Monthly News Report on Grains

MNR Issue 99 - January 2014

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The main purpose of the MNR is to establish a communication vehicle for closer dialogue between the FAO Secretariat and the Members of the Intergovernmental Group (IGG) on Grains as well as the general public.

The MNRs are dispatched electronically on the last working day of the month except in July and December.

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Market News:

US Farm Bill removes direct farm payments

30 January 2014 ABC Rural

The United States Congress has passed the Farm Bill which removes direct payments for American farmers even if they don't produce a crop.

It's expected to save the US Government $US5 billion a year.

But the US Farm Bill offers more generous crop insurance for grain growers, as compensation if the price drops, or if a disaster like flood, frost or drought strikes.

GrainProducers of Australia chairman Andrew Weidemann says multi-peril insurance is desperately needed for Australian farmers, and the Federal Government could underwrite it for $1 billion.

"A number of producers are investing, every year, millions of dollars on the basis that it's going to rain!

"I can't see that method continuing without higher reduction in farmers, greater risk being taken and overall debt increasing.

"So we need to be looking at these type of schemes, where they're working well in America and Canada."

An agricultural economist, Professor Vincent Smith, doesn't believe the US Farm Bill will save the Government the intended $23 billion over 10 years, because it offers generous subsidies when the price for grain falls.

As director of the Agricultural Research Program of the American Enterprise Institute, a free market think tank, Professor Smith says the revenue protection programs have set the wheat price and corn prices too high.

"The Congressional Budget office has assumed the record high prices for corn and wheat will continue.

"As is likely to be the case, we're going to see a further downward pressure on corn prices.

"Many expect the outlay for corn to be $US 4-5 billion just for one commodity - corn."

But the US Farm Bureau has welcomed the passing of the Farm Bill in Congress.

John Anderson, chief economist with farm lobby group, the US Farm Bureau, is more optimistic that the price for grain won't stay low.

"The Congressional Budget office says this program is going to save $23 billion over the next 10 years.

"Anybody who says it's not going to save, it's going to cost, is making some pretty strong assumptions about what's going to happen with prices over the next 10 years."

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Egypt to France: Your wheat is too wet

30 January 2014 Wall Street Journal

French wheat might be good enough for a baguette in Paris, but it no longer passes muster with the baladi-bread bakers of Cairo.

In a decision that has affronted the fraternité of French farmers, Egypt's state grain agency has quietly changed the permissible amount of moisture in wheat that it imports. That means France's stuff is too damp.

The Egyptian agency—known as the General Authority for Supply Commodities, or GASC—made no public announcement of the change, but traders familiar with the agency's tender process say it now will accept no more than 13% average moisture. French wheat has an average moisture content of 13.5%.

A hint of the change came Tuesday, when GASC released the results of its latest tender: It bought 240,000 metric tons of wheat, 180,000 tons from Russia and 60,000 tons of soft red winter wheat from the U.S. It bought nothing from France. A GASC spokesman couldn't be reached for comment Thursday.

Primarily through GASC, Egypt is the world's largest importer of wheat, and the government-subsidized bread it is fashioned into is a vital food for a population of more than 80 million.

For France, the decision threatens to stymie an industry that is a source of national pride, and of exports. French farmers sent Egypt an average of 1 million tons of wheat a year over the past five years. France is one of Europe's major agricultural powers and a fierce guardian of its agrarian heritage.

A spokeswoman for Copa-Cogeca, the European farmers' union, said Egypt's change is "detrimental to the livelihood of French farmers." News of the change pushed Paris milling wheat futures to their lowest level in 4½ months Thursday, to €186 ($254) a metric ton intraday.

But Egypt's move reflects another reality about global wheat markets: There is such a glut of wheat that even cash-strapped Egypt can afford to be choosy.

High moisture in wheat reduces the amount of flour that can be milled from it. France has had trouble keeping its wheat dry. "We had a lot of problems with rainfall earlier in the year," says Virginie Nicolet, a spokeswoman for FranceAgrimer, the governmental farming body.

Wheat prices sank 22% in 2013, making the grain one of the year's worst-performing commodities. Expectations for bumper harvests out of big producers Australia, Canada and countries of the former Soviet Union were the main drivers of the selloff. Egypt also bought less than usual.

France has struggled with wheat quality in the past growing season, and it has seen stiff competition from Russia, Ukraine and Romania for the lucrative Middle East and North Africa region—the site of 70% of France's exports, according to French grain lobby France Export Cereales. Some dealers now predict that France's exports for the remainder of the season may be choked off entirely should other big regional importers of French wheat follow Egypt's lead.

Agricultural income per French farmer slumped by 16.4% in 2013, according to the European Commission. In 2012, the most recent year for which data is available, French farmers sent €3.1 billion of wheat overseas.

France Export Cereales said it intends to officially address the Egyptian decision and is drafting a document outlining the importance of French wheat supplies to Egypt's sourcing of global wheat.

Traders said Egypt's move will provide an opening for U.S. wheat at a time when Egypt typically has fewer sources for the grain. Some Black Sea ports freeze up during the winter, requiring buyers like Egypt to secure supplies from France, Australia and the U.S. American wheat typically exhibits a 12% or lower moisture content.

"The French usually at this time of year would be the most competitive, but Egypt's just knocked them off the roster," said Louise Gartner, owner of Spectrum Commodities, a brokerage firm based in Beavercreek, Ohio.

"This certainly pushes a bit more demand potential our way."

Egypt's change had little impact on the U.S. wheat futures market on Thursday, however. Wheat for March delivery at the Chicago Board of Trade edged up 2 cents, or 0.4%, to $5.53½ a bushel, helped by strong export sales in a weekly government report and sentiment that the grain had become cheap after falling to a 3½-year low Wednesday.

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India's massive crop grown from poor government policies

28 January 2014 Farms.com

Recent estimates indicate that the wheat crop now in India's fields could top 100 MMT. Only China has ever exceeded that level of production in a single year.

Hidden from the story about this remarkable production is how the Indian government's minimum price guarantee policy helped to create the bumper crops. Indian officials have steadily increased wheat support prices since 2005/06, most recently to 13,500 rupees or $228 per MT (see chart). That is a clear signal to farmers — from the government, not the market — to plant more wheat. Now, with most of India's storage capacity already full of an estimated 20.0 MMT in carryover stocks, it is not surprising that India is aggressively promoting exports.

Market support prices do not tell the whole story. There are storage costs and transportation charges to move the wheat from the interior to India's export facilities — costs estimated to be up to $80 or more per MT. Yet in an export tender closing Jan. 14, India's state trading entities sold three cargos of wheat at $279.52 to $283.60 per MT. Considering the cost to get wheat to ports, clearly the puppeteers in India's government have pulled the wrong strings and cannot compete in world wheat trade without paying significant export subsidies.

To be fair, the U.S. government provides a safety net for wheat farmers who choose to participate in its programs. One program sets a target price and pays the farmer the gap if cash prices fall below that target. But there is a big difference: compared to India's minimum price support of $228 per MT, the U.S. government's target price is $153 per MT — well below U.S. farm gate prices and the farmers' cost of production.

Here is another difference: the United States takes seriously its obligations as a member of the World Trade Organization (WTO). When India joined the WTO in 1995, it agreed not to subsidize agricultural exports, a promise it has consistently ignored. At the recent WTO ministerial meeting in Bali, Indonesia, India's negotiators reneged on an earlier agreement by threatening to veto any outcome that did not give India extended exemption from subsidy rules for its stockholding program. Yet as we all know, India is awash in wheat.

As the world's second largest wheat producer and now a significant, albeit irregular, exporter, India's wheat policies are worth watching. There can be no doubt that its erratic and sometimes contradictory price support and export policies are spilling out of its borders and negatively affecting world wheat trade. In the end, policies that reflect the true nature of the world market would better serve wheat farmers and their customers.

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China set to bar more US corn as GM ban drags on

24 January 2014 CNBC

China is set to keep rejecting U.S. corn shipments containing an unapproved genetically modified strain at least until the end of March, shrugging off pressure from Washington to swiftly approve the variety developed by crop chemicals giant Syngenta.

Under Chinese regulations, the earliest approval of the genetically modified MIR 162 strain could be late March, when the agriculture ministry's biosafety committee holds its annual meeting. If no decision is made, the next review would be in June.

But authorities may continue curbing imports until the end of April, when annual stockpiling finishes, traders said.

China stockpiles a wide range of agricultural commodities from cotton to grains to help support market prices and ensure returns for farmers.

China, the world's third-biggest U.S. corn buyer, had turned back more than 600,000 tonnes by the end of last year, or around a fifth of China's total imports in 2013, after detecting the presence of MIR 162.

U.S. officials have been urging China to act promptly to approve the variety, known as Agrisure Viptera and developed by Syngenta, the world's largest crop chemicals firm.

Beijing started to crack down on shipments late last year, even though MIR 162 has been mixed in with other varieties since China started to import U.S. corn in 2011. The GM strain is designed to offer enhanced protection against crop-damaging insects and is approved in many countries worldwide.

Asked how much more U.S. corn could be rejected, China's quarantine bureau said in a fax that strict checks meant rejections could top the volume already affected. It did not specify a figure.

The rejections have helped drive down global corn prices , which lost around 40 percent last year, also under pressure from a big U.S. crop, and left exporters scrambling to re-sell cargoes to other Asian nations.

China has approved 15 varieties of genetically-modified corn for imports and MIR 162 is awaiting approval.

Two U.S. grain groups have asked Syngenta to suspend the commercial use in the United States of Viptera and another GM corn variety, Duracade, until China and other U.S. export markets have granted regulatory approval.

Syngenta said altering U.S. marketing plans now would have no effect on grain in the system or Chinese acceptance of corn imports.

Niu Dun, China's vice agriculture minister, said last month that the strain had not been approved for imports by the ministry so could not be accepted.

The move raised speculation that the ban is being strictly enforced to prevent cheap imports in a well-supplied market, but China's quarantine bureau said it has been consistent in its checks on genetically-modified farm products and applying rules.

But the rejections come as corn prices on China's Dalian Futures Exchange have fallen more than 14 percent since the domestic harvest started in September.

About 2 million tonnes of U.S. corn, already booked by Chinese buyers, have not been loaded and may be cancelled, said a source at an official think-tank, declining to be named.

Scrutiny over the strain has also led to rejections of U.S. distiller grains (DDGs), a corn-based feed grain.

Some large feed mills met quarantine bureau officials in Beijing last week to urge them that DDG should be exempted since it is a feed ingredient. Officials responded coolly to their calls, said a source with direct knowledge of the issue.

Along with plentiful corn supplies, China is also facing sluggish demand after animal feed demand dropped last year for the first time in decades when meat consumption was hit by bird flu outbreaks and food scandals.

The U.S. Department of Agriculture (USDA) has cut its forecasts for China's imports to 5 million tonnes from 7 million tonnes in the crop year ending in August 2014. China imports corn almost all from the United States.

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Rail glitches steal farmers' joy at record Canadian harvests

23 January 2014 Agrimoney

Barley plantings in Canada this year could suffer from a hangover from the country's logistical wrangles which have thwarted farmers' chances of profiting from record harvests.

Growers had looked set for decent profits, despite lower international crop prices, after breaking production records in barley and canola last year, and achieving a record barley yield up one-third at 3.86 tonnes per hectare.

However, such hopes have been undermined by the logistical difficulties which have, according to some estimates, left some 3m tonnes of grain waiting to be moved from the Prairies, Canada's agricultural heartland, responsible for some 90% of domestic wheat production.

The backlog, in lowering demand for deliveries, has undermined farmgate prices and thereby return prospects.

"If you do not have the logistics, massive crops do not do anything for the farmer," said Darren Smith, Canada-based analyst at malting barley consultancy RMI Analytics.

"All it does is decrease margins."

The extent of the hardship is evident in the widening discount in prices that farmers are being offered, compared with values at port.

The Can$240 a tonne or so that feed barley is selling at in Vancouver would typically equate to a price of Can$200 a tonne, or a little bit more, on farm, once transport costs have been accounted for, Mr Smith told Agrimoney.com.

But the price even delivered at the benchmark inland terminal of Lethbridge is currently at some Can$155 a tonne – a discount of some Can$50 a tonne to where it would normally be expected besides being well below the average price of Can$180-210 a tonne forecast by the farm ministry for 2013-14.

Factored across the whole Canadian barley harvest, that represents Can$500m of value at risk, with more threatened too in the likes of canola and wheat, although these crops appear to be taking priority in transport to port given their greater importance in export programmes.

"Imagine the demurrage charges that have already been run up," Mr Smith said, with the Vancouver vessel line-up currently at 37, well ahead of typical levels, and with costs estimated at at least $10,000 a day.

The logistical hold-ups are in part down to the cold weather which has marked North America's start to 2014, and to the size of Canada's harvest of field crops this year, some 96.5m tonnes, of which 44.6m tonnes is expected to be exported in 2013-14, up some 3m tonnes year on year.

However, this extra volume is competing for railroad capacity with the extra oil volumes being transported, a consequence of growth in extraction from Canada's tar sands.

Data from Canadian Pacific show that wagonloads of industrial goods, including oil, carried by the rail operator rose 10% to 386,000 in the first nine months of last year, against a 2% increase to 317,000 in carloads taking grains.

"There is a huge increase in the amount of oil being carried by rail, and that has a knock-on effect on what's left for grains," Mr Smith said.

Furthermore, the "availability of capacity at Vancouver [port] has been a challenge for years".

The impact on agriculture looks to be huge domestic stocks at the close of the season.

"Anyone who can store 2013 barley will be full to the rafters in August," Mr Smith said, noting that farmers typically have about one year's storage.

The window between the end of winter, when transport will become easier, and the next harvest "will not be enough to manage all the material" and wind down farm inventories.

Among users too, "there will not be a maltster, feeder who is not absolutely full to the brim at the end of this crop year".

The prospect of large inventories looks likely to weigh on prices, and prompt a decline in barley sowings for a second year.

"Early 2014 estimates are for a drop of high single digits for barley plantings."

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No longer Uncle Sam's grain market

21 January 2014 The Hindu Business Line

The price of wheat is determined by Black Sea region countries, and corn by Argentina, Brazil and Ukraine.

The views of analysts that world grain prices are bearish simply because they are declining in the US' Chicago Board of Trade (CBOT) may not be entirely true.

Price movements in the Black Sea region have been quite the opposite of what transpired on futures exchanges. US leadership in agro trade is on the decline and other origins are asserting themselves. This is borne out by some recent developments.

US share in world wheat trade has declined to 20 per cent from 30-35 per cent in 1990-2008. In recent times, the Black Sea nations of Russia, Ukraine and Kazakhstan have been the largest single bloc of wheat exporters of about 35 million tonnes (mts) while the US share is around 28-30 mts out of the world's total volume of 140 mts.

Egypt, the world's largest wheat buyer (10-12 mts per annum) is heavily dependent upon Black Sea Wheat (BSW), as are other nations in Africa and West Asia. The Far-East gets its wheat from Australia. Since 2011, Indian wheat export of about 5-6 mts has been competing with Black Sea and Australian wheat.

US futures exchanges, CBOT and the Kansas Board of Trade (KBOT), are no longer "reliable" platforms of price discovery. The high speculative interest of hedge funds in futures trades distorts evaluations. The price trends (bullish or bearish) indicated by these exchanges are disregarded by other origins.

During the last quarter of 2013, the values of US' Hard Red Winter (HRW-12 per cent protein) wheat, which is comparable to Indian wheat and tracked by KBOT, plummeted by $45/mt ($290 fob), while Black Sea quotes climbed up by $45/mt from $250 to $295.

From India's export perspective, Black Sea values are more relevant than what is happening in the US or its future exchanges. Moreover, Indian fob export price has to be compared with the landed cost (CIF) of the nearest origin — the Black Sea or Australia.

The US is the world's largest producer of corn — about 350 mts. It had a share of 60 per cent share in world coarse grains in 2000-08 but that is now down to 40 per cent.

Recently, China "rejected" about 600,000 tonnes of US corn on GMO-related aberrations, though China requires about 5 mts maize this year.

The US or its sellers cannot muster the courage to drag China to international arbitration or the WTO for destabilising the market for fear of jeopardising future business.

After all, China imports 65 mts of soya bean, mostly from the US.

Discarded corn cargoes are finally offloaded in Japan, South Korea, Indonesia and elsewhere at a discount. Perhaps to firm up CBOT prices, the US Department of Agriculture underplayed corn yield in its monthly report dated January 10, 2014.

Corn exports from Argentina, Brazil and Ukraine of 20 mts each acted as a dampener on US prices. It is this trio that determines world's maize prices, rather than the CBOT.

The irony is that the US has supported higher GMO corn production in these very South American countries from whom they are facing the heat. India's corn exports, too, are calibrated on the basis of this trio, and not the US.

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South African white, yellow corn prices reach record on drought

20 January 2014 Bloomberg

South African white and yellow corn rose to records as supplies ran short following a drought in the country's biggest growing regions last year.

White corn for delivery in March, the most active contract, climbed 0.3 percent to 3,004 rand ($277) a metric ton by the close of trading in Johannesburg. It touched 3,039 rand during the session, the highest since trading started on the South African Futures Exchange in 1996. The yellow variety climbed as much as 2 percent to 2,975, also a record, and closed 0.6 percent stronger at 2,934 rand a ton.

"There's very low carry-over stock," Thys Grobbelaar, an analyst at Klerksdorp, South Africa-based Senwes Ltd., said by telephone. "That's caused by last year's drought and the weak rand, which makes imports more expensive."

South Africa will have a shortfall of about 500,000 tons when the new harvest begins in April, according to Grain SA, which represents commercial farmers. Supplies of white and yellow corn have been hampered by low rainfall in the 2012 and 2013 planting seasons, particularly in the North West province.

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Against the grain

15 January 2014 The Economist

AGRICULTURE ought to be Argentina's strength. Instead, incessant intervention has turned it into a source of weakness. The government has meddled in wheat production since 2006 by raising export taxes and setting export quotas. This interference, defended by the government as "protecting the tables" of Argentine consumers, has simply discouraged farmers from planting the crop.

The interventions show no sign of stopping. Last year's unexpectedly poor wheat harvest caused the price of bread to double, prompting the government to suspend exports of the crop. Last month was the first December in 25 years that Argentina did not export any wheat.

The restraints have now eased up a little. On January 13th Axel Kicillof, Argentina's mutton-chopped economy minister, announced that the government would allow 500,000 metric tonnes of wheat and 50,000 tonnes of flour products to be exported. If this year's harvest went well, he added, the government would consider gradually releasing another 1 million metric tonnes.

If Mr Kicillof expected applause from the farming community, which he insisted was "pleased with the decision", he was soon disappointed. The four major agricultural associations issued a communiqué saying that the government's continued meddling in the sector would only damage production. They accused the government of trying to flood the internal market with wheat to suppress inflation, unofficially estimated to have risen by 28% in 2013, at the expense of agricultural producers. For good measure, they pointed out that the 2013/2014 wheat harvest, which runs from November to January, is already nearly over.

The farming community sees the amount of land given over to a crop as the truest indicator of its attractiveness. According to Argentina's National Institute of Agricultural Technology (INTA), the average area of wheat planted since the government began intervening in the market in 2006 has not exceeded 5m hectares. The average area planted in the preceding five years was 6.2m hectares. Reinaldo Muñóz, an INTA engineer, told reporters that the 3.16 million hectares planted with wheat in 2012/2013 was the "lowest in more than 100 years."

As a result, wheat production in Argentina has plunged—from nearly 16m tonnes in 2005 to 8.2m tonnes in 2013. Not all the intervening years have been terrible, says Santiago del Solar, an Argentine agronomist and farmer. There were decent wheat harvests in 2008, 2011 and 2012, as high international prices incentivised farmers to plant wheat despite the unpredictability of government policy. But with export restrictions becoming tighter and tighter, Mr del Solar has slashed the area he plants with wheat. He expects other farmers will do the same.

The retreat from wheat has devastated exports. According to the US Department of Agriculture, Argentina was the world's fourth-largest exporter of wheat in 2006. By 2013, it had dropped to tenth place. It risks losing trading partners as a result. Argentina has long been the largest exporter of wheat to neighbouring Brazil, shipping 4m-5m tonnes to the country between 2008 and 2012. In 2013, however, Argentina was only able to provide 2m tonnes. To fill the gap left by Argentina, Brazil began importing wheat from the United States and Uruguay. When the export ban wasn't lifted in December, Argentina was forced to default on its January contracts with Brazil.

Similar policies have ravaged Argentina's beef industry. In 2005 Argentina was the third-largest exporter of beef; in 2012 it stood in 11th place, behind Paraguay and Belarus. According to Cronista, a business newspaper, production has tumbled from 57m heads of cattle in 2007 to 51.7m heads in mid-2013.

"The government is the only one that doesn't understand that Argentina needs to produce and export freely to succeed," laments Leonardo Sarquis of CONFIAgro, an agricultural consultancy. If officials do not change tack, production could fall even further, leading to shortages, price spikes and more restrictions. State coffers may well suffer, too. With its foreign-exchange reserves having dipped to a seven-year nadir, the government is in need of every last dollar it can rustle up from agricultural export taxes. "It's lose-lose," sighs Mr Sarquis.

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Approve GM or our farming will be history, warns minister

7 January 2014 The Telegraph

Genetically modified crops must be approved by the European Union if British agriculture is to avoid becoming “the museum of world farming” the Environment Secretary said on Tuesday.

Member states should approve a new strain of maize in a vote later this month, said Owen Paterson.
He argued that previous approval for GM crops had been blocked by the European Commission for political reasons.

“If approval is granted … then it will be the first GM food crop authorised for planting by the EU for 15 years,” Mr Paterson told the Oxford Farming Conference. “Europe risks becoming the museum of world farming as innovative companies make decisions to invest and develop new technologies in other markets.”

The proposal covers a strain of insect-resistant maize and would become the second GM crop to be grown in the European Union after approval for another variety, resistant to the corn borer, was granted in 1998.

Mr Paterson added: “Let me be clear, there are other tools in the toolbox. GM is not a panacea. But the longer that Europe continues to close its doors to GM, the greater the risk that the rest of the world will bypass us altogether.”

The European Commission said that it was “duty-bound” to propose a vote after Europe’s second-highest court censured Brussels for lengthy delays in the approval process.

Approval is likely to face strong opposition from France, Austria, Italy and other countries that have previously banned the growing of GM crops. Sweden and Spain are expected to support the proposal.

GM crops are strains that have been engineered for desirable traits not naturally present, such as disease resistance or greater yields, by changing a plant’s DNA in a laboratory.

Official government policy on them is “precautionary, evidence-based and sensitive to public concerns”.

The Government describes the technology as “not wholly good or bad” and says that it will consider licensing crops on a case-by-case basis.

In the late Nineties, Tony Blair, then Labour prime minister, promoted GM food, but he retreated in the face of public scepticism and campaigns against “Frankenfoods”.

Opponents fear that the crops can cause environmental damage and even harm human health.

But polls suggest that British hostility is waning and senior government figures privately believe the technology is essential to assure future food security and to avoid a dependence on imports.

Mr Paterson has previously indicated that he wants to relax British regulations on the cultivation of GM crops, and has said they have “environmental benefits”.

The Environment Secretary’s views have been cautiously supported by David Cameron. In a speech in June the Prime Minister said it was “time to look again” at the issue. He said: “We need to be open to arguments from science.”

The Coalition has so far allowed small-scale trials of GM crops but widespread use is effectively banned. There is no ban on selling foods made from GM crops and some GM material is contained in imported products, but most supermarkets have banned the ingredients from their own-brand lines.

In October, Mr Paterson attracted criticism for calling opponents of GM “absolutely wicked” and claiming that children were being left to go blind because of “hang-ups” about the technology.

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Nigeria to reduce wheat importation by 20 percent, save N127 billion - Minister

31 December 2013 AllAfrica

The Federal Government will cut down wheat importation by 20 per cent and save over N127 billion from its annual wheat import bill of over N635 billion as from 2014, a representative of the Ministry of Agriculture has said.

The official, Toyin Adetunji, who represented the Agriculture Minister, Akinwumi Adesina, said this on Tuesday in Lokoja at a two-day training workshop on cassava bread organised for Master Bakers from the North Central zone.

Representing Mr. Akinwunmi at the workshop, Ms. Adetunji said government had concluded plans to implement its policy of 20 per cent substitution of wheat with cassava flour in bread production, to reduce the bill.

She said the policy was expected to save Nigeria over N127 billion and that the Master Bakers' training was part of measures aimed at developing cassava industry, create jobs and boost the income of the people.

Ms. Adetunji said the policy was also aimed at diversifying the country's economic base from oil to non-oil sectors.

She said with a production capacity of 40 million metric tonnes per annum, Nigeria is the largest producer of cassava in the world, with Brazil, Thailand and Indonesia trailing.

"The challenge to us as a nation is that Thailand, which is the third largest producer of cassava, controls over 80 per cent of the world market of cassava starch.

"Hence, there is need for us to play our role as a leading producer nation," she said.

Ms. Adetunji said that President Goodluck Jonathan had approved N10 billion as cassava bread development fund.

She said that the programme, which currently had a total of 770 master bakers across the six geo-political zones, was expected to train a minimum of six bakers from each local government area of the country.

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Report

Food Aid Flows 2012 Report

January 2014 World Food Programme

In 2012 global food aid deliveries totaled slightly more than 5 million mt. WFP remains the primary means for delivering food assistance: 58 percent of global food aid was provided through WFP in 2012.

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