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Report Highlights:

CSO pegs 2009-10 GDP growth at 7.2 percent, *India blames the US for impasse at WTO talks*, *Government overrules own experts, put Bt brinjal in deep freeze*, *Research on Bio Jet Fuel set to take off soon*, *Meat exports to touch Rs.60 billion as strict norms check disease*, *Rapeseed output seen lower on drop in coverage*, *PM signals further opening of retail trade to curb price rise*.

General Information:

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.

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CSO PEGS 2009-10 GDP GROWTH AT 7.2 PERCENT

A lower than expected decline in agricultural output and a robust recovery in industrial performance have led to the Central Statistical Organization (CSO) to peg the GDP growth estimate for IFY 2009-10 (Apr-Mar) at 7.2 percent, substantially higher than the 6.7 percent growth recorded in the previous year. However, Finance Secretary indicated that the final GDP growth for 2009-10 could be higher than the CSO's advance estimate. On agriculture, the CSO expects the decline in farm output to be contained within 0.2 percent, based on expectation of a good winter harvest. (Source: Business Line, 02/09/10)

Post Comment: For details, please see: <http://pib.nic.in/archieve/others/2010/feb/r2010020801.pdf>

INDIA BLAMES THE US FOR IMPASSE AT WTO TALKS

Indian Commerce Secretary said that the World Trade Organization's Doha Development Round was going through a "frustrating impasse" as the United States was not taking the initiative in taking forward the negotiations. Stating the US was sending out "conflicting signals", Commerce Secretary Rahul Khullar said at recent a meeting of a trade association that despite President Obama's statement in his State of the Union Address that he wants a 'good' Doha deal, this has not translated into any forward movement in the country's negotiating stance at the WTO. He said the US is yet to put in place its Ambassador to the WTO and the Chief Agriculture Negotiator. (Source: Business Line, 02/10/10)

GOVT OVERRULES OWN EXPERTS, PUT BT BRINJAL IN DEEP FREEZE

Citing lack of scientific consensus and the absence of any 'over-riding urgency,' Environment Minister Jairam Ramesh announced an indefinite 'moratorium' on the introduction of genetically modified brinjal (egg plant), which was cleared by India's apex Genetic Engineering Approval Committee (GEAC) three months ago. He also questioned the logic of letting private companies drive biotechnology research in agriculture. Ramesh argued that there was no clear consensus in the scientific community over the safety of the crop, many state governments had strongly opposed its introduction, and public sentiments were overwhelmingly negative. Ramesh said, "it is my duty to adopt a cautious, precautionary based approach and impose a moratorium on the release of Bt brinjal till such time as independent scientific studies establish, to the satisfaction of both public and professionals, the safety of the product from the point of view of its long term impact on human health and environment, including the rich genetic wealth existing in brinjal in our country". The decision came after a month of acrimonious debate in emotionally surcharged public meetings in seven cities across India. (Source Indian Express, 02/10/10 <http://www.indianexpress.com/news/govt-overrules-own-experts-puts-bt-brinjal-in-deep-freeze/577952/>)

Note: Also Read 'JAIRAMMED – How The Environment Minister Made a Meal Out of Bt Brinjal'
<http://www.indianexpress.com/news/jairammed/578246/0>

RESEARCH ON BIO JET FUEL SET TO TAKE OFF SOON

India will start research on production of biofuels for the aviation industry, with the research framework to be ready in 18 months and trial production to begin in three years. The project is part of the Indo-Canada Science and Technology Cooperation program. The Department of Science and Technology (DST) will provide grants to the academic institutions involved in the research, while Global Innovation and Technology alliance – an initiative of the DST and Confederation of Indian Industries, will be the implementing agency. (Source: Business Line, 02/06/10)

MEAT EXPORTS TO TOUCH RS. 60 BILLION AS STRICT NORMS CHECK DISEASE

Frozen meat exports from India have witnessed a steady growth in exports in the last few years, thanks to the measures taken by the government against spread of diseases in buffalo, sheep and goat. According to the latest data, exports of meat and meat products is likely to cross Rs. 60 billion in the current fiscal year 2009/10 (April/march) from about Rs. 33 billion in 2006/07. At present the government is focusing on containment and eradication of foot and mouth disease. India exports mainly deboned and deglanded buffalo meat obtained by compulsory chilling and maturing of carcasses at low temperature. Indian meat is largely exported to Gulf countries, Malaysia, Philippines and Mauritius. (Source: The Financial Express 2/8/10)

RAPSEED OUTPUT SEEN LOWER ON DROP IN COVERAGE

According to the Solvent Extractors Association, the rapeseed/mustard crop sowing during the current rabi season is estimated (preliminary) to be 5.92 million tons as compared to 6.2 million tons last year mostly due to projected fall in production in Rajasthan. Around 211,000 hectares drop in the area under rapeseed/mustard crop is likely to result in production dropping 4.5 percent this year. The productivity, however, is seen improving to 920 kg a hectare against 900 kg last year. In Rajasthan, around 2.3 million hectares have been covered under rapeseed/mustard against 2.8 million hectares last year. However, the fall of nearly 500,000 hectares may be made up to some extent with a higher yield of 1,161 kg a hectare (1030). The coverage is lower in Punjab and Haryana The area is also lower in West Bengal, Gujarat and other States. But in all these States, the yield is seen higher due to favorable weather conditions, ensuring a higher production than last year. (Source: Business Line, 02/09/10)

PM SIGNALS FURTHER OPENING OF RETAIL TRADE TO CURB PRICE RISE

At a conference of Chief Ministers on prices of essential commodities, Prime Minister, Dr. Manmohan Singh, pitched for opening up of retail trade to bridge the wide difference between the retail and farm-gate prices. He stated that greater competition was necessary in the wake of the retail prices having shot up more than the wholesale prices. Opening up the retail trade could imply foreign companies being allowed entry in multi-brand retail businesses. Currently, no foreign participation is allowed in multi-brand retail. The Prime Minister's remarks, which were hailed by many domestic retail majors including Future Group, were seen as a positive signal on the Government's intent to allow a larger role for foreign companies in India's booming organized retail industry. (Source: Business Line, 02/07/10)

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