

## Tycoon wants

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comeback in the broadcasting industry with the launch of Rajawali TV in May this year.

His partnership with the president's son brought him closer to the administration.

In 1991, Sondakh was called in to take over debt-laden cigarette maker Bentoel Group from its private owners.

Reluctant at first, Sondakh decided to give it a go after some persuasion.

Bentoel's debt restructuring process took six painful years, but by March 1997 the company had paid off all its foreign borrowings.

That timely decision spared the company the worst of the wild currency swings during the Asian financial crisis of 1997/98. Bentoel was listed in 2000 and later acquired by British American Tobacco for US\$700 million.

While Sondakh was keeping busy putting Bentoel's financials in order, he was again asked by the government in 1996 to take over a fledgling telco.

Seizing the opportunity, he launched Asia's first prepaid services in 1997 and by 2002 had gained a 15-percent subscriber market share in Indonesia.

In 2005, Sondakh sold part of the company PT Excelcomindo Pramata (--L) to Telekom Malaysia Bhd.

The next year, he was tasked by then President

Susilo Bambang Yudhoyono to buy out Mexican Cemex Group's 25-percent stake in Semen Gresik — a listed cement producer.

Sondakh put down his own money and ended up with a 25-percent stake in Semen Gresik, while the Indonesian government holds 51 percent of the company.

He asked for full management control to turn around the company and by the time he sold out his stake in March 2010 the stock had risen from 1,800 rupiah (US\$0.13) in July 2006 to 7,000 rupiah.

The company, which had changed its name to Semen Indonesia and controls a 42-percent market share in the country, is currently trading at around 12,000 rupiah.

"I believe in creating values for our partners," Sondakh said.

Indonesia, with its abundance of natural resources and healthy demographics, should be a magnet for foreign investment, but a slew of obstacles make it a tough sell for investors to come in.

For plantation companies, buying huge tracts of land in Indonesia is never easy nor cheap.

The law stipulated that only listed companies can own more than 100,000 hectares of plantation land. This puts a huge valuation premium on listed planters.

First Resources Ltd., which has 190,000 hectares in Indonesia, is currently traded at about US\$17,000 per hectare.

Source: *The Star/Asia News Network, June 30, 2015* ■

## Food safety a main focus at Taipei Int'l Food Show

By John Liu

In light of food safety concerns in the country and around the world, the Taiwan government assisted companies in establishing source control and tracking mechanisms to ensure food quality, and different sections were set up at the Taipei International Food Show (Food Taipei) to demonstrate Taiwan's resolve to ensure food safety.

Held in June 2015, the mega show, which combines food, processing equipment, hospitality and halal exhibitions, was the biggest in size compared with shows in past years. More than 1,640 businesses presented their products at more than 3,920 booths. It offered a great opportunity to showcase Taiwan's quality food to the world.

The government values food safety very much, and the Ministry of Economic Affairs has launched a new program that will assist local companies in strengthening self-management and establishing comprehensive source tracing and tracking systems to ensure food safety, said



Vice Economics Minister Cho Shih-chao, fifth left, Minister without Portfolio Yeh Shin-cheng, sixth left, and Peter W.J. Huang, president and CEO of the Taiwan External Trade Development Council, fifth right, pose for a photo at the Taipei International Food Show's opening ceremony, yesterday. (Morgan Lin, *The China Post*)

Vice Economics Minister Cho Shih-chao at the show's opening ceremony on June 24, 2015.

A designated food tracing area was set up in the show. The aim was to help Taiwan's food companies

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## Food safety

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connect with the world.

Source control and management has been the focus of international food companies. Taiwanese firms must do the same in order to establish Taiwan as a “kingdom of safe and tasty food,” Cho said.

### Taiwan’s Booming Food Industry

Advances in food-processing technology and improvement in agricultural products have facilitated progress in other businesses in the hospitality industry, such as hotels and restaurants.

The booming development in the food supply chain renders one of the few tertiary industries that are “rooted in Taiwan,” Cho said.

Peter W.J. Huang, president and CEO of the Taiwan External Trade Development Council, said Food Taipei is the only trade show in Asia that showcases the whole food supply chain.

The five big draws of the show, according to Huang, were the record number of participating nations, the first ever “international wine section,” one-on-one procurement meetings to connect buyers and sellers, cutting-edge food-processing equipment, and halal food exhibition.

### Emphasis on Food Safety

Countries around the world now place great importance on food safety. It is a focus of the World



*The Honduran delegation pose in front of their booth at the 2015 Food Taipei, yesterday. The four-day expo, running from June 24 to 27, 2015 features a diverse range of food products from around the world. More information can be found on the expo’s website: <http://www.foodtaipei.com.tw> (CNA)*

Health Organization this year.

Various food safety sections could be found at the food show. Among them is a designated food safety area at the Taiwan Pavilion, which served as a testimony of Taiwan’s determination to establish a comprehensive monitoring system to ensure food safety, said Minister without Portfolio Yeh Shin-cheng.

In addition to putting food tracking, tracing and a three-tier quality control system in place, the government also utilized information and communications technology to beef up food control and management, Yeh said.

*Source: China Post, June 25, 2015* ■

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## PH’s agriculture fails to boost GDP – OSHDP

*By Bernie Magkilat*

The Philippines has allocated more lands for agricultural development, even without a national land use act, compared to other ASEAN countries, but still the country’s agriculture contribution to the national gross domestic product is smaller compared to the rest in the region.

This was pointed out by the Organization of Socialized Housing Developers of the Philippines Inc. (OSHDP) in a position paper it submitted to the Economic Development Cluster to justify its opposition to the proposed National Land Use Act (NLUA), which shall effectively classify all lands as agricultural and stop all forms of conversion of agricultural lands once enacted into law.

OSHDP has noted of an apparent disconnect in the country’s effort to protect the agriculture sector and this

sector’s contribution to the economy.

OSHDP cited data from the ASEAN Statistics which showed that the Philippines has more than 12.578 million hectares of land devoted to agricultural development or 42.55 percent out of its 29.558 million total land area than other ASEAN countries. For instance, Thailand has allocated 20.400 million hectares or 39.76 percent of 51.312 million total land area while Malaysia has 7.916 million hectares for agriculture or 24 percent of total 32.984 million hectares. Vietnam has 9.409 million hectares devoted or 30.35 percent of its total land area of more than 31 million hectares.

“It appears that the Philippines is allocating more for agricultural development, even without a national land use act, compared to Thailand, Malaysia and Vietnam. Despite this, our country’s agricultural contribution to the national Gross Domestic Product is smaller compared to these nations,” OSHDP pointed out.

Agriculture’s contribution to the country’s gross domestic product was last measured in 2013 at 11.23 percent, according to the World Bank.

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## PH's agriculture

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The National Statistics Coordination Board also confirmed that the contribution of agriculture to the Philippine economy has fallen from a third to only a tenth as 2013 since 1946.

From a high of 29.7 percent of the Philippines' gross GDP in 1946 when the country gained independence, the share of agriculture has dropped to only 11.1 percent last year, the NSCB reported. In contrast, NSCB reported that the farm sector accounts for a bigger share of Vietnam's

"The preliminary considerations will reveal that only 2.52 percent of the total area of the country was mapped as built-up areas. Unless a socially acceptable definition and policy is adopted, the proposed measure must be held in abeyance," the group said.

OSHDP has proposed that the proposed NLUA should enshrine the "The highest and best use of the land in order to ensure productivity and optimized distribution of wealth." OSHDP stressed this is consistent with the constitutional mandate of creation and development of national wealth.

<b>Comparative Matrix of Total Land Areas, Lands devoted for Agricultural Development purposes vis-à-vis National Population among countries in the ASEAN region.</b>				
<b>Country</b>	<b>Total Land Area in Hectares</b>	<b>Land Devoted to Agricultural Dev't</b>		<b>Total Population (2015)</b>
		<b>in Hectares</b>	<b>in %</b>	
<b>Philippines</b>	29,558,317	12,578,229	42.55%	100 Million
<b>Thailand</b>	51,312,000	20,400,000	39.76%	68 Million
<b>Malaysia</b>	32,984,700	7,916,328	24.00%	30.5 Million
<b>Vietnam</b>	31,007,00	9,409,600	30.35%	92 Million

Source: Association of Southeast Asian Nations (ASEAN) Statistics.

economy at 22.02 percent as of 2011, also down from 40.2 percent in 1985.

In relation to this, OSHDP pointed out the projected huge housing needs up to 2016 is 5,539,840 units and the estimated land requirements amount to about 43,726 hectares depending on the use of land resources, whether horizontal and vertical development. Regions 4A, National Capital Region, and 3 account for more than 30 percent of the total housing needs.

OSHDP said the project housing requirements cannot be met once the proposed land use act is passed.

Of the total housing requirements, the private sector production target is about 4,037,504 million units while the National Housing Authority aims to provide housing for about 1,502,336 informal settlers.

OSHDP further pointed out that there are no housing projects in reclamation areas in the pipelines save for the initial discussions with the National Housing Authority for possible use of Philippine Reclamation Authority's partially completed reclamation in the BASECO area.

As such, OSHDP maintains that there is a need to revisit the intended policy being introduced in the NLUA of protecting prime agricultural lands in view of the growing housing needs and other competing interests.

The property developers have pushed for this statement because the proposed bill once enacted into law will forever ban land conversion, regardless of type of agricultural land.

OSHDP has also proposed that agricultural land conversion be allowed when the following conditions warrant: When the agricultural land ceases to be economically feasible and that the highest and best use principle dictates that the same be converted to non-agricultural uses; and when the locality has become urbanized and the land will have a greater economic value for other purposes.

"OSHDP recognizes the need to protect prime agricultural lands for food security, we must also acknowledge the need to secure land for population growth to address the growing housing needs," started the position paper.

According to OSHDP, the solution is not to make lands scarce but to adopt a more viable program to boost the agriculture sector and make agricultural lands productive. Thus, OSHDP said, it is imperative that sanctions be imposed on owners or rights holders of idle agricultural lands.

Source: Manila Bulletin, July 19, 2015

## Vietnam set to create prominent rice brand to be the world leader

Vietnam is aiming to develop a Vietnamese rice brand that would become the world's leading rice by 2030, according to a project approved by Prime Minister Nguyen Tan Dung last week.

The project, to develop a Vietnamese rice brand by 2020 with vision to 2030, seeks to improve the image recognition of Vietnamese rice and its competitiveness, as well as expanding market share in the world market and developing a national rice brand, in line with Vietnam's history, culture and tradition.

The strategy to develop a national brand for rice would focus on two issues: identifying quality-conscious markets, such as the US, EU and Japan to export high-quality varieties, and retaining traditional markets with medium-quality rice.

Specifically, by 2030, 50 percent of the nation's rice is to be exported under Vietnamese brands.



The national rice brand would be protected in Vietnam and at least 50 other countries by 2020. Also, regional rice brand names would be developed and protected, based upon distributing products that are typical to a region.

Five key sub-projects to be implemented within the framework includes building and managing a national rice brand name; developing a national rice brand name for major rice products of Cuu Long (Mekong) Delta region; protecting brand and supporting firms in registering for brand protection; promoting Vietnamese rice brands, and boosting exports and expanding markets.

The project highlighted the role of enterprises in building and developing Vietnamese rice brand names

through developing their own brands and rice products and participating in the global value chain.

The government would provide support to promotional activities to enhance the image of Vietnamese rice in the home market and abroad, besides support to enterprises, associations and farmers in rice production to increase the added value and competitiveness of domestic rice.

The project was approved under the condition that Vietnamese rice exports hit difficulties during recent years, due to harsh competition on price and quality from other rice exporting countries such as India, Thailand and Pakistan.

Source: Viet Nam News / Asia News Network, May 27, 2015



# University brews up artificial civet coffee with even more flavor

By Katherine Wei

The National Pingtung University of Science and Technology announced on April 21, 2015 that it has invented the biochemical version of the much-coveted civet coffee that is costly because of the extraordinary manner the coffee is produced.

Also known as kopi luwak, the coffee is the seeds of coffee berries that are consumed and defecated by the Asian palm civet, and currently costs up to NT\$15,000 per pound due to its rarity.



Professor Hsieh Pao-chuan at the National Pingtung University of Science and Technology uses the fermenting machine to produce artificial “civet” coffee beans in this photo taken at the university. CNA

The coffee brewed from the said civet’s feces is said to possess as many as 31 special aromas, but the biochemical version made by the university claims to have an extra 11 fragrances.

The brew was finally perfected after seven years of research, during which the university scientists gathered the mycelium of civet feces, and tried to produce an environment similar to the insides of a civet cat’s stomach and intestines so as to successfully produce the final coffee brew.

The university’s vice principal, Hsieh Pao-chuan, launched the new coffee with the school’s Department of Food Science.

According to Hsieh, he had wondered whether he would be able to produce the same kind of coffee beans from a similar environment after understanding how the “special aromas” of the civet coffee came about.

“I took a team of students to gather samples of the civet feces in Indonesia, and returned to Taiwan

after having collected feces from 30 or so civets. We analyzed the bacteria and the mycelium in the feces, and tried to find perfect matches for the 136 mycelium we discovered. In the end, we found 16 that would produce a similar environment for the coffee beans to ferment, and we put the civet’s main diet — Sumantra Mandheling coffee berries — into the fermenting machine,” said Hsieh.

It would take up to 16 to 24 hours for the civet to defecate the berries after consuming them, said Hsieh. “So we controlled the fermenting time and set it at 24 hours each time. And then we put the coffee beans into a machine to analyze the aromas within, and successfully produced civet coffee in an artificial manner.”



Artificial “civet” coffee beans developed by the Pingtung University of Science and Technology is shown in this photo. CNA

“There are 11 new aromas and the beans are more hygienic this way,” Hsieh continued.

The original and naturally produced civet coffee is said to contain the taste of chocolate, milk and almond, while the brew made by the Pingtung University of Science and Technology also tasted of passion fruit, caramel and even a hint of floral fragrance.

“When you are drinking coffee, you should place the tip of your tongue against your upper gums, take a sip and swirl it around your mouth before swallowing it. This is like tasting red wine, and will be able to taste the different aromas,” said Hsieh.

Source: China Post, April 22, 2015

# PA 2020: A blueprint for modernization of Philippine agriculture

By Philippine News Agency

If the United Nations has the Millennium Development Goals set for 2015, the National Academy of Science and Technology (NAST PHL) has developed the Philippine Agriculture (PA) 2020.

PA 2020 is a medium term strategic plan for the agriculture and natural resources sector articulated by scientists, farmers, entrepreneurs, non-government workers, stakeholders, in a series of consultations and workshops by the NAST PHL.

Participants look forward to a “robust and vibrant agricultural and natural resources production systems and ecosystems services” that will improve and sustain well-being in the country.

Thus, PA 2020 envisions a sector that shall have a major role in reducing poverty, achieving food security, global competitiveness, as well as sustainability, justice and peace.

The plan has three pillars:

- organizing and managing agriculture as a business
- changing the social structure through asset reform
- nurturing values respecting nature and commodity

As such, strategies will include technology development, investments and governance reforms.

According to the NAST PHL, governance will be the “binding force” for enabling social strategies.

NAST PHL explained that basically, PA 2020 is a blueprint for modernization of Philippine agriculture, taken much from the point of view of stakeholders, technical people and implementers.

The first requirement is to sustain the level of public expenditure for agriculture in the General Appropriations.

NAST PHL said that the annual public expenditure of Php 50-60 billion should be enough to meet the modernization needs of agriculture and fisheries.

It also noted that as the population keeps growing in number, then there’s a need to produce more food from less arable land and irrigation water.

The NAST PHL highlighted that with strong measures to preserve prime arable lands, full harvest, careful utilization of surface waters, added with modern production and post-harvest technologies, the Philippines can produce a huge part of what it currently imports.

Furthermore, the country can still produce some niche products for export, the NAST PHL added.

Source: Manila Bulletin, May 12, 2015



**PROFUSELY FLOWERING MANGO** – In one of his farms, John has over a hundred mango trees plus tilapia and carp ponds, vegetables and herbs. Here, he poses with a profusely flowering mango tree. A number of the trees are intended for the market while a significant number are intended for home use and for giving as gift to friends.

## Iran Agro Food 2015 Showcases the Local Food Industries

By Mr. Kaveh Zargaran

The 22nd International Agricultural Trade Fair (Iran Agro food 2015), the biggest and most famous international food, technology and agricultural event in the Middle East, took place on May 26-29, 2015 in Tehran International Permanent Fairgrounds.

The 22nd Expo has shown a growth of 44 percent compared to the previous year, with an active participation of 710 domestic companies and 236 foreigners from countries such as Austria, China, Germany, Italy, England and Turkey. All countries hosted their own national pavilions in Agro food Expo in Tehran.



The preliminary deal between Iran and the world powers, which makes the possibility of lifting international sanctions in Iran, has increased the foreign traders’ interests for business. Against this backdrop, the Federation of Iranian Food Industries Association (IFIF), the most important food industry entity in Iran, had the

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## Iran Agro Food . . . . Continued from page 19

most impressive ever presence in the Expo with its 38 member associations.

As the link between the private sector and the government, IFIF also organized gatherings among different industries like packing, exports, dairy, grains, concentrates, confectionary with the governmental bodies



during the Expo, which gave them the opportunity to directly communicate with the authorities in charge their problems, strengths, and potentials.

Also present in the Expo were the President's Deputy, Health Minister, Trade Minister, banks Managing Directors, Standard Organization Authorities and Health Minister. Their participation led to discussions on some important issues like a memorandum of articles among Health Ministry, Standard Organization with IFIF.

The Federation of Iranian Food Industries Association (IFIF):

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Phone: 98 21 88888361-2 / Fax: 98 21 88875558

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### About the Author:

Mr. Kaveh Zargaran is the Secretary General of the Federation of Iranian Food Industries Association.

## Japanese Seafood Exports Rising as Nation Eats Less Fish

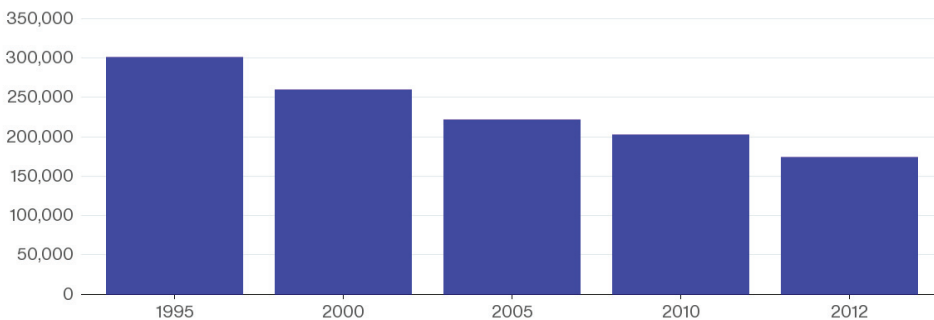
By Aya Takada

The country that gave the world sushi now finds itself with too much fish.

Demand for seafood has been dropping in Japan for much of the past decade as people eat more pork and beef, forcing domestic fishermen to look for buyers abroad. With the help of a plunging yen, that strategy is working. Exports are surging, and companies like Yamato Holdings Co. and ANA Holdings Inc. are expanding a delivery network across Asia, a region that still gets most of its sushi salmon from Norway more than 5,000 miles (8,000 kilometers) away.

### Fewer Fishermen

Japan's shrinking seafood industry



Source: UN Food & Agriculture Organization

Bloomberg

Exports have been a godsend to Japan's 1.4 trillion yen (\$11.6 billion) seafood industry, where the number of fishermen shrank 42 percent since 1995 and competition from cheaper imports has hurt profits. While domestic demand fell more than 20 percent in the past decade, global consumption is rising as economic growth boosts incomes. Japanese seafood exports in the first half of 2015 are up almost 30 percent, providing some support to Prime Minister Shinzo Abe's goal of boosting food sales overseas.

"We can offer fish we catch in the morning to buyers in the afternoon of the same day," said Shigeru Koike, a 72-year-old fisherman in the port of Inatori, 150 kilometers (93 miles) southwest of Tokyo. "That's our selling point. If we can catch more, and our co-operative managers sell more fish to overseas, that will be great."

### Exports Surge

Foreign shipments by Japan reached 293,806 metric tons this year through June, up from 232,424 over the same period in 2014, reflecting improved demand for everything from scallops to the finest cuts of raw tuna eaten atop balled rice as sushi, according to data from the Ministry of

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## Japanese seafood

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Agriculture, Forestry and Fisheries. Seafood is showing strong gains at a time when Japan's exports of cars, machinery and electronics haven't recovered to their 2007 peak.



Fishermen unload a basket of fish at Inatori port in Japan (Photographer: Kiyoshi Ota/Bloomberg)

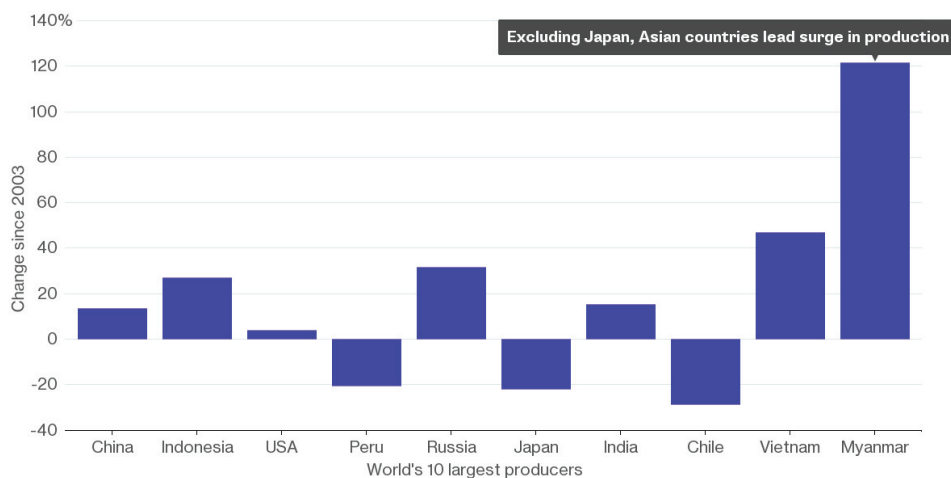
A weakening of the yen has helped, making Japanese products cheaper for some importers. The currency is down 11 percent against the dollar in the past year and has lost value relative to those of neighboring countries, including China, Taiwan and India.

While Japan is still the second-biggest fish importer, purchases are surging in places like China, South Korea and Europe, the Food & Agriculture Organization of the United Nations said in a 2014 report.

Japan's per-capita consumption in the year through March 2014 declined to 27 kilograms (59.5 pounds), from a peak of 40.2 kilograms a dozen years earlier, government data show. Meat consumption exceeded fish for the first time in 2006, and Japan is now the world's largest pork importer. While the FAO estimates Japan

### Eating More Fish

World marine catch rose 3.3% in 10 years through 2012



Source: UN Food & Agriculture Organization

Bloomberg

still bought \$15.3 billion of fish from foreign suppliers in 2013, that's down from \$18 billion a year earlier.

Global fish consumption climbed to 19 kilograms per person in 2012 from 9.9 kilograms in the 1960s, according to the FAO. The World Bank projects food-fish demand will rise to 151.8 million tons by 2030 from 111.7 million tons in 2006. In China, per-capita consumption expanded 6 percent annually from 1990 to 2010 to 35.1 kilograms, FAO data show.

To tap that demand, Yamato, Japan's largest express-delivery company, uses refrigerated trucks to transport fish from ports to local airports, then on to a hub in Okinawa prefecture. Within 4 hours by air are 2 billion possible consumers, including Taipei, Hong Kong and Shanghai.

### Distribution Network

Chuo-Ku-based Yamato began door-to-door delivery of chilled fresh food overseas in October 2013 and has expanded the service from Hong Kong to Taiwan in March and Singapore in August. ANA, Japan's largest air carrier, is adding more cargo flights in the region to meet demand.

Emerging economies are buying more high-value species like salmon and tuna, FAO data show. Salmon accounts for 14 percent of fishery trade and is the most popular sushi topping among Asia consumers outside Japan.

Norway has promoted the consistency and fat, juicy quality of its farm-raised raw salmon in Asia over the past three decades, said Henrik Andersen, director for Japan and Korea at the Norwegian Seafood Council.

Unlike Norway, which focuses exclusively on salmon, Japanese fishermen can supply about 350 types of fish for sushi, said Nobuhiro Nagaya, senior managing director at Zengyoren, which is formally known as the National Federation of Fisheries Co-Operative Association.

"Previously, it was difficult to export fresh fish to Southeast Asia without sacrificing its quality," Nagaya said. "Japanese yellowtail and amberjack are as fatty as Norwegian salmon. If consumers in Southeast Asia try them, we are sure that they should love them too."

Source: Bloomberg, September 15, 2015



# Textile firm places bet on Japan's ¥1.2 trillion health food market

By Aya Takada

Faced with tightening competition for the textiles it's been making for almost 100 years, Omikenshi Co. is trying to get into the health-food business, using its cloth-making technology to turn trees into noodles.

The Osaka-based company's best-selling product is rayon, a fiber made from tree pulp. Using a similar process, Omikenshi is turning the indigestible cellulose into a pulp that's mixed with konnyaku (devil's tongue), a yam-like plant grown in Japan. The resulting fiber-rich flour, which the company calls "cell-eat," contains no gluten, fat and almost no carbohydrates. It has just 60 calories a kilogram (27 calories a pound), compared with 3,680 for wheat.

Omikenshi is betting on a health food market worth ¥1.2 trillion in 2013, more than double the level two decades earlier, according to the Consumer Affairs Agency.

"We're entering the food business," said Takashi Asami, manager at Omikenshi's strategic material development department. "Demand for diet food is strong and looks promising," while the Japanese textile market is saturated and threatened by rising imports, he said in an interview at Omikenshi's rayon plant in Kakogawa, Hyogo Prefecture.

The nation's rayon production has shrunk about 90 percent since peaking in 1967, according to the Japan Chemical Fibers Association.

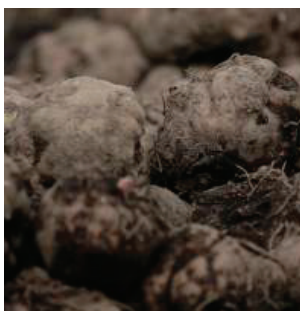
There are already noodles made just from konnyaku, also known as voodoo lily because of the plant's striking flower. But it has been difficult to sell because of its bitter taste, according to Keiichi Ohi, the assistant director for farm export promotion at the Gunma Prefectural Government, the nation's largest producer of konnyaku. That's where the wood pulp comes in, improving the flavor and texture, according to Asami.

It's one more way that Japan's highly protected agriculture industry is adapting to the winds of change as Prime Minister Shinzo Abe tries to wean farmers off subsidies that cost the government \$8 billion this fiscal year. Abe eased food labeling regulations in April, allowing manufacturers to promote health benefits of some products without going through the stringent approval process of the health authority.

By the end of October, companies had taken advantage of the new rules to register 120 so-called functional foods with the Consumer Affairs Agency, including 43 from producers that previously didn't make food. Nippon Paper Industries Co., Japan's second-largest paper-maker, is marketing seedlings of a new tea variety it says helps control cholesterol and alleviate eye strain.



Farmers sort harvested konnyaku (devil's tongue) roots into crates in the village of Showa, Gunma Prefecture, on November 17, 2015. | BLOOMBERG



Harvested konnyaku (devil's tongue) sits in a field in the village of Showa, Gunma Prefecture, on November 17, 2015. | BLOOMBERG



Omikenshi's noodles are made from a mixture of cellulose pulp and konnyaku (devil's tongue) roots. | OMIKENSHI CO.

Omikenshi's cell-eat product may help farmers of konnyaku, Japan's most protected agricultural product. The government imposes tariffs of ¥2,796 a kilogram, or 990 percent, on imports of the plant to protect local growers, most of whom live in Gunma. Japan agreed to reduce the duty by 15 percent under the Trans-Pacific Partnership trade deal.

The trade pact has spurred farmers to try to find markets abroad.

Gunma's agriculture exports rose to ¥600 million last fiscal year, triple the initial target, mostly because of demand for the prefecture's high-fat wagyu beef for global gourmets and its no-fat konnyaku for European health-food eaters, said Ohi.

Omikenshi, the second-largest maker of rayon in Japan, will spend about ¥1 billion on a cell-eat production facility at its textile plant in Kakogawa.

Output will start next year at 30 tons a month, and output can be tripled depending on demand, Asami said. The cloth maker is in talks with food firms to develop and market products using cell-eat, he said.

Source: Bloomberg, November 19, 2015

## Lanka Fruit and Vegetables Producers, Processors and Exporters Association Round Table Discussion on 'Improving trade with India: Mutual Recognition in Conformity Assessment'



The Lanka Fruit and Vegetables Producers, Processors and Exporters Association (LFVPPEA), affiliated to the Ceylon Chamber of Commerce held a round table discussion with key stakeholders on 'Improving trade with India: Mutual Recognition in Conformity Assessment'.

The discussion included a presentation based on the research findings of a study conducted by Verité Research in technical consultation with the LFVPPEA and the NCE. Non-tariff barriers (NTBs) have been identified as a key constraint faced by Sri Lankan exporters in entering the Indian market. The study examined one significant NTB, i.e. the delays and costs incurred proving compliance with Indian standards and technical regulations at Indian borders. Verité's study

Participants of the round table discussion included government officials from the Department of Commerce, Sri Lanka Standards Institution (SLSI), Industrial Technology Institute (ITI), Government Analyst's Department, Department of Animal Production and Health, Sri Lanka Accreditation Board, Ministry of Foreign Affairs, National Plant Quarantine Service, Sri Lanka Export Development Board, Consumers Affairs Authority and members of the exporting community. The findings of the study generated much discussion among the stakeholders regarding the possibility of facilitating the implementation of a MRA at the institutional level and the challenges that needed to be overcome. These included improving the capacity and credibility of



*Ms. Subashini Abeysinghe, Dr. Nishan De Mel - Verite Research, Ms. Dawn Autin - LF&VPPEA, Ms. Sonali Wijeratne- Department of Commerce.*

proposes a Mutual Recognition Agreement (MRA) between Sri Lankan and Indian authorities as a solution to this problem. MRA will allow Sri Lankan exporters to get products checked for compliance at the Sri Lankan port and thereby prevent them from having to go undergo further checks and resulting delays and costs at the Indian ports.

Sri Lankan labs and testing facilities. The need for institutions to work together, and the possibility of setting up a voluntary export inspection scheme as recommended by Verité, were also given due consideration by the stakeholders.

*Source: Ceylon Chamber of Commerce, October 21, 2015 ■*

## Bangladeshi Organic Products are going to open the EU markets

*By Mr. Muhammed Abdus Salam*

Currently foods and agro products exports from Bangladesh are facing lots of scrutiny from the European Commission and the European Commission (EC) is threatening to put import restrictions on them immediately only due to the presence of harmful organisms and toxicities. Mr. Abdus Salam, President of the Bangladesh Organic Products Manufacturers Association (BOPMA) was very much concerned by such destructive news. He started writing to the EC officials seeking support to be able to export Bangladesh's Organic Products to the European Union (EU) markets.



The Business Promotion Council (BPC), Ministry of Commerce also contacted to the Bangladesh Embassy in Brussels several times. Finally Mr. Tapan Kanti Ghosh,

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## Bangladeshi Organic

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Minister (Commerce) from the Embassy of Bangladesh to the EU talked to the EC officials many times in this regard and finally succeeded to arrange several meetings with them.

The Bangladesh Organic Products Manufacturers Association (BOPMA) headed by its President led a delegation to the European Union head office in Brussels with the support of the BPC and held several meetings with the European Commission officials on 16th of April. Agriculturist Mr. Mohammad Abdullah, Adviser of the BOPMA presented a paper on **Organic Agriculture & Products in Bangladesh** in the first meeting. Ms. Bettina BRANDTNER, Seconded National Expert of the DG-Agriculture of the EC and another top official from the DG-Agriculture Mr. Charles Dunkley were present in the meeting. They saw our production and processing procedures/methods through the power point presentation. They listened to our prospects and constraints to exporting organic products to the EU market meticulously. They also listened to the prevailing inadequacy regarding policy, standard, compliances, certification etc in Bangladesh regarding organic products.

The EC high officials were very much positive about the prospect of our production and processing lines. They assured us to support our efforts to develop standard and certification agency and even mentioned that the stringent regulations required to follow to be regarded as certifying authority may be relaxed to some extent for us to be able to start exporting Bangladeshi Organic Products to the EU markets smoothly.

In the 2nd Meeting the BOPMA delegation and the Embassy officials discussed with Mr. Stephane Andre, the Policy Officer of the Directorate General for Health & Food Safety of the EC. He briefed about the

phytosanitary requirements to be adhered to if companies want to export to the EU. After long discussion Mr. Stephane also assured us his possible support to the goal of exporting Bangladeshi Organic Products to the EU markets.

Mr. Muhammed Abdus Salam, narrated the initiatives undertaken by him and the Association in promoting the Organic Agriculture in Bangladesh and also described some practical experience on the barriers he faced to make shipments to EU countries previously. In conclusion he assured the EC officials that Bangladeshi Organic Products are totally free of any harmful organism and toxicity. Mr. Mizanur Rahman, the Vice President of the BOPMA also added some relevant issues on the Organic Agriculture and Products in Bangladesh. It is estimated that Bangladesh can easily earn more than 150 million US dollars by exporting Organic Products yearly.

The Bangladesh Organic Products Manufacturers Association (BOPMA) is looking forward to start exporting Bangladeshi Organic Products to the EU markets from this year. In this connection, BOPMA appreciates the support the respectable Ambassador as well as the Minister (Commerce) of the Brussels Embassy provided to the delegation to make the visit effective. The Association seeks greater assistance from the BPC and the Ministry of Commerce so that organic products could be exported to the EU countries regularly in near future.

### *About the Author:*

*Mr. Muhammed Abdus Salam is President of the Bangladesh Organic Products Manufacturers Association (BOPMA).*



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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.

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