

Farming has to come First to achieve the MDGs

Ajay S Shriram

President, International Fertilizer Industry Association
and Chairman & Sr. Managing Director, DCM Shriram Consolidated Ltd., India

Mr. Chairman, Excellencies, Ladies and Gentlemen,

It is a privilege to be here today on behalf of our Association.

Returning crops and the farmer to the centre of policy decisions is fundamental to achieving the Millennium Development Goals (MDGs) and to sustainable development. As the food crisis of 2008 showed, governments, businesses, scientists and civil society groups need to focus on the sources of our food and nutrition security. To avoid such events, all these groups must work together to enable the millions of farm families, especially smallholders and women farmers, to increase crop production sustainably through the maintenance of effective markets, more collaborative research, and committed knowledge sharing. The fertilizer industry is committed to building alliances and partnerships that will enable farmers worldwide access to knowledge, technologies and capacities. Our experience as a private partner is that in most countries the main constraint is not availability of technology or knowledge, but how to deliver the same to the farmers' gate. **We call this "last-mile delivery" - of knowledge, services, tools, innovation and markets.** We endorse paragraph 42 of the proposed outcome document, but believe it needs to include reference to infrastructure, functional markets and commitment to CAADP agreements.

I would like to share with you the fertilizer industry's experience in finding innovative and easily replicable ways to increase agricultural productivity sustainably, reach this last-mile, and improve conditions for farmers through new business models and public-private partnerships.

First, to bridge the gap in last-mile delivery of services, we need to work with farmers throughout the crop lifecycle, with regard to all agricultural inputs, and concentrate on crop needs. This approach has been embraced by an initiative of which my Association is one of the founding members. Called Farming First¹, it proposes a six-point action plan focusing on farmers for promoting sustainable agricultural practices. Farming First aims at unifying the agricultural sector by bringing together representatives from farmers' groups, scientists, input suppliers, agribusinesses, NGOs and think tanks.

Second, the manpower currently deployed by the public and private sectors is inadequate to reach the millions of farmers worldwide. Farmers' main point of contact for inputs and advice remains agri-input dealers. **Including agri-input dealers in the extension system** and equipping them with sufficient knowledge would go a long way towards improving knowledge transfer. In Ghana, the International Fertilizer Development Center (IFDC) has developed a Dealer Training and Certification Program to this end and benefits some 2000 agro-dealers and 150 seed producers².

Third, cellular phone penetration has reached unprecedented levels, even in rural areas. **ICT provides a robust platform for providing numerous services** that can supplement other efforts to deliver knowledge and information to farmers. The Indian Farmers Fertilizer Cooperative Limited (IFFCO) has undertaken a joint-venture with Bharti Airtel, India's largest integrated telecom services provider to design new ICT services for farmers. When farmers sign up for the IFFCO Kisan Sanchar Limited (IKSL) service³, they obtain access to five daily messages in their local language with crop and area specific information, a help line and interactive information services, all free of charge. Messages include information on agricultural market prices and arrivals, availability of fertilizers, electricity timings, early disaster warning systems, best farming practices, prevention of plant and veterinary diseases, and financing and insurance services. This concept could be added to paragraph 50 R of the outcome document.

¹ <http://www.farmingfirst.org>

² <http://www.ifdc.org>

³ <http://www.farmingfirst.org/2009/04/using-mobile-telephony-to-provide-agricultural-services-and-advice-to-smallholders-in-rural-india/>

Fourth, any effective delivery system must take into account the need to “**get local” and engage on an ongoing basis**. This is particularly important in countries where regional differences are acute and there are different languages, diets and agronomic practices. In 2002, my company, DCM Shriram Consolidated Ltd., established the Hariyali Kisaan Bazaar (HKB)⁴, an innovative chain of rural agricultural supermarkets, in India. This chain offers quality inputs, agronomic services, financial products, commodity trading and agricultural information. One element in the success of such a business model is that it is tailored to local needs and customs. Hariyali provides not only agricultural inputs, but also the knowledge that goes with them. Agronomists, who speak local languages, are available in stores to answer farmers’ questions. In paragraph 20, we believe a reference to establishing knowledge networks and locally sustainable value chains for farmers would be appropriate.

Fifth, **innovative partnerships can lead to tremendous strides being taken in relation to food and nutrition security and public health**. The fertilizer and zinc industries are working jointly on last-mile delivery of innovation to alleviate zinc deficiency in soils, crops and humans. Zinc deficiency is one of leading risk factors for disease in the developing world. The Zinc Nutrient Initiative is aimed at increasing the productivity and nutritional content of crops by promoting the use of zinc-enhanced fertilizers, including as a long-term solution to human malnutrition. This is complimentary to a new partnership between the industry and UNICEF, the Zinc Saves Kids initiative⁵.

Sixth, most of the world’s farmers cultivate plots of less than two hectares and live below the poverty level. **These farmers need to be organized into groups and partnerships established with the corporate sector in order to achieve economies of scale, improve income levels and respond better to market needs**. A successful partnership should focus on educating farmers about the latest agricultural practices, ensuring quality production, and consequently helping to provide farmers with assured markets and better incomes. In Kenya and ten other countries, the International Federation of Agricultural Producers’ (IFAP) works with farmers’ organizations to help them articulate their research requirements more effectively and collect, organize and exchange experiences, knowledge and information within an international network of researchers⁶.

⁴ http://www.dscl.com/Business_Agree_HarKisBzr.aspx?PID=27

⁵ <http://www.zincsavekids.org/>

⁶ <http://www.farmingfirst.org/2010/05/supporting-farmers%E2%80%99-organisations-to-empower-smallholder-farmers/>

Most of the examples I cited showcase partnerships involving a variety of agricultural actors, but also actors from other sectors such as education, research, health and telecommunications. Some projects can be carried out by the private sector alone, but **we need to work hand-in-hand with governments if we want to make a dramatic difference in the lives of millions of people, as in paragraph 37.**

Our coalition – Farming First – calls on you to avoid another food crisis and to achieve the MDGs. To do so, we believe that governments need to

- raise productivity levels exponentially;
- devise long-term agricultural development strategies that support the development of local agricultural markets and focus on farmers' needs;
- target women farmers, in view of their vital roles in the agricultural workforce, household food procurement and preparation, and family unit support;
- support policies that encourage investment in the agriculture sector in developing countries.

I would also like to point out **two specific recommendations** to your attention:

1. Governments need to **invest in agricultural education programs to train agronomists, extension workers and agro-input dealers.** Voluntary certification programs should be developed on a large-scale, as is being done in the United States by the Certified Crop Adviser Program (CCA) of the American Society of Agronomy⁷. This is the single largest certification program in agriculture, with over 13,000 certified advisers throughout the US and Canada. This program has been extended to India and Argentina. To ensure the last-mile delivery of knowledge, similar certified schemes are needed in most developing countries in order to train and certify crop specialists who can provide extension services to farmers in a much more focused manner, starting with the selection of the right seed varieties and continuing through nutrition, pest and post-harvest management.

⁷ <https://www.certifiedcropadviser.org/about/>

2. Governments need to **invest in the development of input-output infrastructure**. One of IFA's member companies, Yara International, recently launched the Beira Agricultural Growth Corridor Project together with the Government of Mozambique and other stakeholders. Through a cluster approach, the project aims to provide easy access to electricity, irrigation and a transport network for market access in order to develop the potential of 10 million hectares of arable land. Massive investment in irrigation, port facilities, railroads and feeder roads needs to be made in a concerted manner to serve agricultural and food markets not just a national but also a regional one.

I believe that the examples I have cited **can be scaled up in many countries** facing similar constraints. Even though structural transformations are important in the longer term, more immediate improvements in the welfare of poor households can be realized through agriculture, thus directly contributing to the achievement of MDG 1 by 2015..

In a world where population and consumption are growing, working towards food security for all, including the availability, accessibility and affordability of sufficient food with the required nutrient value, is a responsibility shared by farmers, businesses, governments and other representatives of society.

Central to the solution are the millions of farmers around the world who produce the food we all eat. Many of these farmers are trapped in a cycle of poverty. By improving their incomes through **last-mile delivery of better tools, knowledge, partnerships and market access**, we can not only **create a sustainable solution to poverty, but also help address the key challenges of food & nutrition security**.

Mr. Chairman, Excellencies, Ladies and Gentlemen, thank you for the opportunity to present views from the private sector and, in particular, from the fertilizer industry.

(Speech delivered at the United Nations General Assembly on 15th June, 2010 in New York)