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## India

### Agricultural Situation

### Weekly Highlights & Hot Bites, #26

2005

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**Report Highlights:**

\*Some issues in WTO non-negotiable - Commerce Minister\*, \*Spurious Bt cotton seeds flood market\*.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
New Delhi [IN1]  
[IN]

Welcome to Hot Bites from India, a weekly summary of issues of interest to the U.S. agricultural community. The report includes information that has been garnered during travel within India, reported in the local media, or offered by host country officials and agricultural analysts. Press articles are included in this report. Significant issues will be expanded upon in subsequent reports from this office.

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### **SOME ISSUES IN WTO NON-NEGOTIABLE – COMMERCE MINISTER**

Commerce Minister Kamal Nath made it clear that certain issues in the ongoing WTO negotiations are non-negotiable for India. In agriculture, there is no question of accepting any kind of Swiss formula for tariff reduction, in whatever garb. Tariff reduction commitments by developing countries should provide for adequate policy space and reflect their development needs. "Developed countries subsidize their agriculture to the extent of one billion dollars a day and about 20 to 50 percent is the subsidy component in the agricultural exports of many developed countries. We cannot allow this ... Safeguarding our interests, especially in sensitive sectors such as agriculture and small and medium enterprises, will be our main concern," he said. India would also strongly resist attempts to divide developing countries by differentiating the so-called advanced or large developing countries from others, he said. (Source: Press Information Bureau, Government of India, 07/04/05)

### **SPURIOUS BT COTTON SEEDS FLOOD MARKET**

Monsanto's monopoly over the genetically modified Bt cotton seeds in India is facing the threat of the sale of unlicensed and spurious Bt cotton seeds in the major cotton growing areas. The license to produce and sell Bt cotton seed belongs solely to six Monsanto sublicensee seed companies. Market sources report that of the estimated three million Bt cotton seed packets sold, only 60 percent is accounted for by the Monsanto sub-licensees and the remaining 40 percent by spurious seed suppliers. Experts fear that the cotton farmers may be adversely affected by the inferior-quality and lower-yielding spurious seeds. (Source: Business Standard, 07/03/05)

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