

INDIA'S GE FREE SOYA CAN CAPTURE WORLD MARKET

A shortage of products that are not genetically engineered (GE free), especially soybean and corn, is forcing countries that are averse to GE produce to change their stand. Countries in Asia like Japan and South Korea, that are traditional soybean users have rejected GE soybean so far but may now be forced to buy genetically engineered soybean, not just for animal feed but also for soy based food products.

Most of Europe demonstrates a near phobic rejection of foods that are genetically engineered. In Asia, affluent sections of society are averse to consuming gene-spliced foods. In the case of soybean, countries like Japan and South Korea have expressed a clear preference for soy products made from GE free soybean. This has raised the demand for non GE soya and increased its price premium. The net result is a situation where the supply of non GE soya is unable to keep pace with the demand. The shortage of GE free soya is created largely due to the fact that China, the largest producer of non GE soy is faced with growing inflation in the food sector and has decided to hold on to its produce for domestic use.

The short supply and the rising price premium on non-GE crops is now forcing food processors in South Korea to buy American GE corn for the first time for their starch and sweetener industry. This is the first ever use of a GE product in the food chain in this region. Following S Korea, Japan is likely to allow the import of GE soybean too. Both countries are reluctant buyers of GE soybean, forced to do it in order to make up the shortfall in domestic requirement because not enough GE free soya is available.

This is a golden opportunity for India to step up its production of non GE soybean and enter the international premium niche market. India as the only country after China to produce certified non GE soybean, can position itself as the new source of GE free soya for countries in Europe which seek bulk soya for animal feed and Asia, particularly China, Japan and South Korea which are looking for quality non GE soya for food.

Stepping up production of GE free soybean immediately should not be difficult. India has been cultivating it for some years in places like Uttaranchal, Madhya Pradesh and some parts of Maharashtra. The transition to soybean in Madhya Pradesh came from the Black Toor, a legume similar to soybean which is eaten as a daal. In the hills varieties of soybean are also eaten as daal. This is to say that the cultivation of soybean is not unknown in India so it will not be an alien crop that farmers are not knowledgeable about. The introduction of soybean will have another advantage, that of replenishing the soil. The nitrogen fixing legume will improve soil nutrition, enabling better second crops. A kind of win - win situation for the farmer.

In Vidarbha particularly, soybean could become the alternative to cotton, which has proved to be such a risky crop. A farmer rehabilitation package could be based on promoting soybean cultivation. This will be better suited to the water deficient situation in Vidarbha and will be less risky than the water guzzling cotton, particularly Bt cotton, which demands even more water than other cotton varieties. Soybean has already begun to replace cotton in Vidarbha as farmers move away from the Bt cotton that has brought disaster. If India is to exploit the market vacancy successfully, the soya package must be carefully organized, with top class planting material and marketing channels stream-lined and tied up from the farmers' fields to the international buyer. Farm training in sanitary and phy-tosanitary measures will be necessary, so that farmers are careful about maintaining the health and purity standards of their produce. Where necessary, government should negotiate markets in other countries, much in the same way as Malaysia negotiates advantageous market conditions and low tariffs for its palm oil.

Policy aspects will also have to cover research programs on soybean. There will have to be a clear and explicit ban on any research on genetically engineering soya. The government must be very clear that it cannot dabble in research on GE soya, risk contamination and expect to capture growing international markets for GE free soybean.

It will need just one single instance of contamination with GE soy to bring the GE free niche market crashing down. We saw what happened to US rice exports after the detection of traces of a GE rice from Bayer, called LL 601 in rice consignments. Overnight there were no takers for American rice. Vietnam and Thailand entered with GE free rice and captured the rice market.

The directionless, largely copycat agenda for research on GE crops that is being supported by the DBT (Department of Biotechnology) and the Indian Council of Agriculture Research (ICAR) must be brought under a stringent review to conform with India's food as well as trading interests.

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