

# PROP UP PEPPER PRICE. PLEASE...

HAVING COME TO BE TERMED 'THE BLACK GOLD' FOR GENERATING HIGH PROFITS, PEPPER IS NOT EXACTLY SPICING UP THE LIVES OF FARMERS. SMALL TRADERS TOO ARE FEELING THE HEAT AS PRICES NOSEDIVE. EXPRESS EXAMINES.

## TOP PEPPER PRODUCING COUNTRIES

### VIETNAM

1,63,000  
tonnes

### INDONESIA

89,000  
tonnes

### INDIA

53,000  
tonnes

## DOMESTIC PRODUCTION

### 2016-17

Karnataka - 31,000 tonnes  
from 37,750 hectares

Kerala - 20,000 tonnes from  
85,210 hectares

### 2017-18 (Estimated)

Karnataka - 35,000 tonnes  
from 37,750 hectares

Kerala - 22,000 tonnes from  
86,740 hectares

## PRICE DECLINE

Nearly ₹700/kg  
in 2015-16

₹473/kg in 2016-17

₹359/kg this June

₹320-range/kg  
this July

RAJESH ABRAHAM @Kochi

Fifty-eight-year old Sunny Augustine - a small-time pepper farmer in Adimali, Idukki, who also dabbles in trading the commodity - is not unfamiliar to the prolonged downturns in pepper prices.

For 10 years, from 1998 to 2008, the spice was trading below ₹300 per kg, down from ₹500 plus per kg, plunging the lives of farmers in Idukki and Wayanad into misery. That despite having once been a darling of the farmers, earning the sobriquet 'the black gold'.

After a brief spell of healthy prices from 2013 to March 2016, when it touched a high of nearly ₹700 per kg, the past couple of years have made for particularly hard times for farmers like Sunny. Domestic prices fell to ₹473 per kg in 2016-17, before dipping further to ₹359 in June and to the ₹320-range in July this year.

"While prices have declined, costs have also shot up, dealing a double blow to farmers like us," says N T Joseph, a farmer in Kallarkutty.

Labour costs, he says, amount to ₹500 per day, and the prices of inputs - including pesticides, shells and Bordeaux mixture (a combination of copper sulfate, lime and water applied to pepper vines) - have tripled and quadrupled in recent years even as productivity nosedived.

Some 337 km away, in the northern district of Wayanad, the second biggest pepper producing area in the state after Idukki, Biju Varghese, 48, a planter, is ruing the fact he did not sell his produce when the prices topped nearly ₹700 per kg last year. He is now sitting on about six tonnes

thitta are also sitting on huge losses after they acquired pepper at an average cost of above ₹500 per kg over the past two years, hoping that the prices will continue to rise.

"Several people I know hold three-four tonnes at an average cost of over ₹500-₹550 per kg. I also have some pepper, which I will sell at a loss now as there are chances of prices declining further," says Augustine.

While an acre - during the mid-1970s and early 1980s - used to yield 150 kg of pepper, it takes five acres to get 100 kg of the spice now. Global warming, which led to the rise in temperatures in the high-ranges, is also cited as a reason for the drop in productivity. The average temperature, which used to be in the range of 23-24 degree Celsius, is now at 30 degree Celsius, and in summers, it goes over 35 degree Celsius.

But a big reason for the sharp decline in pepper prices is the glut in production, especially in Vietnam and Indonesia, the world's top pepper producers - 1.63 lakh tonnes and 89,000 tonnes respectively. India is a distant third at 53,000 tonnes, of which Kerala has long been displaced as the biggest producer by Karnataka.

Consider this: In 2015-16, Karnataka - with 32,670 hectares under pepper cultivation - produced 21,000 tonnes while Kerala could manage only 22,000 tonnes despite having 85,430 hectares under cultivation.

"During the 80s, pepper used to be our main crop. But the changing climate pattern and frequent diseases to the crop forced many to shift to rubber cultivation," explains Joseph.

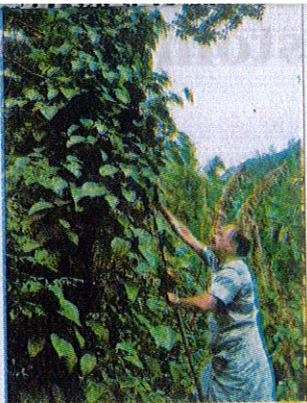
Prakash Namboodiri, chairman, All India Spice



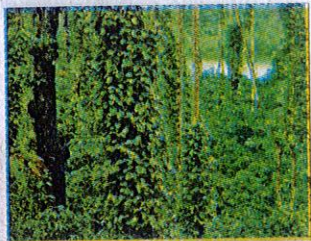
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N T Joseph, a farmer from Kallarkutty

AMIT BANDRE



Sunny Augustine, a farmer in Adimali, Idukki, tending vines. (Below) Pepper plants in Wayanad



PICS: ALBIN MATHEW

sitting on about six tonnes of pepper from his plantation, which also includes coffee.

The plummeting prices is just another blow for the pepper farmers of Wayanad who have been facing several setbacks for their crops one after the other; the root wilt disease a decade back, which nearly wiped out the pepper cultivation in the district, and the wasp attack. "Some 10 years back, we were hit by the fungal disease, wherein the vines were completely destroyed," he says.

### Small traders worst hit

Perhaps the worst affected are small traders who have been acquiring pepper while the prices are on the rise.

According to people in the know, a large number of small traders in Idukki, Wayanad, and Pathanam-

chairman, All India Spice Exporters Forum, attributes the problem to the high costs incurred by farmers and to the low yield from the vines.

"In Vietnam, farmers are producing three-four times higher pepper from the same area in India. The cost is much lower at about ₹150 per kg compared to Kerala where the cost is as high as ₹200-₹225 to produce a kg of pepper," he says. The industry, he says, is ready to associate with the farming community to help them get better yield and improve productivity.

"In a globally connected economy, it's very difficult to control prices especially when there is a glut in production worldwide. The only way our farmers can face up to the challenge is by increasing productivity and managing the crops better," says another official at the Forum.