

# Safe food production loses steam

Farmers are returning to chemical pesticides due to higher prices of bio-pesticide, slow marketing

AKANDA MUHAMMAD JAHD

A Tk 58.5 crore project has created interest among farmers to grow foods by using bio-pesticides. And an increased number of growers have switched from using chemical pesticides.

However, they are again returning to chemical pesticides to produce vegetables and other crops, mainly because of higher prices of environment-friendly pesticides and inadequate marketing facilities for safe foods, finds a report by the Implementation Monitoring and Evaluation Division (IMED) of the planning ministry.

The government took up the project, 'Safe Crop Production through Integrated Pest Management (IPM)' in July 2013 to encourage farmers and support them to grow safe food crops through integrated pest management (IPM) practices.

The Department of Agricultural Extension (DAE) implemented the project ending in June 2018.

To assess the impact of the scheme, the IMED has conducted a study recently.

The IMED said the project strengthened safe food production by encouraging farmers to use bio-pesticides and fertiliser through setting up 6,700 farmers' field schools, 6,700 IPM clubs and providing training to farmers.

But many farmers who had been brought under the scheme are now more interested in using chemical pesticides due to increasing demand and high price of bio-pesticides in the markets, it said.

Besides, about 20 per cent of the IPM clubs have already become inactive due to a lack of effective monitoring.

The complicated registration system for the IPM club membership and the reluctance of the club members to deposit monthly fees are also the reasons behind the inactiveness of the club, the IMED data showed.

The major objectives of the scheme, titled "Safe Crop Production through Integrated Pest Management (APM) Policy", were to increase both



A pheromone trap being used in the cultivation of tomato at Darikamari village in Panchagarh sadar upazila of Panchagarh district. There has been a lack of proper marketing for safe crop production, which is discouraging farmers from cultivating safe foods, according to a survey.

STAR/FILE

production and income of farmers in a sustainable and environmentally friendly way, and popularise pest management activities through the use of the IPM method.

The survey showed that after implementation of the scheme, every year 12.7 per cent of new farmers and 10.4 per cent of land have been included in the IPM system.

In the first financial year of the scheme, about 12,361 farmers used the IPM method which has

increased to 39,048 and pesticide use has decreased by about 14.26 per cent.

It said due to the use of a proper amount of organic fertilisers and pesticides, the costs of paddy, vegetable and fruit cultivation have decreased by 11.30 per cent, 23.39 per cent and 14.09 per cent per hectare respectively.

Moreover, the yields of paddy, vegetables and fruits have increased by 5 per cent, 7 per cent and 7 per cent respectively.

However, there has been a lack of a proper marketing system for safe crop production, which is discouraging the farmers from cultivating the safe food, it said.

To strengthen the marketing of safe crops, the study suggested the local agriculture offices establish safe vegetable corners in every local market with the help of the local government representatives.

Besides, due to the increasing

demand and high price of environment friendly pesticides, farmers are giving up the use of those pesticides and are being prompted again to the use of traditional chemical pesticides.

The IMED said the benefits of the project would be ensured if the price of bio-pesticide and fertiliser was reduced.

Besides, to ensure the benefits of the project, it suggested making the IPM club registration process easier,

involving the clubs in all activities of the DAE and strengthening monitoring of upazila-level agriculture offices.

It also suggested to cultivate pest tolerant varieties and strengthen the use of bioagents in the production of safe vegetables.

Ahsanul Haque Chowdhury, director of the project, said he did not get the IMED survey report yet.

"I can't say anything without looking at the survey report," he said.

DAE Director General Md Asadullah said the demand for environment friendly pesticides has grown but in fact its price has not increased.

This is because the benefits of using bio-pesticide once are the same as using chemical pesticides four times, he said.

In fact, interest among the farmers, who are producing safe food crops, is declining as there is no separate market system for them, he said.

If the market system was good and the prices of those crops were high, the interest of farmers in producing safe food would have increased and the process of producing safe food grains would have been more sustainable, Asadullah said.

"So we have given suggestions to the government in this regard. As a part of this, we have already set up safe vegetables markets in different parts of the country, including Dhaka. Those efforts are still ongoing to make the success of this project sustainable. Work will start on a larger scale in the coming days," he said.

In order to encourage the farmers under the project, direct field-level training and education are being provided to the farmers, the DAE DG said, adding that no incentives were provided.

Regarding the inaction in the supervision of the employees of the local agriculture office, he said there was no weakness in the monitoring system.

"How is so much crops being produced if there is weakness in monitoring?" he asked, adding, "Our monitoring is increasing day by day. Now we give suggestions and prescriptions going to the spot."



## GLOBAL BUSINESS

### World food prices fall in June for first time in a year: FAO

REUTERS, Rome

World food prices fell in June for the first time in 12 months, pushed lower by declines in vegetable oils, cereals and dairy products, the United Nations food agency said on Thursday.

The Rome-based FAO also said in a statement that worldwide cereal harvests would come in at nearly 2.817 billion tonnes in 2021, slightly down on its previous estimate, but still on course to hit an annual record.

The Food and Agriculture Organization's food price index, which measures monthly changes for a basket of cereals, oilseeds, dairy products, meat and sugar, averaged 124.6 points last month versus a revised 127.8 in May.

The May figure was previously given as 127.1. On a year-on-year basis, prices were up 33.9 per cent in June.

FAO's vegetable oil price index plunged 9.8 per cent in June, partly on the back of a fall in palm oil prices, which were hit by expectations of output gains in leading producers and a lack of fresh import demand. Soy and sunflower oil quotations also dropped.

The cereal price index dropped 2.6 per cent in June month-on-month, but was still up 33.8 per cent year-on-year. Maize prices fell 5.0 per cent, partly because of higher-than-expected yields in Argentina and improved crop conditions in the United States.

International rice prices also fell in June, touching 15-month lows, as high freight costs and container shortages continued to limit export sales, FAO said.

Dairy prices dipped 1.0 per cent on a monthly basis, with all components of the index easing. Butter recorded the largest drop, hit by a rapid decline in global import demand and a slight increase in inventories, especially in Europe. The sugar index posted a 0.9 per cent month-on-month gain, reaching its highest level since March 2017. FAO said uncertainties over the impact of unfavourable weather conditions on crop yields in Brazil, the world's largest sugar exporter, pushed prices up.

The meat index rose 2.1 per cent from May, with quotations for all meat types rising as increases in imports by some East Asian countries compensated for a slowdown in China's meat purchases.



Vegetables are on display at a fruits and vegetable stand at the Plaza de Dia market in Madrid, Spain. REUTERS/FILE

### Asian companies see smallest earnings upgrade in 12 months

REUTERS, Reuters

Asian firms received their smallest upgrade in 12 months in June, hit by a resurgence of Covid-19 infections in the region which prompted new restrictions on people's movement to curb fresh coronavirus outbreaks.

Analysts lifted their forecasts for Asian companies' forward 12-month profits by 0.2per cent in June, the smallest upgrade in a year, Refinitiv data showed.

The manufacturing activity grew at a slower pace in China and Japan as raw material prices rose, while activity shrank in Vietnam, Malaysia and India, where governments imposed tougher restrictions to contain new outbreaks.

The spread of the Delta variant continues to drive global case counts higher, with South Korea reporting its highest ever one-day number of infections on Thursday after Indonesia reported record deaths on Wednesday.

China, Thailand, Indonesia and Malaysian firms faced cuts to their forward earnings forecasts last month.

Growth in China's factory activity slowed



A man stands on an overpass with an electronic board showing Shanghai and Shenzhen stock indexes, at the Lujiazui financial district in Shanghai, China on January 6. REUTERS/FILE

to a 15-month low in June, hit by supply chain woes and a resurgence of Covid-19 cases.

Japan and Hong Kong had small upgrades. On the other hand, Australian firms' profits were lifted by 3per cent, thanks to a surge in commodity prices.

Analysts also raised their forward 12-month earnings estimates for Vietnamese companies by 9.3per cent in the last month as a recovery in developed economies bolstered the country's exports.

The data showed Asia is expected to post an earnings growth of 34.7per cent in 2021, compared with Europe's 63.4per cent and the United States' 45.5per cent.

However, Sean Taylor chief investment officer for the Asia Pacific at DWS, said in a note that Asia is well placed to grow above the trend in the post-pandemic world.

"North Asian markets (China, Taiwan, South Korea) in particular have managed the Covid-19 crisis very well. That is why they have had to take on less debt. That should have a positive impact going forward."

### US, Canada raise concern over Mexico energy, investment climate

REUTERS, Mexico

Trade ministers from the United States and Canada expressed concern on Wednesday about Mexico's energy policies, as they met with their Mexican counterpart to mark the one-year anniversary of a regional trade pact.

US Trade Representative (USTR) Katherine Tai told reporters during a joint news conference that the United States is closely following Mexican President Andres Manuel Lopez Obrador's approach to the oil and power sectors, and seemed to suggest underlying differences.

"With respect to the energy policies that we see being discussed and envisioned by the Lopez Obrador administration, we are watching very closely... We are raising our concerns. We are here to engage," Tai said, without citing specific issues.

Her answer came in response to a question about the Mexican government's decision late last week to choose state-owned Pemex to run a major shared oil find instead of a private consortium led by US oil company Talos Energy Inc, which made the discovery in 2017.

Canadian Trade Minister Mary Ng reiterated Canada's "ongoing concern with the investment climate in Mexico specifically in energy and mining sectors," but welcomed the expected reopening of the San Rafael mine operated by Canadian miner Americas Gold and Silver Corp. The mine in northern Mexico will reopen following an extended labor dispute. It primarily produces silver, zinc and lead.

Tai and Ng met in Mexico City with Mexican Economy Minister Tatiana Clouthier at the anniversary

of the entry into force of the United States-Mexico-Canada Agreement (USMCA). The pact replaced the North American Free Trade Agreement.

Ng welcomed the historic, all-female makeup of the group, dubbing them the "three amigas," or "three friends" in Spanish. While in Mexico, the ministers met with entrepreneurs from underrepresented groups, as well as representatives from Mexico's leading business groups, and visited institutions involved in Mexico's labor reform, USTR said in a statement.

"With this meeting, Mexico, the United States, and Canada reaffirmed their commitment to North American supply chains and economic competitiveness, which have created significant economic growth and benefits for people and workers in all three countries," USTR said.

### French economy much stronger in Q2: central bank

AFP, Paris

The French economy grew twice as fast as expected in the second quarter, the central bank said Wednesday, as business activity surged after Covid-19 restrictions were lifted.

The Banque de France said that the eurozone's second-biggest economy expanded by around 1.0 per cent from the first three months of the year, while noting that supply bottlenecks and staff shortages had still combined to hobble the recovery.

The bank maintained a 2021 growth forecast of 5.75 per cent, expecting activity to withstand the effects of a feared fourth wave of coronavirus infections.

The European Commission has estimated that the French economy will expand by 6.0 per cent this year, the same figure floated last week by the national statistics agency Insee.

French authorities have remained a bit more cautious meanwhile, and are sticking for now to a full-year growth forecast of 5.0 per cent.