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GAIN Report

Global Agricultural Information Network

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AMSAC Annual Convention 2012

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Trip Report

Approved By:

Alicia Hernandez

Prepared By:

Vanessa Salcido

Report Highlights:

Purpose: For Vanessa Salcido, Agricultural Marketing Specialist, responsible for organic products and seeds for the office, to represent FAS in the Annual Convention of the Mexican Association of Seed Producers, AMSAC; meet with several key contacts in the seed industry in Mexico; and to learn about the developments in seeds and the regulatory issues in the commercialization of seeds between Mexico and the U.S. It was an opportunity to meet new contacts, learn about any developments on the seed industry, and promote the services at the Agricultural Trade Office in Mexico.

General Information:

Summary: The AMSAC Convention was held in Riviera Maya, Yucatan, Mexico from August 23 to 24, 2012. The main purpose of the convention was to bring together industry members, government officials, and global seed association's representatives in a setting where several seminars were offered. Several discussion panels took place on different topics including, the future of agriculture in Mexico and the world; consumer trends; the seed industry in the face of instability and uncertainty in the market; climate change; and the future of the Mexican seed industry, challenges and opportunities.

Thursday, August 23, 2012

The first day of the workshop consisted of various presentations and discussion panels featuring different topics on the future of agriculture in Mexico and the world.

Welcoming remarks were given by Mexico's Secretary of Agriculture, Francisco Mayorga, who highlighted that these types of forums help strengthen links among unionized producers and consumers, and reinforce that Mexican agriculture plays a leading role in the development of Mexico.

The seminars focused on different topics, such as what are the consumption trends in agriculture. Rafael Echeverria, from the Inter-American Institute for Cooperation on Agriculture (IICA), gave an overview of the growth of the food industry and how consumers have shifted toward processed foods with a value added, and away from basic food products. He also noted that food security is a concern given the increase in human energy consumption (calories) per capita, which by 2050 will have risen by 10 percent. Consumers will want more fruits and vegetables, meat, poultry and products of animal origin, and less cereals and grains. He commented that the future of agriculture will depend greatly on the future of energy generation.



Among other topics presented was the seed industry operating in a volatile and uncertain environment. The speaker discussed the worldwide decrease in the production of grains and increasing prices, together with increased costs of production where seeds represent an important percentage of this overall cost.

Two small panels integrated by industry and Mexican government officials discussed the risk management in the agricultural and livestock sectors and the different insurances available by different institutions. They touched on the effects of climate change in agriculture, the early alert systems and different technologies to genetically enhance crops, and enhancements for preserving natural resources.

Several international seed trade associations, including the Seed Association of the Americas and the International Seed Trade Association, talked about the importance of becoming members of associations, which help represent the interests of the seed industry. Since there has been an important growth on the global seeds market, trade has grown and the movement of seeds has also increased the number and the demands of different countries' regulations. The associations give the industry representation and a forum to exchange ideas and act as a single voice for the public. Also, they highlighted the importance of facilitating access to technology and innovation because it is the future to assure global food security.

After the presentations, I talked with some of the members of AMSAC and Javier Trujillo, SENASICA's Director of Plant Health. Conventions like this one are a good opportunity to keep communications open and strengthen relationships with key contacts.

Friday, August 24, 2012

This day also consisted of a number of oral presentations and discussion panels. A representative from the International Maize and Wheat Improvement Center (CIMMYT) presented an overview of the situation of corn and the drought. She explained how the prices skyrocketed due to the high demand and low supply of corn recently. CIMMYT is trying to increase corn productivity in Mexico and increase wheat yield potential; all by expanding technology and by working with younger producers in rural areas.

One of the most interesting presentations of the day was the discussion panel about the Mexican Organic Market. Representatives from SENASICA, Pro Organico and Oregon Tilth presented an overview of the organic market and the challenges and opportunities for the seed industry. Mr. Garth Kahl, an organic agricultural consultant, talked about how organic agriculture in Mexico has increased over the years and, therefore, so has the use of organic seeds. Most international regulations demand the use of organic seeds for a product to qualify as organic, unless there no organic seeds are available.



Currently, SAGARPA accepts a few seed treatments for imported organic seeds such as hot water treatment and T-22. However, the treatment with T-22 is complicated and expensive.

There is a growing organic market in the United States, and according to the Organic Trade Association (OTA), the organic market surpassed \$26.7 billion dollars in 2010. Fruits and vegetables represent 38% of the total U.S. organic market, and in the case of frozen organic broccoli, for example, Mexico supplies 60 percent of what the United States demands.

Alejandra Elizalde from SENASICA said that is necessary to search for alternative seed treatments intended for organic production. The importation of seeds is subject to comply with phytosanitary measures imposed by SAGARPA, which is why it is important to strengthen collaboration between the government and the industry to find ways to facilitate organic seed trade.

One of the last panels of the day was on the future of the seed industry. Roberto Fraile, International representative of AMSAC and representative of Marseed companies, discussed how food security will depend on technology. He highlighted that seeds are the most accessible and lowest cost technology in the production process available to the producer.

There was discussion on seed commercialization and how it has increased in a constant manner and has become a global business. Seeds are imported and exported from and to different countries and must comply with the phytosanitary requirements imposed by the countries involved in the seed trade. The conclusion among members of the panel was that phytosanitary regulations should be harmonized and predictable.