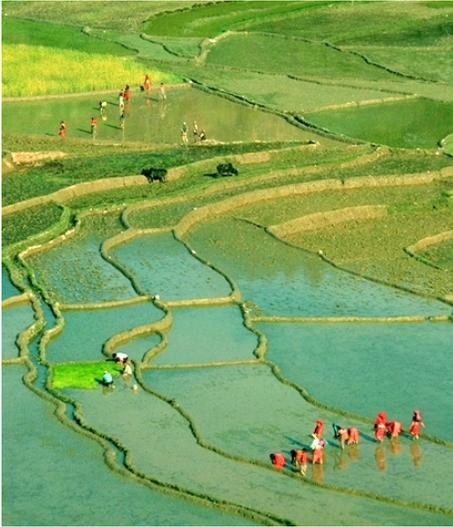




Partnerships in Agriculture



Transplanting rice. The conventional practice of puddle transplanting of rice is facing serious shortages of water, labor and energy in recent years in India. Resource conserving technologies have great scope for improving agricultural efficiency. Photo: Dan Miller, USAID.

FAST FACTS

India has 170 million hectares of cropland, the second largest arable area in the world after the United States.

54 million hectares or 30% of all agricultural land is irrigated, making India second only to China in irrigated area.

Agriculture accounts for about 20% of economic output in India and is the primary source of employment and income for about 58% of the population.

To meet the projected food demands by 2020, average wheat yields in India needs to be raised from the current 2.6 tons per hectare to 3.9 tons per hectare.

THE CHALLENGES IN INDIA'S AGRICULTURE SECTOR

With the livelihood of 600 million Indians dependent on agriculture, the United State's strategic partnership with India requires a broad collaboration in the agricultural sector in order to raise agricultural growth rates, improve farmers' livelihoods, and conserve the natural resources that agriculture depends upon. Despite the impressive growth of some sectors of the Indian economy, the agriculture sector continues to be constrained by many factors including lack of scientific information and adoption of new technologies, and poor linkages between farmers and markets. Issues such as global warming and climate change, new pests and diseases, food security, and agricultural trade have also emerged.

At the same time, the agribusiness sector in India is growing rapidly with private sector companies investing in retail markets and agro-processing. Dynamic new markets, cutting-edge technological and institutional innovations, and new roles for the state, the private sector, and civil society all shape a new context for agricultural development in the future.

PARTNERSHIPS FOR INNOVATION AND KNOWLEDGE

By providing technical assistance to the Government of India and the private sector, USAID is working to raise agricultural productivity, increase farmer's incomes, create employment in rural areas, and improve food security. USAID's new Partnerships for Innovation and Knowledge in Agriculture (PIKA) program partners with the private and public sectors to introduce technological innovations and the latest scientific knowledge in order to raise agricultural productivity and build a more efficient, demand-driven, and market-led agricultural system. In pursuing a partnership model for agricultural assistance, PIKA has greater potential to drive innovation in rural India, thereby improving farmers' and rural entrepreneurs' livelihoods and providing greater opportunities for millions of Indians in rural areas. Key programs under PIKA include:

The Indian Horticulture Development Alliance, led by Michigan State University (MSU), uses a value chain approach to: 1) strengthen linkages between producers and markets; 2) build producer and small and medium enterprises capacity to meet market demands for horticulture products; 3) strengthen Indian institutions to ensure the sustainability of the interventions; and 4) establish a horticulture knowledge network. In this project, Michigan State University, partnering with Tamil Nadu Agricultural University, will provide technical assistance and work with the Government of India personnel in the Ministry of Agriculture's National Horticulture Mission, State Marketing Boards, and State level Departments of Agriculture along with partners such as the Confederation of Indian Industry and YES Bank.



A new supermarket with fresh produce. The current growth in organized retail in India and emerging contract farming arrangements provide opportunities for the private sector to play a larger role in a market-led food revolution. Given the scale on which organized retailers operate, they can bring in technical expertise, and extension which are difficult for many farmers to access. Photo: Dan Miller/USAID

FAST FACTS

India is the second largest producer of wheat in the world, growing 12% of the world's total wheat crop.

India ranks second in rice production in the world, producing 22% of the world's rice.

India is the largest producer of milk in the world and the world's second largest producer of fruits.

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Rural Services Hubs: Business Catalysts for Rural Competitiveness and Inclusiveness project

led by the International Food Policy Research Institute (IFPRI), aims to increase agricultural productivity, improve market linkages and increase farmers incomes by: 1) promoting the development and diffusion of rural service hubs by the private sector; 2) building capacity in the private sector to promote service delivery by rural service hubs, especially to smallholder farmers; and 3) engaging in policy dialogue to further competitiveness, inclusiveness, scalability, and sustainability in rural business hub development and farmers access to services. With the emergence of modern retail and wholesale in the form of "rural service hubs", there is the potential to transform smallholder agriculture in India. IFPRI, with a number of public and private sector partners, plans to assist in the development of this rural innovation that is taking place in the provision of agricultural services. Partners in this project include MSU, a number of Indian universities/research organizations and private sector companies such as ITC Choupal Saagar, DCM Shriram's Hariyali Kisan Bazaar and Adhaar Retailing.

The PIKA Alliance, led by World Vision, aims to increase the household income of 18,000 smallholder farmers in Uttar Pradesh by: 1) increasing farmer access to agricultural technologies and information; 2) improving water management and soil conservation practices; 3) strengthening linkages to markets; 4) increasing access to financial services; and 5) developing and expanding rural small and medium enterprises linked to selected value chains. The alliance leverages the diverse expertise of a combination of partners to solve production constraints in selected agricultural value chains. It combines the comparative advantages and networks of ACDI/VOCA's agricultural enterprise development specialists, natural resource management specialists from Action for Food Production (AFPRO), financial institutions State Bank of India and Oriental Bank of Commerce, premier Indian retailer Future Group, and applied research organizations such as the Rice-Wheat Consortium along with the community-based experience of World Vision.

Increasing Productivity and Value Chain Links for High Value Agricultural Products

led by the University of Wisconsin-Madison, aims to: 1) raise agricultural productivity, 2) improve capacity of farmers and agribusiness entrepreneurs to access and use latest knowledge and technologies; and 3) strengthen linkages between farmers and markets and input suppliers and strengthen the agricultural value chain. Working with Mahindra and Mahindra, India's largest tractor manufacturer, the project will establish soil testing laboratories to provide farmers information on soil management practices needed to boost yields. Another partner, the Rajiv Gandhi Charitable Trust will work with women's self-help groups in Uttar Pradesh to provide assistance on improving agricultural productivity. The partnership includes Tasty Bite, an enterprise of the U.S.-based food company Preferred Brands International and manufacturer of ready-to-eat packaged foods to procure high quality agricultural products.