

CACCI

Food & Agriculture Newsletter

Volume 1

August 2012



Message from the Chairman

As Chairman of the Asian Council on Food and Agriculture (ACFA), I am pleased to present the maiden issue of the Newsletter of ACFA to all our colleagues in the food and agriculture sector.

This issue not only highlights the trends in the Asia-Pacific region, but also includes the latest news of the region and interesting reports on food and agriculture. I hope that you will find the articles included in this Newsletter of great value, and look forward to your contribution to the Newsletter in the future.

Since assuming the Chairmanship in 2011, I have found this Council a valuable platform for information exchange and networking for all representatives from the region's food and agriculture industry. Therefore, all CACCI members are encouraged to take advantage of the Council and the Newsletter as channels to voice their opinions and viewpoints.

My Best Wishes

*Mr. Samantha Ranatunga
Chairman
Asian Council on Food and Agriculture*

About the Asian Council on Food and Agriculture

The Asian Council on Food and Agriculture (ACFA), one of the newest Product and Service Councils (PSCs) under the CACCI umbrella, was formed during the 25th CACCI Conference on March 6-8, 2011 in Istanbul, Turkey. Following the establishment of ACFA, Mr. Suresh Shah, Vice President of CACCI, recommended Mr. Samantha Ranatunga, Managing Director/CEO of Chemical Industries Colombo (CIC), to be Chairman of the Council.

The PSCs are sub-councils under the CACCI umbrella that CACCI members agree to establish with the primary aim of promoting greater business interaction among CACCI members who are in the same product or service line.

Membership in the PSCs provides businessmen regular platform for:

- * Networking;

- * Identifying and addressing issues affecting their respective sectors;
- * Finding solutions to common problems;
- * Working out specific programs to accelerate regional cooperation, particularly in the area of trade, investment, technology transfer, capital flow, and the exchange of information; and
- * Exploring opportunities for business cooperation and joint venture, and initiating and completing business deals.

There are currently 11 PSCs that are operating within the CACCI umbrella. These include the following:

- * Asian Textiles and Garments Council (ATGC)
- * Asian Council on Tourism (ACT)
- * Asian Chemical Industry Council (ACIC)

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About CACCI Product

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- * Asian ICT Council (AICTC)
- * SME Development Council (SMEDC)
- * CACCI Women Entrepreneurs Council (CWEC)
- * Young Entrepreneurs Group Asia Pacific (YEGAP)
- * Asian Council on Water, Energy and Environment
- * Asian Council on Food and Agriculture
- * Asian Council on Contracting and Construction
- * Asian Council on Health and Education

Two others – the Asian Bankers Association (ABA) and the Council of Asia-Pacific Furniture Association (CAPFA) – have grown big enough and are now operating independently of CACCI.

PSCs meet at least once a year, usually in conjunction with the annual CACCI Conference held in various member countries. Occasionally, we conduct teleconferences with officers and key members of the PSCs to discuss their activities for the year.

For more information on the above PSCs, please visit the CACCI website at www.cacci.org.tw and go to the “Product and Service Councils” page. ■

Mr. Samantha Ranatunga Appointed Chairman of Asian Council on Food and Agriculture

Following the establishment of the Asian Council on Food and Agriculture during the 25th CACCI Conference on March 6-8, 2011 in Istanbul, Turkey, Mr. Suresh Shah, Vice President of CACCI, recommended Mr. Samantha Ranatunga, Managing Director/CEO of Chemical Industries Colombo (CIC), to be Chairman of the Council.



Joining the Board of CIC on 21st May 2002, Mr. Ranatunga was appointed Chief Operating Officer in February 2005, and appointed Managing Director/CEO in April 2009. Other than the above-mentioned positions, he is also the Non-Executive Director of a number of unlisted companies in the CIC Group, including Akzo Nobel Lanka Paints (Pvt) Limited, Perfunova International Limited, India, and Seylan Bank, PLC.

Mr. Ranatunga is a Committee Member of the Ceylon Chamber of Commerce (CCC), the President of the Sri Lanka Africa Middle East Business Council and the Vice President of the Sri Lanka-Maldivian Business Council. He

has led Sri Lanka Chamber of Commerce delegations to various countries, such as South Africa, Dubai, Maldives, Iran, Pakistan and Chile. He is also the CCC nominee in the Mercantile Services Provident Society.

In addition, Mr. Ranatunga is a pioneer in coordinating and setting up of CIC Agribusinesses which is the premier agricultural company in Sri Lanka. He has helped in developing the seed to shelf concept where 20,000 farmer families are helped to bring produce to consumers. He has also studied the agricultural measurement and productivity systems in Australia, India, Thailand, Portugal, Chile and many other countries.

Mr. Samantha Ranatunga holds a Bachelor's Degree from the University of Delhi, and a Master's Degree in Business Administration, UK. ■

Vietnam rises slowly but tastefully in the winemaking business

By Stephen Quinn, Special to The China Post

Vang Dalat, or wine from Dalat, is probably Vietnam's best-known wine. A white and a red are available and they retail for about US\$3.20 each in Hanoi. These wines are quite pleasant, though they have a while to go before they are of world standard.

The French started growing grapes for wine during their occupation of Vietnam in the late 19th century. Vietnam threw the French out after years of fighting, and the last French troops left in 1955.

Vietnam's tropical climate was not suited for the type of grapes the French introduced so the wine industry started making wine from fruit.

By the end of last century a renewed focus on growing wine grapes occurred, helped by visiting winemakers from countries like Australia. They introduced international varieties like cabernet sauvignon and chardonnay.

Dalat is the capital of Lam Dong province in Vietnam's Central Highlands. Unlike the tropical rest of the country, the province has a temperate climate because it is 1,500 meters (4,900 feet) above sea level. The region is famous for growing vegetables and fruit.

Mist covers the province's valleys almost all of the year, which explains its name that translates as the “city of eternal spring.”

In 2003 the Lam Dong food company transitioned from being a state-owned enterprise growing fruit and vegetables under the Communist government to making wine. The state retains a 51-percent share.

The company's wines were chosen as the official beverage at the 14th Asia-Pacific Economic Cooperation summit conference in Hanoi in 2006, and is often served at state functions.

Two years later the company joined forces with a French

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Vietnam rises slowly

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company, P&P Import-Export, to establish the Dalat-France wine company. This meant increased investment in machinery to boost the winery's capacity. Production is expected to rise to 5 million liters a year by 2015.

The white wine, which did not have a vintage year on the bottle, has a floral nose and good citrus acidity. Details about the wine on the bottle were in Vietnamese, but it appears to be made from the Cardinal grape variety.

Cardinal is usually grown to make raisins and was designed as a table grape. It was first produced in California in 1939. It is a cross between the Flame Tokay and Ribier varieties, both intended as table grapes.

This variety is only used to make wine in Vietnam and Thailand.

The white would be suitable with dishes like salads, seafood and white meat such as poultry. It has a pleasant taste though is unlikely to win any medals at this stage.

The red wine, also non-vintage, is intriguing. It is a blend of Cardinal grapes and the juice of mulberries. Cardinal gives the wine body and grape flavors while the mulberries provide an intense dark red color and flavors of red fruits and, well, sweet mulberries. It tastes like a young sangiovese, which suggests it would pair with vegetable-based foods or anything containing tomatoes.

The tannins are soft, meaning the wine is easy to drink and could pair with a range of local foods that contain couscous and noodles. It is obviously meant to drink now.

It is rare to make wines from table grapes because most table grapes have been hybridized to remove seeds for the convenience of the consumer. Most people do not want to chew grape pips because they contain tannin that leaves a bitter taste in the mouth.

Most red wines need tannin for structure, and this comes mostly from the seeds. Cardinal works as a wine grape because it contains seeds. The result is a pleasant drink-now red with a low price.

Both wines are available from the Lam Dong food company, which exports to a range of countries in the Asian region.

Stephen Quinn writes about wine for a variety of publications in the region. From 1975 he was a journalist for two decades with the Bangkok Post; BBC-TV, The Guardian, ITN, the UK Press Association; TVNZ; the Middle East Broadcasting Center in Dubai and a range of regional newspapers in Australia. Dr Quinn became a journalism educator in 1996, but returned to journalism full time in 2011. He is based in Hong Kong and is the author of 17 books.

Source: The China Post, July 20, 2012



Plastic gets new lease on life in farming

By Vincent Cabreza

Philippine Daily Inquirer/Asia News Net

The plastics technology has been buried in an avalanche of bad press releases owing to fears it has worsened the impact of climate change on the environment.



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World Trade Center Manila and
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But plastic does offer a vital service to the food industry. During the recent World Food Expo in Baguio City, homegrown companies marketed plastic containers to the region's vegetable producing sector,

saying that this technology would keep farm produce fresh and healthy during shipping, especially during the monsoon season.

Roderick Flores, pitchman for the First Pinnacle Trading Corp. at the expo, said container firms have shifted their sights to the upland communities where most salad vegetables sold in Metro Manila are grown.

Also up on display were the polyethylene screens and plastic crates of Amazon Manufacturing Corp., which is based in Valenzuela City, Metro Manila. The screens serve as cages for chicken and swine, or as construction shields to protect work crew from falling debris.

Benguets vegetable farmers are productive but they lose profits due to poor post-harvest procedures, such as when they improperly ship out vegetables, said Flores.

So farmers end up peeling off cabbage leaves on their way to the vegetable trading post in La Trinidad, Benguet, until each head of cabbage arrives with far less weight and sells for far less its value, he said.

According to Pantaleon Bangloy, a vegetable trader, half of the 4 to 5 tons of vegetables delivered to La Trinidad daily are lost because of the pounding each shipment endures from the mountain road trips.

Marites Salazar, the trading posts revenue collector, said up to 150 trucks and vans bring in vegetables everyday from Benguet, Mt. Province and Ifugao.

Flores said the company had been holding workshops to convince farmers to use their products, which are designed to contain vegetable produce without damaging them.

"We also scanned the greenhouse industry, which sourced materials from as far as Israel, so we introduced the (locally designed plastic frames and screens)," he said.

Source: The China Post, June 25, 2012

Silver lining: Nuke crisis raised food safety awareness

Kyodo

Food safety awareness surged amid the Fukushima nuclear crisis, with a poll showing 66.0 percent of respondents feel fairly well-informed on the issue, a 28.6 percentage point surge from a similar survey the year before, according to a white paper on dietary education released Friday.

Of the respondents, 13.8 percent claimed to have sufficient knowledge about food safety — the largest figure among the seven such surveys conducted to date. The poll, which covered around 2,000 citizens, was carried out last December by the Cabinet Office.

The white paper doesn't offer any factors behind the increase but a Cabinet Office official said that "one of the reasons is the spread of knowledge on food safety by media and other reports (due to the) nuclear accident."

When asked what new information they would like to learn, 32.3 percent cited radioactivity levels in food and 47.6 percent, the largest number, opted for instructions on cooking healthy meals.

Another 36.3 percent wished to find out about measures to prevent food poisoning, while 34.8 percent were interested in ways to preserve food. Respondents were allowed multiple answers.

Information is safety

The government plans to enhance its information-gathering activities to better respond to nuclear disasters, a draft version of an antidisaster white paper says.

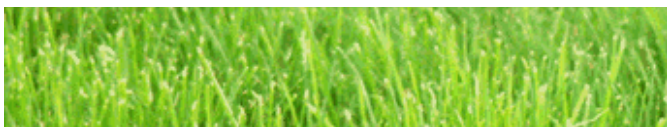
The document was compiled by the Cabinet Office after the confused and chaotic response by the prime minister's office to the nuclear crisis. The draft attributes this to a number of information-related factors, including a shortage of data necessary to decide on measures to rein in the disaster and inefficient means of collecting and distributing information.

It also notes that the turmoil mounted because information was disseminated by two separate sources — the prime minister's office and the Nuclear and Industrial Safety Agency.

It is essential the government upgrades its information-gathering process, for example by linking the prime minister's office to power plants and utilities via a teleconferencing system, the draft says.

The government plans to officially adopt the document at a Cabinet meeting this month.

Source: The Japan Times, June 2, 2012



Taiwan looks to agriculture niche to lure foreign tourists



For 26-year-old Japanese Shinnichi Kawasumi, transplanting rice seedlings in a rice paddy in northeastern Taiwan was a unique experience because it brought back childhood memories.

"Somehow I had this nostalgic feeling of my hometown of Nagoya, where my grandparents live," he said after an exhausting day of farming in Nanao Township, one of the sites designated by the Tourism Bureau for a long-term project offering in-depth travel experiences to foreign tourists.

Along with 100-plus participants from countries such as Japan, South Korea and Russia, Kawasumi spent an hour carefully transplanting about 30 rice seedlings he was given.

"It was fun, and I will be more than happy to come back again, trying other crops perhaps," he said.

Kawasumi's farming experience represents a promising niche developed by the Tourism Bureau that capitalizes on Taiwan's rich agricultural resources to create a nostalgic bond between foreign tourists and the land.

Featuring a series of "seeding festivals" being celebrated in the township in Yilan County, including the one in which Kawasumi participated, the bureau said the campaign is aimed at emphasizing Taiwan's unique travel appeal.

"We want to provide profound connections between foreign travelers and locals so they will come back again and again," said Cheng Yi-ping, section chief at the bureau's International Travel Division.

The agricultural tourism program is part of the "Project Vanguard for Excellence," in which the Tourism Bureau has allocated NT\$30 billion (US\$1 billion) since 2009 to develop marketing approaches that meet the needs of various markets.

By the end of 2012, the project is expected to generate NT\$550 billion in tourism revenue, create 400,000 jobs, attract NT\$200 billion in private investment, and bring at least 10 major international chain hotels to Taiwan, the bureau said.

The agricultural program itself is not expected to generate impressive statistics -- the bureau is hoping the

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Taiwan looks to

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project will attract 1,500 foreign visitors this year.

But its significance to the “Project Vanguard for Excellence” is not being measured by quantitative indicators. More important will be its ability to expand the scope of experiences offered and their impact on those who visit.

According to a company commissioned by the bureau to develop different marketing strategies, building travel options across a number of sectors is a necessary component of success.

“A premium travel product means you have to provide an experience that involves all dynamics of life, which your clients will remember even after they leave,” said Milton Chen, a director of Hi-Power Digitalworld Inc.

Aside from planting crops at natural farms, Chen said, five other similar projects are being held across Taiwan to provide a broader range of experiences -- including a tea harvest in Lugu Township in central Taiwan, fishing in the outlying Liouciou Township, and fruit growing in Fusing Township in northern Taiwan.

In the future, the project will be extended to the hospitality industry so foreign tourists can have their crops turned into meals, the bureau’s Cheng said.

“That’s what we call ‘reap what you sow,’” said Cheng, adding that the agency will spend NT\$42 million over the next three years to construct the online platform for the agriculture tourism project.

Describing each of the small projects as a ray of light, Cheng said that when pulled together they will form a powerful word-of-mouth network among visitors, who are likely to return and introduce the experience to others.

“We don’t care too much about the growth in numbers in the short term because what we want is to build a brand,” she said. “These programs focus on customer relationship management.”

The combination of tourism and agriculture, which has contributed significantly to Taiwan’s economic development, is also a good way to promote community awareness, according to a farm owner participating in the project.

Chen Chang-chiang, who leases the Nanao Natural Farm, said he hopes to draw nearly 1,000 foreign visitors to his farm this year to experience what he called “community-supported agriculture.”

The model starts with procuring fallow land from a group of local landowners, Chen said. Farmers are then hired to tend to the crops, with small areas open for Taiwanese and international tourists to help cultivate.

Harvests are distributed to all shareholders based on their contribution of money, resources and labor.

“The real spirit of the program is to ‘share’ -- not only the produce but also the exercise itself,” he said.

The result is that people in the township can make a living off the 97,000 square meters of land on which rice, carrots, peanuts and passion fruit can be grown while visitors can enjoy a special experience through “working holidays” or

in-depth tourism packages.

“Some of our clients are so into farming that they wouldn’t have left if their visas were not about to expire,” he said.

Chen even leased 20 small pieces of land last year to foreign tourists who then came back from time to time to check on their crops.

Above all, Chen said, the goal of agricultural tourism is to reconnect people to the land.

“If people can get so obsessed with online games such as ‘Happy Farm’ to grow virtual crops, why can’t they put on their boots and feel the texture of the earth?” he said.

Source: By Lee Hsin-Yin, CNA staff reporter

South Asian farmers helped to share “climate smart” knowledge

By Nita Bhalla

A new initiative to spread information on adapting to climate change across South Asia will encourage farmers, scientists and policy makers to share effective ways of dealing with the impacts of global warming.

South Asia is home to one fifth of the world’s population and is vulnerable to climate extremes, experiencing seasonal floods, cyclones and droughts that ravage vast swathes of agricultural land each year.

More than half of South Asians are dependent on farming, but most have little access to information that would help them adapt their agricultural practices to climate variations, say experts from the Consultative Group on International Agriculture Research (CGIAR), a global network of research bodies.



“There is a lot of data and scientific analysis available on projected changes in climate, observed and expected impacts on agriculture, and best practices for adaptation,” said Pramod Aggarwal, head of CGIAR’s Programme on Climate Change, Agriculture and Food Security (CCAFS) in South Asia.

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South Asian farmers

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“But this intelligence is often scattered so that farmers, researchers, policy makers and other stakeholders cannot access it to make informed decisions. South Asia’s climate adaptation challenge is too immense for this knowledge gap to persist.”

In response, the CCAFS last week launched a “learning platform” to improve communication and share knowledge, which it hopes will bolster the region’s agricultural resilience, improve food security and help reduce the carbon footprint of the farming sector.

Aggarwal said the initiative would disseminate climate knowledge through a quarterly e-newsletter, covering innovative farming strategies.

And farmers - few of whom have access to the internet - will be able to see best practice being implemented at “climate-smart villages”. There are already 12 such villages in India and Bangladesh, and the CGIAR plans to build more.

The project will also promote dialogue by organising meetings, seminars and panel discussions bringing policy makers, scientists and farmers together.

PRAWNS TO PHONES

Experts say there are numerous examples in South Asia of effective methods of adapting to climate change which could and should be shared.

In India’s Punjab region, for example, overuse of water has led scientists to look at using deep alluvial aquifers that can store vast amounts of water for use in dry periods.

In low-lying Bangladesh - one of the most well-known faces of climate change - farmers are turning flooded rice fields to good use by breeding fish and prawns in them.

And Nepali farmers are planting stress-tolerant crop and fodder varieties to improve yields and boost food security.

More hi-tech solutions are also on offer.

India’s Agromet Advisory Service, for example, provides detailed weather forecasts, market data, pricing information and advisory services to three million farmers through their mobile phones. Its economic impact has been valued at more than \$10 billion.

“Every one has knowledge, we need to share it. It will make us all more climate smart,” said Aggarwal.

Source: alertnet // Nita Bhalla



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Greening Agriculture in South Asia

By P. K. Joshi

South Asia is a paradox. The region enjoys high economic growth but suffers from extreme poverty, undernourishment, and the deterioration of its natural resources. It houses more than 42 percent of the world’s poor earning less than US\$ 1.25 per day. Undernourishment is widespread, especially among women and children. Nearly 21 percent of the population is undernourished. Astonishingly, more than 41 percent of children are underweight and 8 percent die before reaching the age of 5.

The larger challenge of an increasing population and rising economic growth is putting tremendous pressure on both the agriculture sector and the natural resources that are needed to meet the present and future demand for food and nutritional security. Policymakers in South Asia are realizing that the solution to these problems lies in a green economy: that is, a thriving economy that reinforces sustainable development and poverty eradication while protecting natural resources.

Delegates are meeting in Rio de Janeiro this June for the Rio+20 UN Conference on Sustainable Development to agree on the parameters of a green world economy. As part of this process, they must include ways to enhance agricultural growth while ensuring environmental protection. Achieving this goal in South Asia is complicated by the region’s numerous inherited challenges. Inefficient use of inputs such as water and fertilizer and deteriorating natural resources have led to stagnating crop yields and declining profitability. Rising food prices, inconsistent domestic and trade policies, and weakened agricultural institutions are further aggravating this agrarian crisis.

Climate change is also exacerbating the problem, hindering efforts to raise agricultural production. IFPRI research shows that, in some cases, the probability of lower crop yields increases considerably with climate change—especially in South Asia, and that smallholders are the most vulnerable in the face of climate change, as their ability to bear risk is extremely low. It is therefore important for delegates in Rio to minimize the impact of climate change by including appropriate policies such as subsidies; technologies

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Greening Agriculture

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such as conservation agriculture and improved seed varieties; and institutional innovations such as farmer cooperatives and companies in their plans for a sustainable green economy that alleviates poverty.

Fortunately, they can tap into an array of technological and policy interventions that are already available for transforming unsustainable agriculture into a green economic sector through enhanced agricultural growth, improved social equity, and ensured environmental protection. Before these technologies can be implemented, however, policymakers must first develop an inventory of interventions, assess their technological and economic feasibility at different scales, and examine how they can be adopted or scaled up in a “green” way in different socioeconomic environments.

Since resources are limited, policymakers must prioritize interventions for their highest impact. Rio+20 leaders must consider options that are pro-poor and mitigate risk to vulnerable rural and smallholder farmers in a variety of agroecological and socioeconomic environments.

Source: International Food Policy Research Institute ■

ABOUT CACCI

The Confederation of Asia-Pacific Chambers of Commerce and Industry (CACCI) is a regional grouping of apex national chambers of commerce and industry, business associations and business enterprises in Asia and the Western Pacific.

It is a non-governmental organization serving as a forum for promoting the vital role of businessmen in the region, increasing regional business interaction, and enhancing regional economic growth. Since its establishment in 1966, CACCI has grown into a network of national chambers of commerce with a total now of 29 Primary Members from 27 Asian countries. It cuts across national boundaries to link businessmen and promote economic growth throughout the Asia-Pacific region. CACCI is a non-governmental organization (NGO) granted consultative status, Roster category, under the United Nations. It is a member of the Conference on NGOs (CoNGO), an association of NGOs with UN consultative status.



More Productive Water Use Critical for Asia's Food Security

Irrigation and drainage services will continue to be important foundations for food production as the region transitions from a largely rural agrarian base to an increasingly industrial and service based urban economy, Asian Development Bank (ADB) President Haruhiko Kuroda said at the Asian Irrigation Forum.

“Agriculture accounts for about 80% of the earth’s fresh water diversions,” Mr. Kuroda told participants. “Under our Water Operational Plan, we will support efforts to improve the productivity of water used in agriculture and reduce unnecessary diversions of water from rivers, aquifers and lakes.”

Changing food consumption patterns, rising energy needs, pollution, and climate change are putting a huge strain on the world’s water stocks. The three-day forum is looking at the measures required to make irrigation services more effective, financially sustainable and responsive to the needs of users.

Since its establishment in 1966, ADB has provided financial assistance of about \$20.5 billion in irrigation and other agricultural infrastructure including rural roads, and it is implementing operational plans to support food security and address water issues in the region.

The forum, which has drawn experts from the public and private sectors, research institutes and multilateral organizations, is exploring the region’s track record on irrigation and drainage, the lessons learned and the improvements needed. Former Olympic multiple gold medal winner Carl Lewis is attending as a goodwill ambassador for the Food and Agriculture Organization of the United Nations.

Source: Asian Development Bank ■



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David Liu - Director-General

Amador R. Honrado, Jr. – Editor; Wendy Yang / Mark Ko – Contributing Editors; Julia Hsu – Assistant Editor

14/F, No. 11, Songgao Road, Taipei 11073, Taiwan

Tel: (886 2) 2725-5663/4; Fax: (886 2) 2725-5665; Email: cacci@cacci.org.tw

Website: www.cacci.org.tw