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EU pledges US\$144 million to FAO's Initiative on Soaring Food Prices (ISFP)

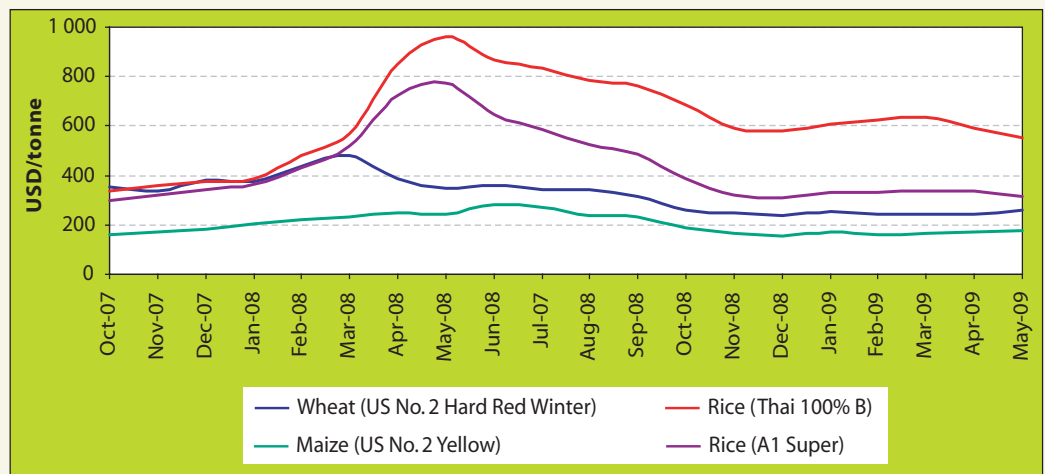
Responding to food security concerns in developing countries which have been compounded by the global economic meltdown, the European Union (EU) has committed €106 million (US\$144 million) to FAO's efforts in support of farmers hardest hit by the food and economic crisis. The EU assistance covers ten countries in Africa, Asia and the Caribbean, including Afghanistan and Pakistan in this region. The biggest agreement so far between FAO and the EU, the aid package is part of the EU's €1 billion response to the food crisis known as the "Food Facility" and to FAO's call for increased investment in agriculture after three decades of decline. The EU Food Facility is the outcome

of collaboration between the European Commission and the UN Secretary-General's High-Level Task Force on the Global Food Security Crisis in which FAO played an important role in identifying and developing programmes designed to have a quick but lasting impact on food security. The ISFP is currently supporting food production in over 90 countries, mainly through supply of improved seeds, fertilizers, other farm inputs and technical assistance, reaching out to nearly seven million smallholder farmers and their 35 million dependents.

Mixed trend in cereal prices in the region

Prices of Thai rice were slightly lower with the benchmark 100% B averaging US\$556 per tonne in May, about US\$40 cheaper than in April,

Figure 1: Selected international cereal prices



Source: FAO Regional Office for Asia and the Pacific

and Rice (A1 Super) at US\$315 a tonne, down from US\$337 in April (see Figure 1). However, state procurement has kept rice prices high in **Thailand** with reports of smuggling in of cheaper rice from neighbouring countries. Lower prices in **Viet Nam** – which has cut the floor price for its top export quality by about US\$30 a tonne – contributed to the over 36 percent fall in Thai rice exports in the first quarter of 2009 over 2008.

Myanmar has exported over 700 000 tonnes so far this year. International prices are expected to remain under pressure in view of the global economic slowdown, bumper 2008 crops and moves by Asian governments to release stocks.

As traders await the likely lifting of the ban on non-basmati rice exports in **India** by the new government, rice procurement for the current season by state agencies in the country has already exceeded 28 million tonnes and rice production is projected to set a new record at nearly 100 million tonnes. Indian state agencies have been allowed to export up to 1 million tonnes of non-basmati rice to Africa.

In the **Philippines**, the farmgate price of *Palay* (unmilled) rice declined in the first half of May after having increased for a number of consecutive weeks. The average price of P15.94 per kg, while 0.25 percent less than the preceding week's price, was still 1.27 percent higher than a year ago. Likewise, prices of

regular milled rice in the Philippines were lower than in April, but 1.68 percent higher over last year's level. Both wholesale and retail prices of well milled rice increased in the first half of May in the country, although yellow and white corn grain prices were lower. Two tropical storms which hit rice-growing areas in May are estimated to have damaged nearly 2 percent of the Philippines' projected rice crop for the second quarter. The National Food Authority (NFA), which sells rice for P18.25 per kilo to Filipinos with family access cards issued by the Department of Social Welfare and Development, expects rice prices to remain stable with officials quoted as saying the agency was ready to use its stock to check market speculation.

Rice prices rose in **Bangladesh** with the end of the government's open market sales programme and the announcement of state procurement prices for paddy and rice.

Wheat prices in **Afghanistan** followed international prices, declining to a national average of Afs19.6 per kg in May, down 1 percent from the April average. Wheat prices in the country have been decreasing since October 2008 in line with world markets where prices in 2009 are lower by up to 30 percent compared to 2008.

In neighbouring **Pakistan**, prospects of a bumper cereal harvest in the northwest region have been affected by the armed conflict which has triggered a large-scale exodus from

the Swat Valley. Most of the estimated 1.5 million people uprooted from their homes are farmers who have left behind untended fields of wheat, rice, maize and vegetables.

New flood-proof rice variety welcomed by farmers

A new variety of rice called "Scuba rice" that can survive more than two weeks under water, developed by the International Rice Research Institute (IRRI) has been welcomed by farmers in India, Bangladesh and the Philippines. The submergence-tolerant variety will allow cultivation of flood-prone land that could not previously be used for reliable rice production, according to IRRI.

FAO's ISFP support and policy developments

In **Afghanistan**, the Ministry of Agriculture, Irrigation and Livestock (MAIL) plans to distribute 40 000 tonnes of wheat seed for the 2009 autumn crop and is being assisted by FAO in project design and personnel training for this purpose.

The increase in the price of rice in **Bangladesh**, which according to the World Bank has made an additional 4 million people in Bangladesh food-insecure, has led to re-imposition of the rice export ban for another six months, weeks after the earlier ban expired. The FAO office in Bangladesh coordinated and led development partners in a meeting with the Prime Minister in support of the *Revival of the Gorai river* project.

FAO is procuring 900 tonnes of fertilizer for the summer crop in the **Democratic People's Republic of Korea (DPRK)**.

Distribution of potato and vegetable seeds was scheduled to be completed in **Mongolia** by the third week of May.

A purchase order has been issued for procuring 165 tonnes of rice seeds; arrangements are being made for its storage and transport, and partners are being identified for distribution of the seed to farm families affected by the floods last year in **Nepal's** Kailali and Kanchanpur districts.

In **Pakistan**, distribution of inputs for the summer maize crop in two food-insecure districts in the North West Frontier Province (NWFP) was expected to be completed by the end of the month.

Harvesting of rice grown from ISFP inputs has been completed in **Sri Lanka** with positive reports from the field and impact assessments expected soon from the four project districts.

Integrated Pest Management (IPM) and good agricultural practices for food security

Responding to soaring food prices over the past year, several countries in the region have boosted investment in agricultural production. The application of synthetic pesticides (insecticides, fungicides and herbicides) was considered an essential part of crop intensification in Asian developing countries during the Green Revolution.

Yet, indiscriminate use of chemical inputs, both fertilizer and

pesticides, puts agricultural production at risk. The overuse of pesticides is known to eliminate important farm ecosystem services leading to secondary pest outbreaks, which could jeopardize national food security. Intensive use of the hazardous chemicals by smallholder farmers is also responsible for a high incidence of farmer poisoning.

Renewed attention to food security and the current high priority placed on pesticide risk reduction related to food safety, international trade facilitation and environmental and health concerns highlight the need for Integrated Pest Management (IPM) and Good Agricultural Practices (GAP) farmer training programmes.

Since the mid-1960s, FAO has advocated that IPM be the preferred pest control strategy

based on careful integration of available cost-effective pest control methods that are safe for human health and the environment. IPM focuses on healthy crop production with minimum disruption of agro-ecosystems. Starting in 1982, FAO's Intercountry Programme for integrated pest control in rice in South and Southeast Asia has supported the development of national IPM strategies and policies with financial support from the Arab Gulf Fund, Australia, the Netherlands, Sweden and Switzerland.

Farmers' Field School

A milestone achievement of the Intercountry Programme has been the development of the farmers' field school (FFS) concept (see Box 1). The FFS model has been adopted by a number of countries and about 670 000 farmers

Box 1

Farmers' field school

A farmers' field school (FFS) is a group of about 25 farmers who agree to meet once a week for an entire crop season – this means 12 to 16 meetings of at least half a day each. Breaking into five small field teams, the group spends one to two hours on the farms counting population densities of different species, assessing crop physiological conditions and recording the observations. Each team then discusses, analyzes and interprets the data it has collected. The interpreted data are summarized, often in a drawing of the agro-ecosystem, and presented to the whole field school. The drawings include a picture of the crop plant at the stage of growth for that week. Insects that damage the plant and disease symptoms are drawn on one side of the plant, while predators that destroy the insect pests are drawn on the other side.

These first-hand observations validate the concept of the balance of nature and of population regulation. The teams discuss their observations among themselves and decide on appropriate pest control and other agronomic practices. The farmers also conduct studies of the effects of pesticides on natural enemies and the artificial simulation of insect damage to show that a plant can sustain some insect damage without a yield decrease. After the first crop season, focusing on IPM in rice, FFS groups become interested in IPM for rotation crops such as vegetables and legumes.

The farmers' field schools provide forums for community action bringing together farmers and trainers and lead to key management decisions. As such, IPM implementation becomes a dynamic process under the control of farmers instead of being a passively adopted product or technology

have been trained in Asia. National FFS programmes have been supported by Australia, Canada, Denmark, Germany, Japan, the Netherlands, the United Kingdom, the United States of America and the UN Development Programme (UNDP).

FAO's experience shows that IPM is about people and must be a farmer-driven process in order to be successful. IPM increases both the sustainability and profitability of farming systems. Using environmentally-benign processes such as pest resistant varieties, natural enemies and cultural control, IPM improves ecological sustainability. Results from 1 300 villages in Viet Nam, where 155 000 farmers have been trained since 1993, show a substantial decrease in pesticide applications and a resultant increase in yields.

IPM also promotes social stability as it is institutionalized at the local community and government levels. The FFS concept can be used to address other farming situations

and extension problems and, as such, the successful implementation of IPM in Asia has added a new dimension to extension.

Stressing farmer responsibility for diagnosing pest problems and finding solutions, IPM requires recognition and enhancement of farmers' expertise and contributes to human resource development. Involving farmers, field staff from national and local government units and non-governmental institutions, IPM enhances ecological awareness, decision-making and other business skills as well as farmer confidence. Thus, IPM has long-lasting socio-economic benefits far beyond the field of plant protection.

IPM expansion

The experience gained in IPM implementation in rice can be extended to other crops and other regions to replace non-sustainable crop protection practices, in particular, mis- and over-use of pesticides.

In many national programmes in Asia, IPM implementation is expanding to cotton, vegetables, legumes and maize. FAO supports IPM transfer to other regions and crops through the exchange of trainers and first-hand experience.

Policy support

Sustainable pest and pesticide management policies are needed to strengthen the regulatory framework to control the use of pesticides, and enhance capacity to implement these policies and enforce pesticide legislation.

FAO, with its unique experience in IPM and pesticide management capacity building, together with its convening role for neutral mediation within the context of several international instruments addressing problems related to distribution and use of pesticides, is particularly well-placed to address pesticide risk reduction.

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