



## **BANGLADESH**

### **Bangladesh grain output to jump in 2020-21**

Bangladesh's rice, wheat, and corn production are expected to increase due to good weather and increased plantings, according to a recent Global Agricultural Information Network report from the US Department of Agriculture (USDA).

Rice production for the 2020-21 marketing year is expected to rise to 36.3 million tonnes in Bangladesh as further cultivation of hybrid and high yield variety plantings increase. The country is expected to import 200,000 tonnes of rice in the 2020-21 marketing year to ease food security tensions brought on by the COVID-19 pandemic, the USDA said.

Bangladesh wheat production for the marketing year 2020-21 also is projected to increase. It is forecast at 1.25 million tonnes, primarily reflecting decreased concern over the wheat blast and strengthening domestic prices, the USDA said. Wheat imports also are being spurred over food insecurities caused by the COVID-19 outbreak. The 2020-21 marketing year wheat imports are forecast upward to 6.4 million tonnes.

Unlike rice and wheat, Bangladesh's corn imports are expected to decrease as increased domestic production is expected along with lower demand from

the feed sector, the USDA said. The country's livestock and poultry sector are slowing production due to COVID-19 causing the less demand for feed. The USDA lowered Bangladesh's 2020-21 marketing year imports to 1 million tonnes.

The country is seeing a higher corn output as some producers are looking to grow higher margin crops and hoping to achieve higher profit margins. The USDA forecasts about 5.1 million tonnes of corn to be produced in Bangladesh for the 2020-21 marketing year.

## **CHINA**

### **China grants access for US blueberries**

Approval expected to boost China's agricultural imports under phase one of the US-China trade deal signed in January

China has announced it will allow the importation of fresh blueberries grown in the US as part of an agreement expected to help the country meet its commitments outlined in phase one of the US-China trade deal signed in January.

Under the agreement, China is required to purchase an additional US\$200bn of US farm products over the next two years, with US\$50bn of that to be spent on agricultural products.

The announcement, posted on the General Administration of Customs China

(GACC) website, indicated fruit grown in California, Florida, Georgia, Indiana, Louisiana, Michigan, Mississippi, New Jersey, North Carolina, Oregon, and Washington would gain import access.

However, it is stipulated the orchards and packaging plants must first be approved by both the US Department of Agriculture (USDA) and GACC.

Further to this, blueberry orchards and packaging plants that intend to export fresh blueberries to China must have a traceability system in place to accurately trace the source of non-compliance in export products.

## **GERMANY**

### **Minister sees a serious labor shortage in the German food industry**

The food industry in Germany is struggling with a labor shortage as a result of the restrictions caused by the coronavirus epidemic, the country's Minister of Food and Agriculture Julia Kloeckner said recently. For some companies, the situation is already "very tense." Slaughterhouses and dairies in Germany are especially affected by staff shortages because commuters from the Czech Republic and Poland are currently unavailable, explained Kloeckner.

The entry ban for seasonal workers

has also hit agricultural businesses in Germany, according to Kloeckner. In March alone, 30,000 seasonal workers are required for the asparagus harvest and sowing. In May, the number of seasonal workers needed in Germany would rise to 80,000.

A new platform, which was set up to connect job seekers and German farmers, is already listing 20,000 vacancies, according to Kloeckner. "The whole chain," from production to trade, would need to be kept in view, the minister stressed. If there is a problem at any stage, this would impact the entire value chain right up to the end consumers in Germany.

The Federal Statistical Office (Destatis) noted that the German retail sector is facing "an unchecked demand for specific convenience goods." Last week, the demand for toilet paper in Germany was more than three times higher than in the previous six months, while the demand for soap increased by a factor of four.

Already in the last week of February, sales figures for flour, soap or pasta were more than double the previous six months' average. However, sales of pasta have slowly declined since then. According to Destatis, this is probably also due to a short-term lack of supply.

Kloeckner stressed that there is "no reason to stockpile food" and that

Germany is "well supplied with local staple foods."

To ensure an uninterrupted supply of food, Germany's Minister of Transport Andreas Scheuer stressed the importance of more flexible regulations. To this end, the driving ban for trucks in Germany was already lifted recently. The cross-border movement of goods must be guaranteed, Scheuer stressed. In the past few days, particularly long traffic jams have formed at the German-Polish border.

### INDONESIA

#### **Indonesia has enough food supplies until August: Trade Ministry**

The Trade Ministry says Indonesia has enough food supplies to last until August, amid public fear of shortages in the wake of the global Covid-19 outbreak. Trade Minister Agus Suparmanto said there are enough supplies of staple food such as rice and corn for the next five months, which include the Islamic fasting month of Ramadan from April to May when demand will peak.

Agus said new supplies from the latest harvest season are expected to enter the market soon.

"Our food supplies will last until August. As of now, we have 3.5 million tons of rice, and we expect around 22

million tons more from the latest harvest," Agus said at the Coordinating Minister for the Economy's headquarters in Jakarta.

Corn supply currently stands at 580,000 tons with expected new-harvest addition of up to 13 million tons. Agus said the government has also given the go-ahead to process new import permits for garlic. This will allow 34,000 tons of garlic to come into Indonesia starting next week.

"We've issued [import permits for] 34,000 tons of garlic, and they will gradually come, starting in the next three days," Agus said.

Similarly, the ministry will also process import permits for onion within the next week, and 14,000 tons will enter Indonesia gradually until April. Customers have been complaining of skyrocketing prices for garlic and onion – the two most imported products from China – in the past few weeks since the Covid-19 outbreak escalated.

The ministry also expected harvest for red chili which happens from March to May will strengthen the current supply. As for sugar, Agus said there are 159,000 tons kept by distributors.

Agus said Indonesia also has supplies of 14,000 tons of meat, and the government has issued an instruction to add 170,000 tons more. Lastly, the supply of cooking oil is currently at 8.2 million tons.

The price of some raw foods has been increasing in the past two weeks amid import disruptions from China. Responding to reports of price rises on some commodities, including sugar and onion, Agus said the Trade Ministry will continue to monitor warehouses to avoid any stockpiling during this dire period.

"We've been trying to normalize prices by deploying a ministerial team and a task force to check on warehouses to avoid stockpiling," Agus said.

On the same occasion, the Coordinating Minister for the Economy Airlangga Hartarto said policies issued by the government to ensure sufficient food supply in the country, including on importing, were not just a response to the Covid-19 outbreak but also to prepare for



the coming Ramadan. "The policies are there to ensure we have enough food supplies for Ramadan and Idul Fitri, aside from responding to [shortage caused by] the Covid-19 outbreak," Airlangga said.

## **MALAYSIA**

### **Malaysia's biggest palm oil state shuts some estates after virus outbreak**

Malaysia's Sabah state has ordered the closure of palm oil plantations in three districts after a coronavirus outbreak originating from a religious gathering in Kuala Lumpur, which is also linked to nearly a thousand cases of the virus.

The suspension comes as the world's second-biggest palm oil producer reported 106 new coronavirus cases, taking the total tally of infections to 1,624 - the highest in Southeast Asia.

Sabah, the state with Malaysia's highest palm oil output, will suspend operations at palm oil plantations and factories in the districts of Tawau, Lahad Datu, and Kinabatangan from this week until the end of the month, a notice issued by the Sabah state government said recently.

"The closure of the oil palm plantations and factories is aimed at preventing the movement of plantation workers as there were some workers in Tawau, Lahad Datu, and Kinabatangan who have tested positive for COVID-19," the state government wrote.

## **NEW ZEALAND**

### **New Zealand resumes onion exports to Indonesia**

Onion producers in New Zealand celebrate the re-opening of the market following months of negotiations. Indonesia has officially re-opened its doors to New Zealand-grown onions, in a move that many New Zealand onion producers are rightly celebrating.

Onions are the main horticulture crop exported to Indonesia and returned NZ\$28m to regional New Zealand in 2019. In total, New Zealand's onion exports increased by NZ\$83m in 2019, and are currently worth NZ\$172m.



The re-opening of Indonesia as an export market comes after months of negotiations and the clarification of new import rules, according to Onions New Zealand chief executive, James Kuperus.

"With the support of key figures such as Indonesia's director-general of horticulture, Prihasto Setyanto, and the Indonesian Ambassador to New Zealand, Tantowi Yahya, the regulations have been clarified and exports have resumed," said Kuperus.

Trade between Indonesia and New Zealand is equal, with exports/imports worth NZ\$1.1bn to each economy.

Apatu Farms joint managing director, Paul Apatu, said Onions New Zealand had been proactive in working directly with Indonesian government officials, and various receivers in the Indonesian supply chain.

"The strategy is to grow the Indonesian market, along with other markets across the world. We're pretty confident that long-term, international demand for New Zealand onions will grow," said Apatu.

## **USA**

### **US cherries expecting smaller crop for 2020**

Combination of factors likely to result in the smallest crop volume in five years for Northwest Cherry Growers

US Northwest Cherry Growers (NWCG) has announced its first estimate

for the upcoming 2020 cherry season, pegging the harvest to reach 205,032 tonnes. If projections prove accurate, it will be the smallest NW cherry volume in five seasons.

A combination of warmer weather in January and February resulted in one of the earliest blooms on record. This was subsequently followed by cooler weather, including a freeze, which caused some damage.

Add to this the fact growers are continuing to remove orchards due to 'Little Cherry Disease', and the lower crop estimate begins to make sense.

However, the lower volume is not necessarily a bad thing given the current circumstances around Covid-19, and the NWCG said it expects one of the largest spreads between early and late districts in recent memory.

This will effectively provide growers with more time and less pressure to move the crop. Given there have been fewer retail visits by consumers due to Covid-19 restrictions, this could prove beneficial. NWCG has said a strong June start and the resulting longer crop is the best the industry can hope for at this stage and indicated a worldwide opportunity is fast approaching for cherry growers in the US.

It highlighted the need for retailers to be willing and able to meet consumers with messaging and promotions wherever and however they may be shopping, suggesting a move to greater online promotion of seasonal awareness is likely.