population which stood at 22.87 lakh (67 per cent) as per 1996 Census decreased to 17.35 lakh numbers and in percentage terms increased to 82 per cent by 2003. It further declined to 15.99 lakh numbers and in percentage terms increased to 93 per cent in 2006. This increase in proportion of crossbred population was made possible due to expanded healthcare facilities and artificial insemination services available within the state.

Truly agrarian

An extensive network of emerald backwaters, rivers and streams make Kerala a land, much suited for agriculture. This is the main reason behind the economy of the state being agrarian. Besides annual rainfall of 118 inches, the presence of 34 lakes and 49 rain-fed rivers leads this sector to prosperity. Giving agriculture a diverse portfolio are cash crops like coconut, tea, rubber, coffee, pepper, cardamom, cashew, areca nut, nutmeg, ginger, cinnamon, cloves, etc. In fact, coconut is a major source of income in Kerala, meeting about 70 per cent of the country's coconut requirements. Kerala is also one of the top five producers of pineapple in India. In 2009-10, its share in the national production of this tropical fruit was a staggering 7.8 per cent with 102.40 lakh tonnes produced.

The cardinal crop is paddy with around 600 varieties of rice being grown in the immensely expansive paddy fields of the state. The Kuttinad district of Kerala is known as the 'rice bowl of the state.' Paddy is basically cultivated during three seasons which include:

- Autumn or *Kharif* Crop (First Crop): This is planted between April-May and is harvested between September-October
- Winter or *Rabi* Crop (Second Crop): This is planted between September-October and is harvested between December-January
- Summer Crop (Third Crop): This is planted between December-January and is harvested between March-April

There are three categories of paddy varieties classified on the basis of crop duration. They are:



- Short-Term Varieties (115 days or below): 'Hraswa', 'Annapoornna', 'Triveni', 'Rohini', 'Jyothi', 'Kairali' (local names), etc.
- Mid-Term Varieties (115 to 130 days): 'Aswathi', 'Athira', 'Aiswarya', 'Ramya', 'Kanakam' (local names) with others
- Long-Term Varieties (130 days and above): 'Lakshmi', 'Dhanya', 'Nila', 'Rasmi' (local names) amongst others

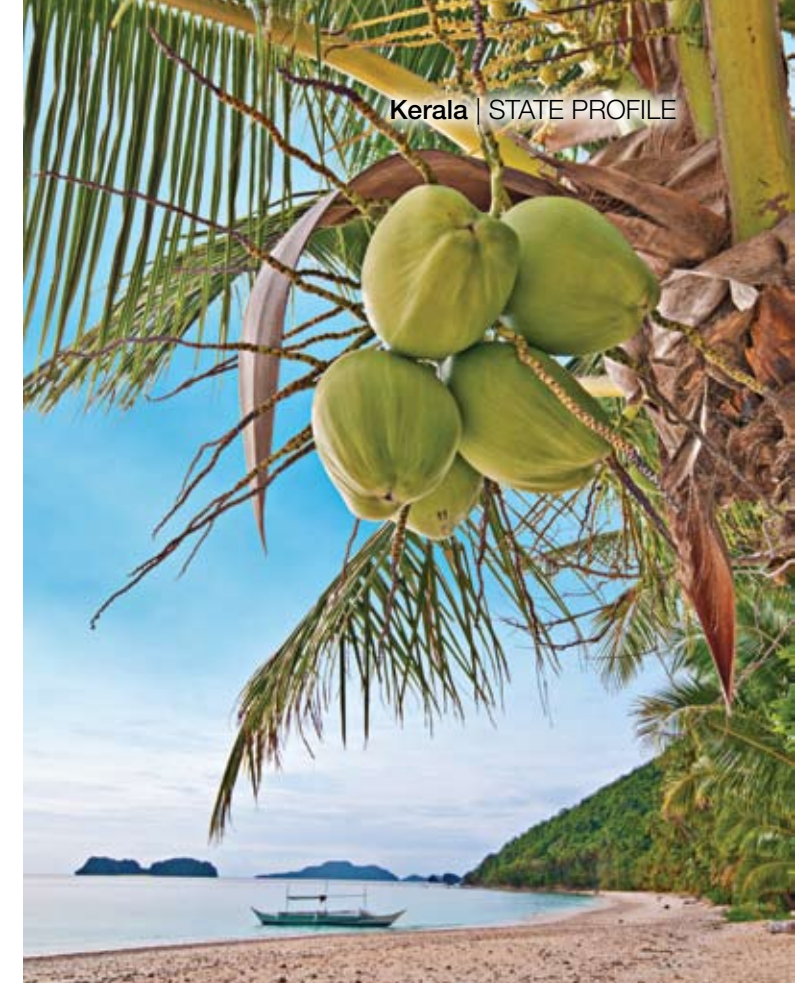
The production and productivity of rice in Kerala and India is shown in the table given below. The area under rice has been declining consistently over the last several years. But the pattern appears to have reversed in the recent years. After a long period of continuous decline, the area under paddy increased from 2.29 lakh hectares in 2007-08 to 2.34 lakh hectares in 2008-09 and slightly declined by 252 hectares only in 2009-10.

Production and productivity of rice in Kerala and India

Year	Area (000' ha.)		Production (000'MT)		Productivity (kg./ha.)	
	Kerala	India	Kerala	India	Kerala	India
1 2002-03	311	40,410	689	75,720	2,218	1,874
2 2003-04	287	42,496	570	88,280	1,984	2,077
3 2004-05	290	41,665	667	85,310	2,301	2,047
4 2005-06	276	44,258	630	91,790	2,285	2,074
5 2006-07	264	43,810	642	93,360	2,435	2,131
6 2007-08	229	43,900	528	96,700	2,308	2,202
7 2008-09	234	45,600	590	99,400	2,520	2,177
8 2009-10	234	-	598	-	2,557	-

Source: Directorate of Economics and Statistics, CMIE

The agro climatic conditions in Kerala suit the cultivation of a variety of seasonal and perennial crops. 15 principle crops (rice, pulses, coconut, rubber, tea, coffee, pepper, cardamom, areca nut, ginger, nutmeg, cinnamon, paddy tapioca and other plantations) are cultivated in about 21,11,471 hectares of land within the state.



Spices is one of the key areas where Kerala dominates the international market. The major spices exported from Kerala include pepper, ginger, nutmeg and so on. The state continues to enjoy a near monopoly in the area and production of pepper accounting for 98 per cent of the country's total produce. The productivity of pepper had achieved its peak of 376 kilogram per hectare during 1998-99 with a slight decrease to 286 kilogram per hectare in 2006-07.

The state's favourable geographical location and easy connectivity has enabled it to emerge as the hub for the export of vegetables to the Middle East. Kerala boasts of several sea-ports and the maximum number of international airports amongst the Indian states; with airports at Cochin, Thiruvananthapuram and Kozhikode. In addition to this, APEDA's financial assistance has enabled the state in setting up cold storage facilities for storing perishable cargo like fruits and vegetables at both Cochin and Kozhikode airports ■



APEDA Bags the Agricultural Leadership Award 2011

THE AGRICULTURAL Leadership Awards 2011 was held on September 14, 2011 at the Taj Palace in New Delhi. APEDA was bestowed with this coveted award this year in the international leadership category.

The organising committee of the awards, chaired by Mr M S Swaminathan, the pioneer of India's green revolution chose APEDA for its groundbreaking project TraceNet. The project showcases the successful implementation of traceability and certification of all organic products produced and exported from India. With TraceNet, APEDA has revolutionised India's exports of organic products and helped the country acquire leadership position in traceability of organic food.

The award was presented by Shri Salman Khurshid, Union Minister for Corporate Affairs, Shri Harish Rawat, Union Minister of State for Food Processing and Shri Balram Jakhar, Ex-Union Minister for Agriculture. The award and a citation were received by Dr P V S M Gouri, Advisor, Organic Products, APEDA and Mr Sudhanshu, Deputy General Manager, APEDA.

The Agriculture Leadership Awards was instituted in 2008 and since then have recognised individuals and institutions that have led initiatives, which have a positive impact on the lives of farmers ■



Indian Traceability Initiatives Find Place in the International Capacity Building Programme Organised by APO, Japan and NPC, India

THE HORTICULTURE sector has been steadily gaining importance. In lieu of this development, a training programme on 'Supply chain management for Horticultural Crops' was held at the India International Centre, New Delhi from August 1-6, 2011. The programme was jointly organised by the Asian Productivity Organisation (APO), Tokyo and the National Productivity Council (NPC), India.

Participants were imparted knowledge and skills regarding quality and competitiveness in fruit and vegetable chains. Of the 30 participants, 18 were from the overseas and were sponsored by APO, while six were sponsored by FAO-RAP and the remaining six were local participants.

The programme included interactive lectures, group assignments and exercises, and hands-on training

through observational visits to relevant facilities. The sessions were conducted by four international and one Indian resource speaker. The Indian speaker, Mr Sudhanshu, Deputy General Manager, APEDA represented India and took a half-day session on 'Monitoring and traceability of the produce in the horticultural supply chain'. Participants applauded the groundbreaking traceability implementation initiatives undertaken by India.

The horticultural sector has helped enhance agricultural productivity and farm incomes while improving rural livelihoods. But there is an immediate need to enhance the capacities of key stakeholders to modernise horticultural chains in the region. The training programme is a step in that direction. Devised according to a global perspective, it will help participants to further train stakeholders in their own countries ■

Pineapple Meet 2011 at Agartala

WITH A motive to build a 'robust pineapple economy,' the Confederation of Indian Industry (CII) organised the Pineapple Meet 2011 at Agartala, Tripura.

This meet was preceded by an exhibition on August 26, 2011. Held at the Pragna Bhawan, the meet primarily focused on the Tripura Pineapple variety, its evaluation in value addition prospects, addressing market outlook and supply chain management and on building strategic partnerships.

The meet was attended by representatives from the state government, NERAMAC and private trade bodies. Mr Jitendra Chaudhry, Minister for Industry and Commerce, Forest and RD, Government of Tripura, was the guest of honour at the event. The speakers included Mr K V Satyanarayana, Principal Secretary (Agriculture), Government of Tripura, who delivered the opening address and Ms Jayati Chandra, Secretary, Ministry of Development of North Eastern Region. Several speakers touched upon issues like branding of the Tripura Pineapple, its organic certification, packaging, processing, backward linkages and marketing along with pursuing its geographical indication.

Various presentations were made by Dr Shiv Narayan Singh, Director, Department of Horticulture and Soil Conservation, Government of Tripura, Mr S Bhattacharjee, Managing Director, NERAMAC and Mr Rajan Chhibba, Managing Director, Interim Business Associates and Mrs Akali Sema, Director, Central Institute of Horticulture, Nagaland and Mr Vinod K Kaul, DGM, APEDA.

Mr Kaul's presentation focused on branding the Tripura Pineapple and the benefits it would have for all stakeholders and the trade. He further informed the audience of APEDA's scheme of an export development fund for the north eastern region ■



APEDA Hyderabad Office Interacts With Andhra Exporters

THE REGIONAL office of APEDA at Hyderabad organised an interactive session with exporters from Andhra Pradesh, on the evaluation of the financial assistance schemes, on July 22, 2011. A product of thorough research and practical study, these schemes cover several important processes of production and export of agricultural products. They offer financial assistance for market development, infrastructural development, quality development, research and development and transport assistance. The objective of these schemes is to both improve and increase exports.

The meeting took place at the APTPC Training Hall, Basheerbagh, Hyderabad and was chaired by Mr R Ravindra, AGM, APEDA. Around 25 exporters from the state attended the event and helped evaluate the financial schemes. Representatives from M/s PricewaterhouseCoopers interacted with the exporters to avail their feedback. The exporters were given a comprehensive questionnaire to fill, in an attempt at extracting a more detailed understanding of the strengths and weaknesses of this undertaking ■

17th Session of Indo-Russia Joint Working Group

THE INDO-RUSSIA Joint Working Group on Trade and Economic Cooperation held its 17th session in Moscow from October 3-4, 2011. The session was co-chaired by Mr Ravi Capoor, Joint Secretary, DoC from India and Mr S V Chernyshev, Director, Ministry of Economic Development from Russia.

Other members of the Indian delegation included Mr Anil Trigunayat, DCM, EO, Moscow, Mrs Mala Iyenger, Director DoC, Industry, Ms Madhumita Hazarika Bhagat, First Secretary (E&C), EO, Moscow, Mr Chinmoy Naik, Under Secretary (Russia), Ministry of External Affairs, Mr Sunir Khurana, Director, MMTC, Mr Vinod K Kaul, DGM, APEDA and Dr Satyanjal Pandey, Third Secretary, EO, Moscow.

The sessions were extensive and touched upon various issues of mutual interest between the two nations. The agriculture sector was one such topic, along with the discussion on the visit of the FSVPS veterinary experts to India concerning market access for bovine meat and egg products. At the end of the sessions, the two sides signed a protocol ■

Workshops Organised by BEDF for the Farmers of Basmati Growing States and Basmati Exporters

THE BASMATI Export Development Foundation (BEDF) constantly endeavours to enhance the quality of Basmati Rice production and its exports. The organisation recently arranged several workshops across Haryana, Uttar Pradesh, Punjab, Uttarakhand and Jammu & Kashmir in this regard. These workshops on 'Quality Improvement in production of Basmati Rice for Export' were held in BEDF's demonstration and training farms located across the country. They targeted farmers of Basmati Rice with the major objectives being:

- To train the farmer for seed production at their own field to solve the problem of seed availability
- Identification of insect-pests and diseases of Basmati Rice and their proper control

- Transfer of production technology including nursery raising, integrated nutrient and water management
- Interaction between farmers and scientists to know the problems of different states

Besides quality improvement, the BEDF also organised two other state-wide workshops 'Organic Farming of Basmati Rice: Production and Marketing' and 'Management of *Khapra* Beetle and Other Storage Pests for Indian Basmati Exporters.' The workshops involved lectures by eminent scientists and were attended by several farmers who were quizzed in the end to gauge what they learnt ■



Visit by Officials of Andhra Agriculture Ministry

A GROUP of about 20 officers from the Ministry of Agriculture, Government of Andhra Pradesh come to APEDA office on a familiarisation visit on September 27, 2011.

Mr Vinod K Kaul, DGM, APEDA delivered a presentation to acquaint the participants with the role and activities of APEDA and how it helps in boosting exports. They were apprised about the various state-of-the-art infrastructure facilities set up with APEDA's financial support in various regions of the country including Andhra Pradesh. The participants made keen notes during the presentation and went back satisfied ■

Open House Session With Commerce Secretary

IN A rare event, an open house interactive session was conducted with Dr Rahul Khullar, Commerce Secretary by the Federation of Indian Export Organisation (FIEO) at Kolkata. The event, which was held at Hotel Taj Bengal, on September 21, 2011 was also attended by Dr A K Pujari, DGFT, Mr Anup Wadhawan, JS, DoC and senior officials from the customs department.

Mr Vinod K Kaul, DGM and Mr S K Mandal, JE, Kolkata office, represented APEDA at the event. Close to 150 trade members participated in the meeting, highlighting their various concerns and giving suggestions to simplify the various procedures for trade facilitation. The Commerce Secretary and DGFT clarified various issues pertaining to permission for rice exports from other ports, service tax/VAT, GST, VKGUY, etc ■

APEDA's Impressive Growth in the First Quarter

THE PRODUCTS of APEDA recorded an unprecedented performance in the first quarter of the current financial year 2011-12. The overall performance rose by 57.21 per cent from the previous years. In product segments, other processed food registered a rise of 142.09 per cent, cereals of 58.77 per cent, livestock products grew by 36.67 per cent followed by floriculture and seeds at 35.24 per cent and processed fruits and vegetables at 26.24 per cent. Fresh fruits and vegetables registered a negative growth of 5.41 per cent.

The three-year export ban could not put a dampener on the demand for Non-Basmati Rice, which performed phenomenally, growing at 258.95 per cent. Wheat exports rose by 868.14 per cent over the same period as last year. Guar gum grew at 244.58 per cent, groundnuts at 141.09 per cent, spirits and beverages at 98.27 per cent, miscellaneous processed items at 70.52 per cent, meat and meat products registered a 45.09 per cent growth. Other major performers include fruits and vegetables seeds with 41 per cent growth. The first quarter performance is an indication, that this year will beat the record performance of 2010-11 ■

Visit by AGMARK Trainees

A GROUP of 12 trainees from AGMARK visited APEDA, New Delhi on October 19, 2011. These students are undergoing a diploma course in Agricultural Marketing. They were accompanied by Mr K B Gawande, Statistical Officer, DMI, Nagpur. Mr Vinod K Kaul, DGM, APEDA, apprised the students about the role and activities of APEDA, especially in the marketing of produce in the global market. The students took an active interest with several queries on NER produce ■

Regional Office Hyderabad Facilitates TNAU Students

ON AUGUST 17, 2011, the regional office at Hyderabad hosted 28 final year students of B Tech (Horticulture) from the Tamil Nadu Agricultural University, to familiarise them with the export promotion measures in the agriculture sector. The students were taken through a presentation by Mr R P Naidu, Senior PE highlighting APEDA's activities on the export front and also the financial assistance schemes it has undertaken ■

Bhutanese Delegation Visit APEDA

A DELEGATION from the Kingdom of Bhutan came calling at APEDA on August 26, 2011. The purpose of this visit was to understand and learn from APEDA's role as a prime organisation in promoting exports of Indian agricultural products. The meeting was chaired by Mr S Dave, Director, APEDA and was attended by several other dignitaries, including Mr R K Boyal, GM and Mr A S Rawat, GM.

Mr Vinod K Kaul, DGM delivered a presentation on the role and activities of APEDA, while Mr S S Nayyar, DGM talked one on APEDA's involvement in the livestock sector. Mr Sudhanshu, DGM highlighted the advances that the organisation has made in the IT and traceability sectors. The interaction was quite fruitful with members of the delegation being wholeheartedly involved in the proceedings and making keen observations ■



The Event Synopsis

Summer Fancy Food Show July 10-12, 2011, Washington DC, USA

APEDA and ITPO jointly participated in the 57th Summer Fancy Food Show in Washington DC. Held from July 10-12, 2011 at the Walter E Washington Convention Centre, the show witnessed approximately 2,400 exhibitors from more than 80 countries, displaying about 1,80,000 speciality foods and beverages.

The Summer Fancy Food Show is organised every year by the National Association for the Speciality Food Trade (NASFT) – a not-for-profit business trade association. An annual affair, it is amongst the biggest food trade shows in the United States with a focus on speciality and gourmet food. APEDA has been regularly participating in this event to promote Indian Basmati Rice, alcoholic beverages and processed foods, which compliment a number of American foods. This year, Mr Asit Tripathy, Chairman, APEDA led the delegation of 14 exporters of food products to the event, which was coordinated by Mr Sunil Kumar, Secretary, APEDA.



Spread over 405 square metres, the India pavilion was inaugurated by Mrs Meera Shankar, Ambassador, Embassy of India, Washington DC. The exhibition area displayed samples of several Indian food products like Basmati Rice, honey, spices and herbs, *chutneys*, pickles, biscuits, cookies, fruit juices and drinks, confectionery and chocolate, cashews, alcoholic beverages and the increasingly popular ready-to-eat food or curries.

An annual affair, it is amongst the biggest food trade shows in the United States with a focus on speciality and gourmet food. APEDA has been regularly participating in this event to promote Indian Basmati Rice, alcoholic beverages and processed foods.



The following Indian exporters participated and displayed their products; Little Bee Impex (honey and cookies), Fauji Exim Pvt. Ltd (spices and Basmati Rice), Surya Food and Agro Ltd. (fruit juices, biscuits and cookies), MB Exim Pvt Ltd (natural honey), Swathy Enterprises (cashews, confectionery – Biscuit manufacturing), All India Rice Exporters Association (Basmati Rice and wet sampling of rice *biryani*), Basic India Ltd. (mango pickles and assorted spices powder), Amar Singh Chawal Wala (Basmati Rice), LT Foods Ltd. (Basmati Rice), Bush Foods Overseas Private Ltd. (Basmati Rice and ready-to-eat products), Cashew Export Promotion Council of India (cashew kernels and cardanol), RH Agro Overseas Pvt. Ltd. (Basmati and Organic Rice), Shakti Bhog Foods Ltd (wheat flour, rice, gramflour, cookies), Coconut Development Board (coconut food products). The counters offering wet samples were immensely popular. AIREA set up a counter to offer wet sampling of Basmati Rice *biryani*, both vegetarian and non-vegetarian, which was prepared by *Mehak*, a local Indian restaurant. Another counter offered wet samples of Indian wine and beer. Indian food stalls generated a lot of interest and several enquiries were made by various food retailers, supermarket chains, independent groceries and national food stores, importers, etc ■



World Food Moscow 2011 September 13-16, 2011, Moscow

APEDA participated in the World Food Moscow 2011. The exhibition was held from September 13-16 at the Expo Center in Moscow. Organised by the ITE Group, the event was in its 20th edition this year. On display were a wide range of agricultural products from across the world. The product sectors covered included; fruits and vegetables, fish and seafood, drinks, oil, fats and sauces, frozen and convenience foods, tea and coffee, confectionery, meat and poultry, dairy products, canned foods and grocery products.

APEDA's pavilion at the exhibition was spread over 45.5 square metres. Mr Asit Tripathy, Chairman and



Mr Vinod K Kaul, DGM represented APEDA at the event. 14 Indian exporters also participated and exhibited their products at the event. These products included dried onion flakes, onion powder, tomato powder, potato powder, snacks like biscuits, crisps, etc., juices, gherkins, cherry tomatoes preserved in brine, etc.

His Excellency Mr Ajai Malhotra, India's ambassador to Russia also made a visit to the APEDA pavilion. He was accompanied by Mr Anil Trigunayat, Deputy Chief of the Indian Mission and Mrs Madhumita Hazarika, First Secretary.

The trade responses received at the pavilion were quite good and all the participating exporters were keen on a repeat visit in the next edition of the event ■

AAHAR – International Food Fair August 25-27, 2011, Chennai, India

The AAHAR International Food Fair was organised by the Indian Trade Promotion Organisation (ITPO) in Chennai from August 25-27, 2011. The event was inaugurated by Shri T N Ramanathan, Principal Secretary (Food, Civil Supplies and Cooperation), Government of Tamil Nadu. Mr R Ravindra, AGM along with his team Mr Thangam Ramachandran, Field Officer and Mr J Anand, LDC from APEDA's regional office in Bengaluru, organised APEDA's participation in the event. APEDA took a space of 54 square metres to showcase the range of food products of participating exporters. Held at the Chennai Centre Complex, the food fair showcased processed foods, food processing equipments, kitchen equipments, food packaging machinery, vending machines for bakery hotel industry equipments, ready-to-eat snacks, coffee, banking, agro processing industries, etc ■



Malaysia International Food and Beverage Trade Fair July 13-15, 2011, Kuala Lumpur, Malaysia

The Malaysia International Food and Beverage Trade Fair, 2011 was held between July 13-15, at the Putra World Trade Centre, Kuala Lumpur. The fair, which is in its 12th edition, is amongst the most prestigious international food and beverage exhibitions in South East Asia. There were more than 294 companies which took part in the event. Besides the latest products from the international food and beverage industry, machinery for all kinds of food industries, distribution channels and consumer use was also on display.

in the event through APEDA and showcased their products. A wide range of APEDA products such as rice, mango pulp, pickles and *chutneys*, ready-to-eat food products, dehydrated onion, gherkins, fruit juices, snacks and sweets along with some other processed food products were displayed.

The APEDA pavilion received a very good response, and benefited the exporters who found both contacts and an entry point into this market ■

Owing to the importance of the South East Asian market, APEDA has had a regular presence at the event. The APEDA pavilion was inaugurated by His Excellency, Mr Vijay K Gokhale, High Commissioner of India. Other notable visitors included Mr M Sevala Naik, Deputy High Commissioner and Mr Vinesh Kr Kalra, Attache'(Com).

This year, the APEDA pavilion spread over 54 square metres, had a colourful and vibrant ambience. The highlight was the wet sampling of non-vegetarian Basmati Rice *biryani*. Six Indian exporters participated



Biofach America

September 22-24, 2011, Baltimore

BioFach America is one of the largest trade fairs of organic food held in North America. As this region is one of the biggest markets for organic products, it is the perfect opportunity for manufacturers, suppliers and exporters, to break into the market or introduce new products. APEDA has been regularly participating in this trade fair. This year, the fair was held at Baltimore, USA from September 22-24, 2011. The fair was organised by Nurnberg Global FairsGmbH at the Baltimore Convention Centre. On display were the latest products from the international industries like ayurvedic, herbal, beauty and cosmetics, food and beverage, health and fitness, etc.

APEDA took up about 54 square metres of stall space in the aesthetically designed India pavilion. There was both a common space as well as booths for individual exporters, four of whom participated with APEDA. These exporters displayed an array of organic food products including Basmati and Non-Basmati Rice, honey, soyabean, sesame seed, peanuts, pulses, seeds, spices and other oilseeds. The wet sampling of vegetarian and non-vegetarian Basmati Rice *biryani* received a tremendous response. Exporters received both trade enquiries and orders at the event ■



Profood/Propack International Exhibition

August 26-28, 2011, Colombo

The Profood/Propack international exhibition of food processing, packaging and agribusiness held its 10th anniversary exhibition in Colombo.

Over 300 companies from 15 countries exhibited their wares in 300 stalls, covering the entire food supply chain. There were over 1,000 new products and services on display. The Indian state of Kerala had a separate pavilion for visitors. With the growing popularity of this exhibition, international representations amongst the SAARC countries have grown tremendously.

This year, India was in the spotlight and was honoured as a partner country. As the chief guest from the partner country, Mr Asit Tripathy, Chairman, APEDA delivered the inaugural address. Mr Tripathy

emphasised on the quality of Indian products especially organic, which has resulted in their acceptance and equivalence in markets like the EU and the US. He also brought to light India's efforts in the installation of quality management systems, traceability systems, advanced infrastructure and preservation systems.

Notable visitors at APEDA's stall were Mr Mahinda Yapa Abeywardena, Minister of Agriculture, Sri Lanka and Mr Rajapakse, Minister for Economic Development, Sri Lanka. Several Indian exporters also took part in the event and organised wet sampling of their products. Stakeholders of the processed food, packaging and agriculture industry exchanged their technical know-how, and enriched business relationships ■



INDEXPO 2011

September 20-22, 2011, Muscat

The fourth INDEXPO, held in Muscat, Sultanate of Oman, was the largest India-centric exhibition/seminar to be held in the country. The event was held from September 20-22, 2011 at the Oman International Centre. His Excellency Sheikh Abdullah bin Naseer Al Bakri, Minister for Manpower, Oman inaugurated the event in the presence of His Excellency Mr Anil Wadhwa, India's Ambassador to Oman.

APEDA set up a pavilion spread over about 100 square metres. This pavilion was divided further into seven sections, with APEDA occupying one section

displaying flowers, fruits, snacks, pickles, etc. APEDA's participation in the event was organised by Mr Ajit Kumar, SO, Ministry of Commerce and Mr T Sudhakar, DGM, APEDA Mumbai. Six other Indian exporters participated in the event through APEDA, and occupied the other sections. They displayed spices, fruit pulp, fruit juices, fruit powders/concentrates and snacks, etc. Several other Indian companies provided samples of their products to display or distribute. The INDEXPO 2011 was supported by India's Ministry of Commerce and Industry and the Associated Chambers of Commerce and Industry (ASSOCHAM) among others ■



For Your Information

Export Highlights

- Mr Sanjay Dave, Director, APEDA is the first Indian Chairman of CODEX Alimentarius Commission
- The Food Safety and Standards Act 2006, which enables authorities to trace the source of contamination in processed food more efficiently, comes into effect from August 5, 2011
- The USDA has imposed stringent conditions on rice imports from 22 countries including India following detection of the deadly *Khapra* beetle in some consignments
- The forecast of Indian organic market points to a quadruple growth by 2015
- Kazakhstan is increasing its fruit imports and becoming a more attractive target market for international suppliers
- Onion production is likely to decline by about 20-30 per cent this year due to deficient rainfall in the major producing regions of Maharashtra and Gujarat
- The Union Government plans to introduce a separate agriculture budget during the budget session of the Assembly
- All food manufacturers, to compulsorily register or obtain a licence from the FDA
- APEDA has identified 20 clusters to maintain healthy growth in the country's food product exports during the current global slowdown



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