

# Bean Commission News

Volume 17, Issue 5

May 4, 2011

**Special points of interest:**

- Nayarit bean production hits mark
- “Organic” lentils rejected in European Union due to “too high of levels” of glyphosate
- Dennis Engelhard submits testimony for up coming Farm bill

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## Food Security Still an Issue

**(Editors Note:** *The budget talks continue and one of the programs that will be targeted is the PL 480, Food Aid Program. Some of the targeted areas for the PL 480 programs follows: 1. The PL 480 program is a subsidy for farmers. 2. Buy local—but of course this means sending cash to areas that have a poor history of accounting. American Farm Bureau initiated a report on Food Aid and its effectiveness.*

*This report was authored by Split Rock International, Inc.. Excerpts from Executive Summary of report follow and they suggest adopting the stated elements as part of a new strategy to address hunger and poverty. For the complete report, go to the Michigan Bean Commission website, News and*

*Events, then click on newsletters and under Archived you will find: Food Aid Report.)*

**Expanding U.S. Food Aid:**

*Expansion of Title II food aid to provide a buffer against the price volatility that resulted in the global price spikes of 2008 and to address hunger among urban populations where supply constraints prevent rural producers in the developing world from meeting rising demand.*

Expanding U.S. food aid under Title II of P.L. 480 to serve the needs of the urban poor and to dampen price volatility in global food commodity markets would allow U.S. agriculture to serve that part of the population in least developed countries

that is already connected to global markets. That is where the comparative advantage to U.S. farmers lies—both because of their productivity and because of the efficiency of global value chains that connect U.S. farmers to the rest of the world. That is a function that small landholders in rural areas in the least developed countries of the world cannot serve at this stage.

**Focusing the President’s Initiative:**

- Targeting assistance on.*
- *the least developed countries;*
  - *Small landholders;*
  - *Local staples;*
  - *Local markets; and*

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## Glyphosate again on the International Radar

After three years of needless worry about MRL levels (minimum residue levels) on beans and other pulses, the problem has again surface, and on a bigger stage.

You will remember it

was three years ago when dry beans reportedly out of Canada were rejected in Japan due to “high” levels of Glyphosate. We understand in that case the beans had to be brought back to origin at a great cost.

Now we understand that

“organic” lentils from Turkey were rejected by the European Union (EU). This has caused a major stir in the pea and lentil industry in both the U.S. and Canada.

Of course part of the prob-

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- *Improvements in domestic regulatory systems that are essential to improving food safety and functioning local markets.*

### **Realigning Economic Incentives:**

*Ensuring that U.S. outreach on food aid takes place against the backdrop of a more comprehensive development strategy designed to realign the incentives within local economies in ways that favor pro-poor economic growth.*

Focusing the President's initiative on the least developed countries makes sense because of the sheer number of people in those countries that make their living off the land. In other words, that is where U.S. assistance—whether in terms of research and development, risk mitigation, or connecting small producers to local markets—would have the greatest multiplier effect in terms of both reducing hunger and improving the prospects for economic development.

Similarly, a focus on small landholders makes sense because an estimated 2 billion people live and work on small farms in developing countries. There is no clear alternative, either in terms of boosting the supply response to serve local

markets or in terms of the alternatives in manufacturing or services to which individuals working on small farms might migrate in the short to medium term. Moreover, small landholders tend to serve those areas of the least developed countries that are most isolated economically from world or regional markets. Raising the productivity of small farms in those areas will provide a degree of food security in areas where food aid can reach only with great difficulty and at great expense.

The idea of generating a bigger multiplier effect in terms of food security and economic growth offers a reason for focusing on local staples as well. Enhancing production of local staples makes sense because they account for the majority of production on the small farms that make up 70-90 percent of the agriculture sector in many least developed countries. Focusing on those products is likely to maximize the supply response by local farmers precisely because that is where their comparative advantage lies.

The comparative advantage smaller landholders have in growing local staples provides the underlying rationale for a focus on connecting those farmers to local markets, where both the geography and their product mix offers them a competitive edge. Both U.S. assistance and the local gov-

ernment's efforts should be directed at removing the institutional and infrastructural barriers that inhibit the growth of local markets that serve both landholders and local consumers.

Due to attention to domestic regulatory systems is an essential part of creating functioning markets that can serve both poor farmers and poor consumers in the least developed countries of the world. Well-functioning markets depend heavily on supporting institutions. Those institutions, particularly the establishment of standards for health, safety and the quality of food products, help create a virtuous circle that benefits both farmers and consumers, as well as improving food security and the prospects for longer term economic growth and development.

Finally, no increase in food aid or development assistance will prove effective in the absence of a fundamental realignment of the economic incentives in the least developed countries themselves. That requires an approach that embeds local agricultural development in a broader approach to economic development generally. Removing domestic policies that hinder the development of the agricultural sector in the least developed countries is the logical first step. That approach is on that the broad reach of U.S. development policy should reinforce.

## **Bean Bites**

**Imports into Spain** of dry beans indicate that while Argentina remains the leader, that both Canada and the U.S. have fallen well behind China and the gap continues to widen.

**Spanish production** of dry beans continues to decline, even with

heavy E.U. subsidies.

**Nayarit (Mexico) bean harvest** is completed with production pegged at 80,000 metric tons, up slightly from the programmed estimate of 78,900 metric tons. 50% of this production is black beans. We have heard that some growers are having problems here getting paid and have resorted to selling their production to intermediaries which has lowered the price.

### **Crop rotation project in Mexico:**

There is resistance to the project that to switch producers from beans and corn to sunflower or canola. The major reason for the intended switch is to "release the pressure over the soil that historically produces corn and beans". It was also stated that canola and sunflower are not abundant in the market so this could lead to easier marketing.

## Engelhard Submits Testimony

Even though the 1st Public Hearing for the reauthorization of the Farm Bill was canceled due to the possible government shutdown, Dennis P. Engelhard, Michigan Bean Commissioner from Tuscola County and current president of the U.S. Dry Bean Council, submitted testimony as requested by Senator Debbie Stabenow. The testimony still goes on record and will help the Senator, the current Chair of the Senate Agriculture, Nutrition, and Forestry Committee understand the needs of both the Michigan and U.S. Dry Bean Growers.

Engelhard's testimony addressed a number of Dry Bean issues, in part saying: "Dry beans represent approximately 18 percent of all specialty crops grown across the United States, yet, dry beans have not enjoyed the same benefits of many other crops in the Farm Bill. Some dry bean growers are reluctant to pursue some of those benefits. The restrictive planting clause has benefited dry bean growers by discouraging non-traditional growers from jumping into dry bean production during peak times or prices for dry beans, we also understand the world climate has changed. As growers of dry beans, we would ask that if this clause needs to be addressed or modified, then we request something in return be granted the grower for their willingness to forego traditional payments

for all of these years. That might mean that the current Special Crop Block Grants that our own Senator has championed, remain in place or possibly health related research such as the current Pulse Health Initiative or PHI be considered. The PHI is a collaboration between the Dry Bean, and Pea & Lentil industries with three major challenges that these two crops can and do address: Obesity & Chronic Disease; Global Hunger and Functionality; and Environmental Sustainability. If you return to the buildup of the 2007 Farm Bill, you will notice that many believed that bill would be shaped by four major considerations: Farm programs; WTO Cotton case; Broader WTO negotiations; and lastly, the Obesity issue. Those items that shaped the 2007 Farm bill will continue to be driving forces in the 2012 Farm Bill, and we believe that Dry beans and their healthy status could be a key to the obesity and other health issues. "

Engelhard continued: "We would also like to see the continuation of both the MAP (Market Access Program) and FMD (Foreign Market Development) programs. Currently the U.S. Dry Bean Industry exports 34 percent of its production (ERS/USDA&FAS numbers). Export of dry beans has been increasing since 2004 and our industry obtained high export numbers in 2009 that had not been reached since

1990. This increase is due in part or wholly due to the opportunities we have been granted through the MAP and FMD programs. Along with these two programs we must encourage the continuation of the PL 480 program. This program, also known as the food aid program, has done wonders in making sure that many around the world go to bed with food in their stomach.

**(See related article on Page 1)**

At the same time, while many are encouraging the infusion of cash rather than products to these areas, it seems at this time it is much easier to track and control food distribution than to track dollars that seem to be disappearing.

In summary, Madame Chair, the dry bean industry and its growers believe the next Farm Bill should strive to provide equity among commodities, while maintaining stability for growers, both now and in the future. Being a non-program crop, we are especially concerned that actions not be taken that are perceived to be solutions to problems facing program crops, but that could have unintended repercussions on non-program crops such as day beans."

There will be other additional opportunities to address the needs of Michigan dry bean growers and the Michigan Bean Commission will be there.

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lem lies in that there is no "harmonization" of MRL levels between the countries.

In the EU, dry peas have a MRL of 10 parts per million (ppm), 2ppm for dry beans and .1ppm for lentils. At the same time Canada is 4ppm for lentils, 5 ppm for peas, and 5 ppm for dry beans. The U.S. is close to Canada, with 5ppm for lentils and dry beans, but is 8 ppm for

peas.

This of course all leads to confusion between the counties, but of course the ultimate authority is currently the importing country. Also of interest is that the EU has a 50ppm tolerance for glyphosate on mushrooms, a product that is consumed in the raw state.

A lot of numbers here but the point is what will the EU do to harmonize internally the three different legumes

(peas, beans and lentils) and could it affect current level for dry beans. And we also know that legume shipments to the EU will be monitored for MRL levels and there is no area currently for negotiation in the respective levels.

Of course there are two issues here, one being the MRL, but the other being the "organic" label that was attached to the shipment as well. That is an area the buyer needs to substantiate.

## Varner's Voice

**National Sclerotinia Initiative** has awarded five research grants to the following dry bean researchers across the United States. Total dollars will be \$301,000. The Initiative began in 2002 to employ a coordinated research strategy to minimize the devastating effects of White Mold on dry beans, soybeans, sunflowers, canola and peas and lentils. 2011 will mark ten years of this white mold research. I would urge you to go to [www.whitemold.com](http://www.whitemold.com) or [www.sclerotinia.com](http://www.sclerotinia.com) to view the website on white mold research. The new pinto bean line P07863 from MSU is a direct result of the Initiative. This pinto bean is exhibiting excellent white mold tolerance and may be the first dry bean released for tolerance against white mold disease.

The following is a list of the researcher, University/UDSA and title of the project.

James Kelly-Michigan State University-Identification and Validation of

QTL for White Mold Resistance in Pinto Bean. Validation of QTL for white mold resistance from the USPT-WM-1 source, and the development and application of MAS for QTL for resistance which reside in a commercial pinto background. Relationship of agronomic traits with resistance QTL further elucidated. Resistance to white mold expressed in the field.

Phil Miklas-USDA/ARS, Jim Myers-Oregon State University, Phil McClean-North Dakota State University-White mold resistance-QTL: Identification, interactions, and fine mapping in common bean. Dry bean genomics to identify new resistance traits and incorporate them into dry beans.

Juan Osorno-North Dakota State University-Inheritance studies of new potential sources of resistance to white mold in dry bean. Finding promising sources of resistance to white mold in navy beans. The genetics of resistance may reveal novel QTL. The development of cultivars with partial resistance is possible.

Howard Schwartz and Mark Brick-Colorado State University-On-Farm Validation of Cultural Practice Adjustments to Improve White Mold Management in Dry Bean Irrigation Systems. Cultural practices for control of white mold on nitrogen, irrigation and plant type of dry beans.

Jim Steadman –University of Nebraska-Multi-site dry bean screening and variance in white mold isolates. Provides for coordination of multi-site testing of bean lines for white mold resistance in the field and greenhouse. The variance in aggressiveness among isolates is being determined with recommendations for isolates to use in routine screening are forthcoming.

**Dry bean seed** coming into Michigan generally takes about 5-7 days after a grower orders seed from a shipper/elevator. If you haven't ordered dry bean seed and plan to buy dry bean seed, please keep in mind the time lag we have in shipping seed to Michigan. Seed supplies of blacks and navies are adequate for most varieties.