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FOOD CHAIN DISRUPTIONS

In Nigeria, farmers have been recently forced to abandon food crops like maize and sorghum and to cultivate cash crops such as cassava and wheat, due to the low prices offered by middlemen, which are not enough for them to cover the costs of production for food crops. Furthermore, many rice millers in the country have reported economic losses due to the raids in warehouses that looters have carried out recently, by taking advantage of the chaos generated by the “End SARS” protests in Nigeria. In India, on the other hand, there is likely to be a shortage of fertilizers in the Ludhiana district, which will affect the sowing of wheat and potatoes, and therefore the incomes of the farmers living in that area.

Poor returns force farmers to abandon food crops in Nigeria

Farmers in the north west of Nigeria have recently claimed that poor returns on their investments in agriculture are forcing them to concentrate on cash crops (like cassava, sesame, wheat, ginger, cashew and orange) to generate income, thus abandoning food crops such as maize, sorghum and millet due to their low prices (which are not enough to cover what they spent during cultivation). This is mainly due to the fact that they have to rely on middlemen, who purchase their products at giveaway prices.

[Link](#)

Wheat, potato sowing to be hit by fertiliser shortage in India

Farmers in the Ludhiana district, in the northern Indian state of Punjab, are likely to be affected by a shortage of urea and diammonium phosphate (DAP) fertiliser, which is necessary for the sowing of wheat and potatoes (that is expected to start during the first week of November). In fact, according to the chief agriculture officer of the district, only around 7% of the stocks of urea and roughly 70% of the stocks of DAP fertiliser were left, and they are slowly depleting.

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Nigerian rice millers lose over NGN 228 million to warehouse looting

According to the Rice Millers Association of Nigeria (RIMAN), rice millers in the country have lost about NGN 228 million due to the recent looting of 29 warehouses by raiders that took advantage of the chaos generated by the “End SARS” protests. RIMAN’s president has recently stated that, unless the government acts immediately, the already fragile Nigerian rice industry may not be able to meet the increasing domestic rice demand.

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IMPACT ON COMMODITIES AND FOOD PRICES

Food prices are increasing for different commodities due to unfavourable weather conditions and to the effects of the coronavirus pandemic in Asia: onion prices are skyrocketing both in Mumbai and in Delhi due to the torrential rains that hit the southern part of the country and that caused delays to food transportation and several other disruptions to the supply chain; meat and butter are currently considered luxuries in Tajikistan, as many families (which used to rely on remittances before the pandemic) can only afford basic staples due to the steep food price hikes; a decreased production of palm oil (due to the dry weather) and an increasing demand from China and India is driving palm oil prices up in Indonesia and Malaysia.

Heavy rainfall in India causes hike in vegetables prices

Due to a shortage of vegetables in the markets caused by the heavy rainfall in South India, the prices in Mumbai are currently skyrocketing and the monthly budget for vegetables has doubled from before the coronavirus pandemic, troubling both vendors and customers; for example, onions (which is an essential commodity in India) are sold at around INR 100-120 per kilogram. The situation is similar in Delhi, where onions are selling for around INR 60 per kilogram.

[Link 1](#) – [Link 2](#) – [Link 3](#)

Tajikistan faces steep food price hikes caused by the coronavirus pandemic

Tajikistan has been hit particularly hard by the effects of the border closures, restricted transport networks and disrupted import and export systems due to the coronavirus pandemic; furthermore, millions of households cannot rely on remittances anymore, because many migrant workers could not travel to Russia or Kazakhstan this year. The consequence of these factors is that the country is currently facing steep food price hikes that are forcing people to purchase only basic staples.

[Link](#)

Palm oil price rises in Indonesia and Malaysia as demand grows in China and India

The combination of a dry weather and labour shortages caused by the coronavirus pandemic in Indonesia and Malaysia, and a growing demand from India and China is causing a spike in crude palm oil prices: according to CIMB Investment Bank Berhad, prices will hit MYR 2500 per tonne (which represents a three-year high) this year.

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COUNTRIES' RESPONSE

The Rwanda Agriculture Board is currently investing RWF 15 billion (provided by the Belgian Development Agency) in the improvement of the country's livestock value chain, in order to tackle the specific challenges of the industry in Rwanda (for example, the high prices of maize and wheat, which are key raw materials in the production of animals feeds and cause a competition between humans and animals for such grains) and make the country more self-sufficient (thus reducing meat and eggs imports). In the United States, on the other hand, the Kauai County has committed USD 4 million to the improvement of its beef industry.

Livestock development project projected to reduce eggs and meat imports in Rwanda

The Partnership for Resilient and Inclusive Small Livestock Markets is a 5-year project that will be funded by the Belgian Development Agency and that was recently launched by Rwanda's Minister of Agriculture and Animal Resources. The project seeks to attract private investments in Rwanda's livestock industry in order to reduce eggs and meat imports, to create jobs and to improve food security levels in the country.

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Kauai County uses CARES Act funds to support local beef industry

The Kauai County in the US state of Hawaii has recently committed around USD 4 million of its allocation of USD 28.7 million under the Coronavirus Aid, Relief and Economic Security (CARES) Act to the improvement of its agricultural sector. More in particular, most of the funds will be used to support the County's beef industry, which is hampered by the fact that Kauai's grass pastures don't provide enough nutrition to make cows competitive in the meat market.

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REGIONAL FOCUS

Due to the impact of the coronavirus pandemic on coffee production and exports in Myanmar, the country has recently started to expand its markets in the region by using Singapore as a central hub, in order to improve the demand for this commodity and increase its exports. Meanwhile, the talks on a future post-Brexit trade deal between the United Kingdom and the European Union are still stuck on fishing: according to a study conducted by a Dutch university, since the UK ships 60% of its fish to European countries, a hard Brexit would be particularly impactful for the country's fishing industry.

ASIA – Myanmar coffee market to expand through Singapore

Local demand for coffee has decreased in Myanmar since the beginning of the coronavirus pandemic, and for this reason the country will expand its local highland coffee exports to new markets in the region through Singapore: in fact, despite the reduced number of buyers, Myanmar's coffee acquired international interest during the Singapore Specialty Coffee Online Auction 2020 (which provides a platform for coffee producers to promote their products using Singapore as a hub).

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EUROPE – UK's fishing industry will be affected by hard Brexit

Fishing is currently at the centre of the negotiations between the United Kingdom and the European Union over the UK's post-Brexit deal with the EU. Since around 60% of all fish caught by the UK goes to the EU, according to a Dutch university study, without a deal the UK would lose more from tariffs and non-tariff barriers on its fish trade than it would gain from exclusive access to its own waters (after the end of 2020, the country will be out of the EU's Common Fisheries Policy).

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