



## AGRF 2016 – PRE-EVENT REPORT TWGs

<b>Day 2 - Tuesday, September 6</b> <b>11:30am- 13:00pm</b> <b>TWG: Agriculture Infrastructure, Technology and Mechanization</b> <b>Title: Enabling the Adoption of Mechanization and Technology</b>	
<b>Context:</b>	Mechanization cannot happen in isolation, it requires collaboration across the value chain to provide a broad range of usable solutions, enabling farmers to adopt yield enhancing technologies and mechanization more effectively and profitably.
<b>Session Objectives</b>	The purpose of this session was to showcase the linkages and interactions within the food production system and to help ensure that farmers can use mechanization and yield enhancing technologies in a practical way to improve food production, while operating an efficient profitable business.
<b>Key Issues/ Questions:</b>	<ul style="list-style-type: none"> <li>• How can we increase the adoption rate of yield enhancing technologies and mechanization through systems thinking across the agricultural supply value chain?</li> <li>• How do we encourage systems thinking to increase the practical usability of mechanization and technology to increase food production?</li> <li>• Are there plausible innovative ways that can enable smallholder farmers to widely embrace mechanization and yield enhancing technologies to increase farm output?</li> <li>• What role should government play to enhance the adoption of mechanization and yield enhancing technologies?</li> <li>• How can we facilitate greater public private partnership (PPP) in support of the adoption of greater mechanization and yield enhancing technologies?</li> </ul>
<b>Outcome Desired:</b>	<ul style="list-style-type: none"> <li>• Understanding of the barriers that prevent adoption of yield enhancing technologies and mechanization</li> <li>• Understanding of different players in this space and their roles</li> <li>• Identification of new approaches and models for possible deployment to enhance wide adoption of mechanization and yield enhancing technologies</li> <li>• Recognition that systems thinking increases the farmers’ effort to use yield enhancing technologies and mechanization at a practical farming level</li> </ul>



## AGRF 2016 – PRE-EVENT REPORT TWGs

- Create leadership teams to investigate and define yield enhancing technologies and mechanization requirements
- Scope projects, e.g. farm service centre, that demonstrate the effectiveness of yield enhancing technologies and mechanization to farmers while reducing impact on the environment.
- Ensure the agricultural supply chain delivers turn-key solutions to farmers, including training and support.
- Monitor and refine delivery methods around systems thinking to accommodate farmer’s requirements
- Establish the impact of new innovation and systems on farm output and profitability

**Organizer(s):** AGCO Corporation and ZED Group

**Day 2 - Tuesday, September 6**

**11:30am- 13:00pm**

**TWG: Agriculture Infrastructure**

**Title: Enabling the Adoption of Mechanization and Technology**

Name	Picture	Discussion
<p>Dr. Hans Balyamujura, CEO, ZED Group</p> <p>Role: Moderator</p>		<p>Dr. Hans Balyamujura, CEO of ZED Group addressed the audience and the panelists and shared with them some of the challenging questions that had been queried in previous thematic group forums: questions about ‘affordability’, ‘how to access to finance’, ‘what is the government doing to help small scale farmers be more sustainable’, ‘what are the policies’, etc. The panelists were reminded to think of what type of system integration small scale farmers can take advantage of that can address the above questions and avoid dealing with them in silos. He stressed that credit finance should always be in mind during the discussions as well.</p>



## AGRF 2016 – PRE-EVENT REPORT TWGs

<p>Dr. Chiji Ojukwu, Director, Agriculture and Agro-Industry, AfDB</p> <p>Role: Keynote Speaker</p>		<p>Dr. Ojukwu explained how the African Development Bank works in terms of funding projects in general. He explained that the Bank does not provide funding to the farmers directly but to commercial banks which in turn allocate credit to commercial farmers and small scale farmers accordingly. The process might seem complex for small scale famers or rural farmers however they need to understand that the Bank requires strong commitment and shared risks.</p> <p>Over US\$26 billion has been committed by the Bank to help agriculture transformation in Africa. Governments, banks and the private sectors are therefore expected to work together, to form partnerships, support young entrepreneurs, and to strive to create a stable economy and self-sufficiency in the years to come.</p> <p>The Bank typically does not strive to support the same types of projects over and over but wants to be catalytic and is willing to support new initiatives, new technologies, new innovations, new solutions that together will have a greater impact on the African economy.</p>
<p>Dr. Mark Moore, Co-Chair, Business Development Manager, AGCO Corporation</p> <p>Role: Lead Presentation</p>		<p>Dr. Moore presented how infrastructure, mechanization, and ICT are all needed to support agricultural transformation. He reiterated the importance for small scale farmers to work within value chains and horizontal structures that can help them receive knowledge transfer and to deal more efficiently with the macro-economic environment and deal with matters that affect their productivity.</p> <p>Dr. Moore also discussed the need to have future mechanization centers that can be fully integrated and that can address the distribution of a variety of agricultural products and services. The centers would be expected to give farmers access to quality inputs (seeds, fertilizers) but also provide machinery services needs and training to farmers on how to use and maintain the tractors, provide access to finances, and offer information on soil, irrigation management, climate change and other matters that can impact farmers' productivity yield. These super hub agro-dealer establishments would become a true one -stop shop.</p>



## AGRF 2016 – PRE-EVENT REPORT TWGs

<b>Panelists</b>		
<p>Mr. Peter Nduati Mwangi, Principal Secretary, Irrigation, Republic of Kenya</p>		<p>Mr. Peter Mwangi began his remarks by expressing his personal concern that the increasing demand for water from rural farmers was not being adequately addressed by the government.</p> <p>It is known that irrigation contribute to agricultural intensification and diversification and thus can help enhance food security. If irrigation can be provided to rural farmers it can help improve income generation levels and this would encourage others to become farmers – and thus help reduce unemployment.</p> <p>In terms of policy reform, he added that centrally managed schemes on irrigation policy need to be revised as they are proving unsustainable – the major challenge being the reliance of government subsidies.</p> <p>There has been however some improvement in the support of small holder irrigation project development. Farmers are now assuming responsibility for irrigation schemes and relying less on government. Also, the government is now promoting greater workforce participation through cost sharing, cost recovery and gradual liberalisation and encouraging privatisation with the aim to commercialise the agriculture sector. The government is also developing a more balanced policy that incorporates public and private sector participation to develop self sustaining irrigation systems.</p>
<p>Mr. Fergus Robley, Managing Director – FMD, East Africa</p>		<p>In his remarks, Mr. Fergus Robley focused on mechanization in farming and how its practice can help farmers meet demand by improving cultivation and reducing post-harvest losses. He added that in Kenya, as well as in the rest of the continent, economies can only grow so much without technological advancement to improve efficiency in production.</p> <p>Additionally, public - private sectors partnerships within the mechanization supply chains, including: agricultural machinery importers and manufacturers, local machinery dealers, and local service providers are needed to achieve scale.</p>



### AGRF 2016 – PRE-EVENT REPORT TWGs

		<p>He then added that mechanization has to go hand in hand with the training of farmers - especially on the right handling and maintenance of machinery. Mr. Robley also stressed that Kenya requires about a few thousands new tractors annually, but only a few hundred new tractors are brought into the market every year.</p> <p>Farmers who have embraced mechanized agriculture and use high quality seeds as well as appropriate fertilizers are assured of increased production. They are also guaranteed lower production costs giving higher profits.</p>
<p>Mr. Claudius Kurtna, Managing Director, Agritech</p>		<p>Mr. Claudius Kurtna opened his comments about agricultural value chains and about how they are influenced by varying factors such as finance, markets, and ICT.</p> <p>He said that without the adoption of new technologies, Africa will remain behind and small-holder farmers in rural areas will be the ones to suffer the most. He added that the early adoption of technology in farming can speed up rural farmer’s production yields as they can help them connect to broader value chain where they can learn more about how to produce quality crops, reduce pests and disease, soil management, and to be aware of policies and regulations that may affect or benefit them.</p> <p>For instance, farmers are always seeking better credits facilities and financial solutions address market demands and reduced potential risk that can be caused by climate change – value chain related information systems can help farmers’ access key information in regard to addressing all of these matters.</p> <p>With the development of value chain linkages and the establishment of large cooperatives, small holder farmers can improve their bargaining power, and more effectively connect with other distributions chains and ultimately boost their overall income.</p>



## AGRF 2016 – PRE-EVENT REPORT TWGs

<p>Mr. Gift Mafuleka, Managing Director, Siyalima Farms</p>		<p>Mr. Mafuleka expressed his concern over a very complex historical situation in his native South Africa where emerging black farmers are not recognised as genuine farmers, or taken seriously by the larger agricultural community.</p> <p>Many black farmers do not receive the same opportunities that their white counterparts do and in most cases they are more restricted in terms of the resources they have available: land, education, information sources, finance and extension services. One of the particularly difficult challenges faced by these farmers is the lack of access to production credit, mostly because they don't have collateral to offer as security. Without capital, mechanization has not been widely adopted by South Africa's black farming communities.</p> <p>Climate change which has led to a severe drought in the region is another serious issue affecting the industry. The commercial banks, the farming industry and the government still have not agreed to officially declare that the country is experiencing a national disaster as this will not help credit financiers to lend and would lead to the imposition of higher interest rates - which again will not help black farming communities who need of credit to purchase inputs and to rent equipment (for those who use it,)</p>
<p><b>Summary</b></p>		