

# **ENGAGING PRIVATE SECTOR ON FOOD SECURITY ISSUES**

## **REMARKS BY HOWARD MINIGH**

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### **Slide 1 - Title Slide**

#### **Slide 2 - WORLD PRESENT CHALLENGES**

For every three people on the earth today, an extra person will be joining them by 2050 - and that person will need to be fed.

It will be essential that food production keeps pace with this increase in population. The ratio of arable land to population will decline by 40-55%.

THAT MEANS ONE HECTARE MUST FEED 5 PEOPLE A HEALTHY, VARIED DIET.

Globally, only an additional 5-10% of land will be available for agricultural production. The World Bank estimates that approximately 90 per cent of the required increase in food production must come from yield increases on existing farmland.

SOLVING THESE PROBLEMS, and DOING IT IN AN ENVIRONMENTALLY RESPONSIBLE AND SOCIALLY SENSITIVE WAY IS THE CHALLENGE IN FRONT OF US.

#### **Slide 3 - CLIMATE CHANGE**

We must also face the challenges of increasing water scarcity and the looming effect of climate change. The International Food Policy Research Institute has developed complex models that include factors such as current yields, technology adoption, changing temperatures, and water shortages.

This example shows the effects on rainfed maize touching every continent, with a resulting projected drop in global production of 16% by 2050.

Even more disturbing:

- A projected drop of 27% for irrigated rice
- A projected drop of 28% for rainfed wheat

These projected declines in production are at a time when we need to be INCREASING production. The result is a projected further price increase for food, which will put more pressure on the hungry around the world.

#### **Slide 4 - FARMERS OPPORTUNITY**

To address the needs of sustainable development and food security, we believe farming must be returned to the center of the discussion. A global coalition has brought forward Farming First.

**The Principles of Farming First are simple.** *Farming First* is about building a broad based, knowledge centered, and farmer focused approach to sustainable development through agriculture. Farming First begins by identifying the critical needs of farmers to produce a crop - such as land, water, knowledge, and inputs.

- 1) **Safeguarding natural resources** is the first pillar of Farming First. It emphasizes the importance of land management, which can be improved through the widespread adoption of sustainable practices of land use.
- 2) The second pillar is **Sharing knowledge** to best manage these resources to make them productive in a sustainable way. While much of the knowledge needed to improve global agriculture already exists, it often does not reach those farmers that could benefit most.
- 3) **Building local access** is also essential, to ensure farmers have access to knowledge, and also to the resources they need to manage their crop production more reliably and at lower cost.

With the knowledge and tools in their hands, farmers can grow a better crop. A crop that can help break the cycle of subsistence farming by providing them enough food to eat and surplus to market. This is the key to getting farm kids the opportunity to go to school, and families the ability to make a decent living. That only comes from addressing what happens after harvest.

- 4) **Protecting harvests** is the fourth pillar of Farming First. In many of the poorest countries, 20 to 40% of crop yields are lost because of inadequate pre- and post-harvest protection. Vast losses also occur during the production and consumption stages. These losses can be reduced to help farmers make the most of their crops.
  - 5) Once farmers have secured their harvest, they need **Access to markets** that provide equitable price treatment.
  - 6) Once products have been sold, we need to continually improve the cycle.
- Prioritising research imperatives** is Farming First's sixth and last pillar. Achieving sustainable agriculture requires intensified, continuous research; prioritising locally relevant crops; stewardship techniques; and adaptation to climate change. This will ensure farmers benefit from continuously improved tools and updated knowledge to enable them to successfully achieve all the other steps of the process.

## **SLIDE 5 - PLANT SCIENCE CONTRIBUTIONS: FOOD, FOOTPRINT, FARMERS**

The plant science industry realizes that a variety of solutions are needed. We strive to bring our technologies, expertise, and social commitments to improve food production, reduce the footprint of agriculture, and to help farmers further their social and economic well being.

In the context of the food crisis and climate change we can help:

- Provide new tools to adapt to specific challenges of climate change
- Improve yield performance
- Improve input efficiency to limit footprint
- Build capacity along the value chain to adopt and use new tools.

## **SLIDE 6 - LIFE QUALITY IN DEVELOPING COUNTRIES**

Plant science is about improving agriculture, and agriculture is an important engine for development. In addition to providing new tools, we also invest in training and capacity-building, which underpin the sustainability of food production.

- Every year, over 350,000 farmers are trained in Integrated Pest Management (IPM), while many more are reached through ‘train the trainer’ programs.
- Our programs have a direct impact on farmers’ livelihoods.
- For example, in Indonesia, farmers have seen crop yields rise by 60% following IPM training.

## **Slide 7 - INVESTING IN RESEARCH**

R&D is essential to provide solutions for today and tomorrow’s challenges. CropLife member companies are investing \$5 billion (US) annually into research to improve and protect crops.

But the challenges we face make new and increased investment even more important. For instance, a 1% improvement in water productivity in food production can potentially make an extra 24 litres of water available per day per person.

The International Food Policy Research Institute recently calculated that \$7 billion (US) per year is needed in agricultural investments to raise calorie consumption enough to offset the negative impacts of climate change on the health and well-being of children. Much of this investment will have to be toward improving agricultural practices, increasing access to technologies and developing new technologies.

The imperative to find better ways to grow crops requires more research. The private sector commitment to agricultural R&D is approximately 40% of the effort, and this can be advanced only if the proper intellectual property systems remain in place to incentivize the effort. We are eager to join other companies, more universities, development organizations, environmental experts, and more governments to offer extension services - particularly to smallholders.

## **SLIDE 8 - WHY PRIVATE SECTOR**

In efforts to address the food crisis and tackle climate change, the private sector should be seen as a key partner.

The private sector:

- Brings skills, resources, know how and experience
- Is key to policy implementation
- Leads to sustainable rural development and avoids dependency on aid
- Is an engine for economic development.

By-passing the private sector is not a sustainable approach because fostering economic growth requires supporting entrepreneurs and creating incentives.

THESE ARE COMPLEX PROBLEMS THAT REQUIRE COMPLEX SOLUTIONS. ALL PARTNERS ARE NEEDED TO INCREASE THE LIKELIHOOD OF SUCCESS.

### **SLIDE 9 - MALAWI**

To look at one example where innovation and multiple partnerships are making an impact, let's consider Malawi. When faced with a severe drop in crop yields and planting forecasts in 2005-06, the government responded by distributing seeds and fertilizers directly to farmers.

- To its credit, Malawi has met and exceeded the CAADP target – now 14% of national budget.
- It has exceeded its agriculture growth target of 6% per annum.
- National productivity increased from 800 kg per hectare to 2,250 kg per hectare. This has enabled Malawi to export food to nearby nations.

What does this mean at a personal level?

60% of the population had three meals per day. 34% had two meals per day & 3% had one meal per day.

### **SLIDE 10 - MALAWI - Success of the Program**

The successes include:

75% of the households are food secure.

Enrollment of farmers into the program of coupons for inputs has provided needed inputs and credit, and also has included training that facilitated technology transfer.

Unfortunately, in the first year of the program, local agridealers and other small businesses were by-passed, and their businesses were devastated. Commercial sales of fertilizers dropped by 60%.

This omission of the private sector was corrected in the second year. Government vouchers were redeemable at local retail shops. This public-private partnership has been a boost to the private sector and their ability to hire local advisors and agronomists.

The improvement in the incomes of farmers and agriculture has boosted the rural economy, ultimately improving Malawi's foreign reserves.

### **SLIDE 11 - IMPROVING ENGAGEMENT**

Given the importance of having all parties involved, improving engagement in food policy discussions is essential.

As such, we believe public-private sector dialogue could be improved by establishing the following mechanisms:

- Define clear objectives
- Create an iterative process
- Set a schedule of consultations
- Use the major group system for clear and equitable representation
- Formalize speaking slots for major group representation
- Move beyond consultation to implementation

## **SLIDE 12 - MEETING CHALLENGES IN A GROWING WORLD**

First and foremost, we must remember we are talking about issues of FOOD, HUNGER, AND POVERTY. All of us must find a better way to meet the challenges of a growing world.