

Climate Smart Agriculture: Ramping up agroforestry in India

*Date 16th November 2018
11.30 am – 1.00 pm*

Co-host: Rabobank



Rabobank

1. Background

In 2050, the world population will have increased by 2 billion people to over 9 billion, many of whom will have twice as much income to spend. To meet the resulting increased demand for food & agri products, global production will have to increase by at least 60%, while at the same time arable land and natural resources are nearing their limits. Clearing of land for agriculture is considered as one of the factors for deforestation, ultimately leading to increased emissions. In India, current agricultural practices are resource intensive and environmentally irresponsible. As per various estimates, soil is being eroded at an average annual rate of 16.35 tonnes per Ha, and of this about 29% is permanently lost to the sea. The large-scale irrigation projects and power subsidies have led to change in cropping patterns and indiscriminate fresh water use. Mono-cropping of cash crops with assured returns is preferred over conventional cropping patterns and high chemical pesticides are used for crop protection measures. The small and marginal farmers and small holding farms will be affected largely due to local weather shocks, and low capacities in adaptive management. This could accelerate the negative impact in the form of yield loss up to 25% in long term. The Economic survey of India, 2018 estimates that farmer income losses from climate change could be 25% in un-irrigated areas of the country.

With above background, there is a need to develop and promote an integrated strategy, which allow agriculture to flourish without compromising on forest ecosystem and biodiversity. Agroforestry - defined as a land use system, which integrates trees and shrubs on farmland and rural landscapes to enhance productivity, profitability, diversity could be a potential solution. The Government of India recognizes that agroforestry is key to meeting its target of increasing the forest and tree cover to 33 percent from the current 24 percent. Agroforestry interventions are also viewed as potent instrument to help achieve the 4 percent sustained growth in agriculture.

Agro-forestry systems can be further explored in the context of sustainability and climate resilience. Various home stead and agro-silvi-pastoral systems have already been practiced since ages in our country and its due importance was recognized when India came with its first ever National Agro-forestry Policy. The 2014 policy recognizes the potential of agro-forestry to meet the nutritional, fuel, timber, fiber as well as the ecological security of our country and suggests CSR and private funds for agro-forestry development. Agro-forestry results in multifunctional sustainable landscapes that can play a major role in conserving and even enhancing local biodiversity. Assured market for the agro-forestry products (AFP) by way of private partnerships will motivate small and medium

farmers to adopt suitable agro-forestry and mixed cropping models. The small and marginal farmers with small land holdings and limited resources are more vulnerable to climate changes. Agroforestry models can utilize the resources more efficiently, improve land carrying capacity, farm productivity and mitigate the risk of short and medium term weather variability. The suitable agroforestry models can also ensure the alternate income and reduce the risk of crop losses. The improved tree cover outside forests can contribute to climate resilience through carbon sequestration, soil erosion control, organic inputs reducing chemical use and diversification of income source.

Sustainability as a business case has gained a space in corporate strategy discussions and sustainability standards have emerged as scalable solutions for climate risk management.

The session can have following issues/ query for discussions:

- Is Indian farming, climate conditions, regulatory framework and suitable to promote Agroforestry models? What is the scope for promotion of Agroforestry models? What could be done to make enabling environment for promotion of Agroforestry models?
- Is the supply chain for different Agroforestry models/ plantations already established? What can be the role of industries in encouraging Agroforestry models? Live Examples?
- Access to finance for agriculture is poor, while access to finance for Agroforestry is even worse. Commercial finance is required to take Agroforestry models to scale. What would be required to unlock financing for the sector, especially upstream part of the value chain to make farmers adopt it as welcome practice?
- What could be the challenges in promoting sustainable standards in Agroforestry models?

2. Linkage with ISS 2018 Theme

Collaboration among key stakeholders in the sector is an integral element in successful implementation of agroforestry projects. With its close linkages to SDG 2: Zero Hunger and SDG 13: Climate Action, agroforestry is being actively promoted by the government of India. However, one player alone cannot bring the needed results on ground. Hence, the participation of private sector, including financing, research organizations, sustainability standards organization and farmers themselves is crucial. This session intends to showcase a business case of such collaboration to take the agroforestry agenda forward.

3. Objectives of the Session

- To understand the potential challenges and opportunities in promoting Agroforestry systems as climate smart agriculture
- To explore the opportunities to promote sustainable standards in Agroforestry models to sustain and transform the markets
- To discuss the role of local financial institutions, multilaterals and donors to enhance the financing to promote Agroforestry

4. Session Output

- Identification of successful agroforestry models and strategies to promote Agroforestry in India (what works, what doesn't)
- Identification of broad gaps in financing of the sector and possible remedies

5. Structure of the Session

The participants for the session are expected from different sectors, including finance, industry, sustainable standard agencies, conservation organization, research and government. Hence, the session is planned to encourage participatory discussion to share and debate different opinions. The panel discussion will open with remarks and spark the key questions and remarks to initiate the discussion. The panel will briefly share their experiences to direct the rational discussion. The session will close with participatory group discussion to guide the key stakeholders with clear action points for promotion of Agroforestry and sustainable standards in Agroforestry. The number of participants will not exceed 40.

6. Programme outline

Time	Agenda Items (Indicating topics, speakers/panelists, chairs)
11:30-11:40	Status of Agroforestry in India: Potential and its benefits: Mr. Murli Dhar, WWF-India
11:40:-11:50	Agroforestry: Potential system as adoptive mechanism for climate change: Mr. Varghese Paul, USAID
11:50-12:00	Indian farmers and Agroforestry systems: Challenges and opportunities for promotion of Agroforestry: Mr. Rajeev Ahal, GIZ
12:00-12:10	Successful journey in promoting Sustainable agroforestry systems, narrowing down the gap between farmers and industry: Experiences of ITC – Mr. Vijay Vardhan Vasireddy, ITC
12:00-12:20	Opportunities to align FSC standards in Agroforestry: Dr. T.R. Manoharan, FSC
12:20-12:30	Role of finance sector in encouraging Agroforestry by small farm holders: Ms. Teenal Sethi, Rabo Bank
12:30-13:00	Q&A discussion

7. Co-host(s) Profile(s)

About Rabobank Group

Rabobank is an international financial services provider operating on the basis of cooperative principles. It offers retail banking, wholesale banking, private banking, leasing and real estate services. As a cooperative bank, Rabobank puts customers' interests first in its services. Rabobank is committed to being a leading customer-focused cooperative bank in the Netherlands and a leading food and agriculture bank worldwide. Rabobank Group is active in 40 countries.