6th World Congress on Rural & Agricultural Finance

Critical Input to Achieve Inclusive and Sustainable Development

12-13 November 2019
New Delhi, India

Host of the event

NABARD
National Bank for Agriculture and Rural Development

Supported by

Ministry of Agriculture & Farmers Welfare
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National Bank for Agriculture and Rural Development (www.nabard.org)

NABARD is India's apex development bank, formed by an Act of Parliament in 1982 and wholly owned by the Government of India. Its mandate is promoting sustainable and equitable agriculture and rural development through participative financial and non-financial interventions, innovations, technology and institutional development for securing prosperity. NABARD's Head Office is located in Mumbai and has a pan-India presence with 31 Regional Offices. NABARD has a phenomenal district level outreach with 423 District Development Managers engaged in rural development. The institution has its training establishments situated in Bolpur, Lucknow and Mangalore, which serve the capacity building requirements of rural financial institutions across the country and Asia Pacific countries, besides our own staff.

NABARD's functions are aimed at building an empowered and financially inclusive rural India through specific goal-oriented departments, which can be categorized broadly into three heads of activities: Financial, Developmental and Supervision. These three broad heads enable us to touch almost every aspect of rural economy

Asia-Pacific Rural and Agricultural Credit Association (www.apraca.org)

The Asia Pacific Rural and Agricultural Credit Association (APRACA) is a Regional Association of the development financial institutions that promotes cooperation and facilitates mutual exchange of information and expertise in the field of rural and agricultural finance in the Asia Pacific region. Under the auspices of Food and Agriculture Organization of the United Nations (FAO), the central banks, rural and agricultural credit institutions in the Asia-Pacific region formally launched APRACA on 14 October 1977, during the third FAO Asian Conference on Agricultural Credit and Cooperatives, held in New Delhi, India. India was one of the 16 founding member countries of APRACA and has a long-standing association with it. NABARD's current Chairman Dr. Harsh Kumar Bhanwala is presently it's Vice Chairman.

APRACA is Head Quartered in Bangkok, Thailand. It has a total membership of 87 institutions from 24 countries comprising Central Banks, Regulatory Authorities, ARDBs, Cooperative Banks, Federations, Commercial Banks, Agri finance -Related Govt. Agencies, MFIs, Banking Associations, Institutes, Foundations and Investment Fund & Technology Solution organizations.

6th World Congress on "Rural and Agricultural Finance: Critical Input to Achieve Inclusive and Sustainable Development"

12-13 November 2019, New Delhi, India

Recommendations & Proceedings

NABARD

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Recommendations

Plenary Session

1. There are approximately 7 crore active Kisan Credit Cards (KCCs) issued to the farmers against a total of 14.5 crore operational holdings in India. To reap the maximum benefits out of this scheme, we need to sensitise ground level officials like the Lead District Managers, District Magistrates, member Banks of District Level Bankers Committee and Block Level Bankers Committee t0 issue KCCs to all eligible and willing farmers to ensure timely and affordable credit.

2. Out of 17 Sustainable Development Goals (SDGs), 6 of them highlight the role of the youth in its sustainability. Digital technology is creating new opportunities for youth in non-farm sector. Initiatives and investments aimed at creating self-employment opportunities for rural youth in non-farm sector involving digital technology may be taken up. This will not only enhance their income but will also reduce their migration to urban areas.

3. The focus on agri-value chain financing will help reduce risk and vulnerabilities of farming community. Therefore, Govt. of India in partnership with agencies like IFAD/FAO should focus on developing an ecosystem to facilitate greater credit flow to the entire agriculture value chain.

Hon'ble Finance Minister Smt Nirmala Sitharaman inaugurating the 6th World Congress alongside Shri Debashish Panda, Addl Secy, DFS; Shri Senarath Bandara, CEO-Bank of Ceylon & Chairman, APRACA; Dr Harsh Kumar Bhanwala, Chairman, NABARD and Dr.Prasun Kumar Das, Secretary General, APRACA

Dr. Harsh Kumar Bhanwala, Chairman, NABARD welcoming Smt Nirmala Sitharaman, Hon'ble Finance Minister

Dr Harsh Kumar Bhanwala, Chairman, NABARD welcoming Shri Senarath Bandara, CEO-Bank of Ceylon and Chairman, APRACA

Dr Harsh Kumar Bhanwala, Chairman, NABARD delivering the welcome address

Inaugural Panel: Dr Harsh Kumar Bhanwala, Chairman, NABARD; Shri Debashish Panda, Addl Secy, DFS; Hon'ble Finance Minister Smt Nirmala Sitharaman; Shri Senarath Bandara, CEO-Bank of Ceylon & Chairman, APRACA and Dr Prasun Kumar Das, Secretary General, APRACA

Dr Harsh Kumar Bhanwala, Chairman, NABARD interacting with media

Inaugural Session: Inauguration of 6th World Congress

4. In order to ensure better price discovery to the farmers, there is a need to extend marketing support to the farmers in Union Territory of Jammu & Kashmir. NABARD should initiate steps to extend marketing support to them for procurement of horticultural produce such as saffron, peaches, walnut and other agriculture produce.

5. There is huge potential in India to tap solar energy as third crop to generate additional income for farmers. They should not only be seen as 'annadatas' (food producers) but also transform themselves into 'urjadatas' (energy givers). Therefore, there is a need for farmers to contribute in solar energy generation by installing solar panels on their farms.

6. Ladakh region has very high potential for tapping of solar energy. This will not only add to the income of farmers but also be environment friendly. Therefore, there is a need to install solar panels in those pieces of land where they are unable to grow agriculture produce. All stake holders including NABARD should initiate steps in this direction.

7. The Government of India is focusing on the priorities of fishermen in the coastal and inland water areas. Towards this end, NABARD needs to focus on marketing of seaweed, spirulina, algae and other nutrients with the help of Self Help Groups (SHGs) and Farmer Producer Organizations (FPOs). Government should also plan to set up fish processing centres that will not only enrich local nutrients but also enhance income of fishermen in coastal areas.

8. Districts in Kutch region of Gujarat which were categorised as saline and marshy land, have now been converted into horticulture farms which are producing for domestic as well as export markets. Most of these farms have also become energy sufficient through introduction of solar panels on the field. NABARD should document such success stories for wider dissemination and replication elsewhere in the country. Also, the Indian farmers, agri-preneurs and scientists should learn from abroad and replicate their success stories, if found suitable for Indian conditions.

9. Over a period of time, Agriculture Produce Marketing Committee (APMC) has become less efficient in getting farmers value for their products and hence needs to be dismantled now. Therefore, the state Governments should be cajoled to switch over to e-NAM (Electronic National Agriculture Market) which is a pan India electronic trading platform that networks the existing APMC Mandis to create a unified national market for agricultural commodities.

10. The role of SHGs is very important in rural development and empowerment of women. Government of India in the Budget 2019-20 had announced that it will provide Rs. 1 lakh to each of the SHGs to bring growth in rural areas. This needs to be implemented at the ground level so that benefits reach to the ultimate beneficiaries and leads to growth of rural enterprises.

11. Soil fatigue in India is very high nowadays. Soil Health Cards (SHCs) being propagated by Govt. of India to ameliorate the situation is a very reformative step. We need to create more awareness about reducing the use of pesticides and chemical fertilizers as per recommended doses prescribed in SHCs. Krishi Vigyan Kendras (KVKs) and State Agriculture Departments need to gear up to this task.

12. Owing to high demand and lower production of oil seeds, India is importing edible oil and palm oil to the tune of Rs. 700 billion annually. Therefore, farmers in India should be encouraged to diversify their crops towards oilseeds that would not only fetch better returns but also reduce our dependence on imported oil thereby saving foreign exchange.

13. In view of increasing water stress in the country, there is need to take up efficient water management in agricultural activities through wide spread usage of water saving techniques like drip and sprinklers.

14. Technology should be used to reach to the farmers/beneficiaries account without involvement of middlemen. Aadhar linkage to farmers account and Direct Benefit Transfer (DBT) technology helped remove a lot of pilferage and Govt. of India was able to save lot of resources. Therefore, Aadhar linkage and DBT should be used for transfer of financial benefits for all kinds of government schemes.

15. Government of India's budget for 2019-20 announced that 10,000 new Farmer Producer Organisations (FPOs) would be formed in the next five years to help small and marginal farmers sell their produce at remunerative prices and buy inputs at lower prices. All stakeholders including NABARD need to work on it to form farmers collective for aggregation of produce and marketing them through FPOs.

16. Once these 10,000 vibrant organizations of small farmers become functional, there will be a huge traction as farmers will start anchoring the value chain, which in turn, would create demand for value chain financing. Therefore, there is a need for financing of different entities and activities in the value chains by the Banks and other institutional lenders.

17. World's largest SHG-Bank Linkage Programme propagated by NABARD has benefitted close to 120 million households. The pilot project on digitisation of SHGs has been completed by NABARD. Now, there is a need to shift entire SHG - Bank Linkage Programme to digital platform to ensure better saving and credit linkage of SHGs through institutional sources.

18. The bigger challenge now is to take financial inclusion to the next level. Fintech solutions using Artificial Intelligence, Data Analytics, Block Chain Technology should be leveraged in financial inclusion initiatives that would help in fulfilment of Millennium Development Goal of inclusive development.

19. Redressal of grievances is an important component of any public policy implementation including financial inclusion. Therefore, robust public grievance redressal system for any kind of exclusion needs to be developed in all Banks and financial institutions.

20. There are a large number of rural youth in the country, probably largest in the world whose energy could be tapped. To reap this demographic dividend, we need to finance green field enterprises manned by youth under Micro Unit Development and Refinance Agency (MUDRA) Scheme for entrepreneurship development where loans up to Rs. 1 million is made available by Banks to entrepreneurs without any collaterals.

Business Session 1:

Mainstreaming Sustainable Agriculture to Achieve 2030 Agenda

Business Session 1 on Mainstreaming Sustainable Agriculture to Achieve 2030 Agenda – Dr. Bernard Lehmann, CFS-FAO; Dr. Ashok Gulati, Infosys Chair Professor, ICRIER (Session Chair); Dr. Thouraya Triki, IFAD,Rome; Dr. Pierre Jacquet, President, Global Development Network (GDN), New Delhi

21. It has been estimated that in the absence of any correction on the consumption pattern, food demand will increase by around 60% by 2050 compared to the present times primarily due to changing demography and rising standard of living of the world population. Therefore, there is need to stabilize the progression of demand increase to nearly 30% till 2050 (instead of +60%). This can be achieved by moderation in meat consumption in the developed countries and reduction of food wastage, less concentrated feed for milk and meat and more focus on fisheries.

22. In order to increase the supply to match the demand, agriculture productivity needs to be improved. The productivity could be increased through appropriate plant selection/breeding with greater emphasis on reduction of ecological foot print and animal breeding with societal expectations.

23. For augmenting the supply, there is a need to improve biodiversity, sustainability and develop coping mechanism for climate change mitigation and adaptation.

24. The level of research and extension for improved seeds, plant protection, weed management, weather management, etc. needs to be substantially upgraded to increase agriculture production and productivity.

25. Country wide studies in India measuring crop losses reveal that about 4 to 6 per cent of food grains were lost during harvesting, post harvesting activities, handling and storage. In order to enhance income of farmers, there is a need for reduction of post-harvest food losses through private and public investments in storage and post-harvest infrastructure.

26. With increasing number of small holders and farmers having poor financial capability, the focus should be on designing better financial services and products for the poor like microcredit and micro-insurance.

27. With shifting of focus from increasing productivity to increasing income, the emphasis in agriculture sector should shift to value chain development for all perishable horticultural crops. For this we need to create supporting infrastructure in the form of cold storage, godowns, cold chains and reefer vans, etc.

Business Session 2:

Smallholder Aggregation Model for Efficient Value Chain and their Financing

Business Session 2 on Smallholder Aggregation Model for Efficient Value Chain and their Financing – Prof Amar KJR Nayak, XIM, Bhubaneswar; Dr. Sunil Kumar, CGM, NABARD; Shri Anil Kumar Sharma, ED, RBI; Mr. Senarath Bandara, Chairman, APRACA; Prof. Ramesh Chand, Member, NITI Aayog (Session Chair); Dr. H. K. Bhanwala, Chairman, NABARD; Dr. Suresh Pal, Director, ICAR; Shri Ashis Mondal, Director, ASA, Bhopal and Mr Bruno Vindel, Agence Francaise De Development (AFD), Paris

28. Lack of Seed Money Assistance and Interest Subvention for new Farmer Producer Organizations (FPOs) are emerging as major constraints for them. Therefore, we need to provide them with seed capital to enable them to stand on their own. Similarly, there is a need to give them facility of interest subvention while availing credit from the institutional sources.

29. In view of the difficulties faced by Indian FPOs in statutory and regulatory compliances, including KYC compliances the hand holding support by FPO promoting institution may be provided to them for a period of at least 5 years instead of present support for 3 years.

30. In order to strengthen the value chain, contract farming has been a good innovation. Buyers are motivated by secured product supply and farmers are motivated by assured market and secured prices. Furthermore, in contract farming, technical help given to farmers reduces production related risk. Therefore, there is a need to promote contract farming in a big way with required support in the form of finance and inputs to the farmers.

31. In view of multi-faceted problems faced by FPOs, there is a need for an institution at national level to take up all issues of FPOs for umbrella support. Therefore, suitable institutional setup should be established to promote, train, support and nurture FPOs in India.

32. In view of protected agricultural projects having multiple benefits in the form of lower greenhouse gas emissions, water saving, higher production& productivity, per lower use of energy, there is a need to promote protected agricultural cultivation in a big way with suitable financing and supportive technology.

Business Session 3:

Credit Flow to Agriculture and its Value Chain to Achieve Revitalized Rural Landscape and Deliver Inclusive Growth

Business Session 3 on Credit flow to Agriculture and its Value Chain to Achieve Revitalized Rural Landscape and Deliver Inclusive Growth - Dr. Michael Hamp, IFAD; Mr. Wenhui Qian, President, Agricultural Development Bank of China; Mr. Calvin Miller, Former Senior Officer of FAO and Value Chain Finance Expert (Session Chair); Mr. Tanaratt Ngamvalairatt, SVP, Bank for Agriculture and Agricultural Cooperatives (BAAC), Bangkok and Mr. Mathew Shakhovskoy, Senior Advisor, Initiatives for Smallholder Finance (ISF), Washington DC

33. Once a country has attained self-sufficiency in food production, the country should pursue the goal of integrating the farmers in the value chain to bring them maximum benefits of their production. Towards this end, farmers should move away from cereal production and diversify towards high value horticultural crops and try to successfully integrate them in the value chains.

34. There is a need to develop new business models and innovative products to encourage rural revitalisation through successfully established value chains. For this, specialised institutions with dedicated responsibility of encouraging the integrations of farmers in the value chains need to be established for better returns in the long run.

35. Holistic development of the value chain involves cooperation among the different players, so as to provide a comprehensive ecosystem for their development. Therefore, there is a need to focus on strengthening the relationship among all components of a value chain.

Business Session 4:

Agricultural Value Chain Finance Innovations and Lessons: Case Studies in Africa

Business Session 4 on Agricultural Value Chain Finance Innovations and Lessons: Case Studies in Africa - Smt Rajashree K Baruah, CGM-MCID, NABARD ; Mr. George Kuria, CEO, ACRE Africa; ; Mr. Calvin Miller, Value Chain Finance Expert; Mr. Thomas Essel, Secretary General, AFRACA; Mr. David Ruchiu, ED, Farm Concern International, Mr. Dickson Naftali, Head of Program, MobiGrow, Kenya Commercial Bank; Mr. John Amimo, Programme Coordinator, AFRACA (Session Chair)

36. Successful case studies indicate that women-initiated and women-led local initiatives can become important national value chains and play an important role in achieving household prosperity, developing the agricultural sector and supporting national food security. Therefore, there is a need to pay special attention in ensuring inclusion of women farmers in the value chains.

37. Successful case studies indicate that innovations had some public support at initial stages. Therefore, role of public sector is important in providing initial support in the form of investment and enabling environment.

Business Session 5:

Agriculture Insurance and Risk Management Especially to Facilitate Achieving SDGs

Business Session 5 on Agriculture Insurance and Risk Management Especially to Facilitate Achieving SDGs - Ms. Mariem Dkhil, Director, Crédit Agricole du Maroc, Morocco; Mr. Pranav Prashad, ILO's Impact Insurance Facility; Mr. Siraj Hussain, ICRIER, New Delhi; Mr. Jean-Christophe Debar, Director, FARM (Session Chair); Mr. Ernest Desrosiers, CEO, La Financière Agricole du Québec, Canada; Dr. Jean-Claude Bidogeza, Lead Economist, African Risk Capacity (ARC); Mr. Thierry Langreney, CEO, PACIFICA

38. There is an increasing trend to move away from the use of insurance as a protective tool to it being used as a productive tool which can foster credit linkage and lead to better agricultural production. Insurance as a standalone product, is becoming increasingly unviable. Thus, it is important to bundle insurance along with other value added services and products like seed, credit etc. so that insurance adoption can be scaled up.

39. Delay in settlement of agriculture insurance claims has been an important issue and there is a need to rope in specialised agencies that can leverage technology involving satellites, remote sensing, unmanned aerial vehicles and Artificial Intelligence to assess crop losses in quick and accurate manner so that claim settlement is higher and faster.

40. The penetration of crop insurance has increased among the loanee farmers as it is mostly linked to credit disbursal. However, the adoption of crop insurance among the non-loanee farmers need to be encouraged through mass awareness campaigns.

Business Session 6:

New Sustainable Financing Sources and Digital Technology to Mitigate High Transaction Costs and other Agricultural Development Barriers

Business Session 6 on New Sustainable Financing Sources and Digital Technology to Mitigate High Transaction Costs and other Agricultural Development Barriers - Mr. Thomas Essel, Secretary General, AFRACA; Mr. Claude Torre, Agence Française de Développement (AFD), France; Mr. Jesus Alan Elizondo, Director General, FIRA, Mexico (Session Chair); Dr. Christoph Kessler, Director, KfW; Mr. Edgardo Alvarez, Secretary General, ALIDE; Shri Vivek Sinha, GM-OIC, NABARD

41. Financing activities for sustainable agriculture still remains a challenge. International organizations use different criteria to identify sustainable projects. There is a need to develop and adopt common standards and criteria to facilitate synergies that would be helpful in scaling up sustainable projects and programs.

42. High monitoring and supervision costs is an impediment for implementation of green projects. Enhanced usage of digital technologies and development of parametric approaches are recommended for decreasing such transaction costs in such projects.

43. Umbrella Programme in Natural Resource Management (UPNRM) brought a paradigm shift from grant to loan programmes in the NRM sector in India. In view of the experienced gained through this, intensive handholding is recommended for project appraisal and monitoring of such innovative loan based projects.

Closing Session

44. Despite impressive growth in formal agricultural credit, about 30% of agriculture households still avail credit from non-institutional sources. Further, there is an uneven distribution of credit among different regions in India. Therefore, Banks should be incentivised to lend in backward and credit starved regions.

45. The analysis of the state wise flow of institutional agriculture credit in India has revealed uneven distribution of credit amongst states compared to their corresponding share in farm output. This regional disparity is on account of variation in credit absorption capacity of people in these regions. NABARD should devise mechanism through which funds like Rural Infrastructure Development Fund (RIDF) could be earmarked for such backward and credit starved regions.

46. The Internal Working Group (IWK) of RBI on agriculture credit has recommended a comprehensive review of Priority Sector Guidelines for agriculture in general and for small and marginal farmers in particular. The RBI needs to initiate steps to implement the recommendations of the working group. Some of them are (i) Building up of an enabling ecosystem through digitization of land records (ii) Reforming of land leasing framework (iii) Creation of a national level agency to build consensus between the state governments and the Central government with regards to agriculture related policy reform (iv) Innovative digital solutions to bridge the gap between the banks and farmers for expediting the credit delivery process.

47. Allied activities in agriculture such as dairy and poultry farming, fishing and aquaculture contribute around 40% of agricultural output but only 6 to 7 per cent of agriculture credit flows to these sectors. So there is need to channelize more credit to these allied sectors in the form of term loan leading to capital formation and additional income to the farmers.

6th World Congress on "Rural and Agricultural Finance: Critical Input to Achieve Inclusive and Sustainable Development"

12-13 November 2019, New Delhi, India

Proceedings

The 6th World Congress was organised and jointly hosted by the National Bank for Agriculture and Rural Development (NABARD), India and the Asia-Pacific Rural and Agricultural Credit Association (APRACA) at the Taj Palace Hotel, New Delhi, India on 12-13 November 2019. It was organized in collaboration with four other Regional and global Associations: the Confederation Internationale du Credit Agricole (CICA), the African Rural and Agricultural Credit Association (AFRACA), Asociacion Latinoamericana de Instituciones Financieras Para el Desarrollo (ALIDE), and the Near East–North Africa Regional Agricultural Credit Association (NENARACA).

6th World Congress on Rural and Agricultural Finance was aimed at bringing APRACA, AFRACA, ALIDE, CICA and NENARACA member institutions and other interested development sector partners together to engage them in interactive discussions to unleash the potential role of rural and agricultural finance to achieve the sustainable development goals of the United Nations. This congress was expected to provide pathways to all stakeholders for extending improved and efficient financial services to rural and agricultural sector. The congress was also aimed at to tackle in a multi-perspective setting on the opportunities, gaps and priority actions for developing sustainable and viable financial services and investments with actionable insights on rural financial services as a viable business strategy and as a meaningful contribution to the inclusive growth across the globe. The overarching objective of the congress was to combat poverty, inequality and respond to the threats of climate change by 2030 with active support from financial sector and policy makers.

This congress was attended by about 300 delegates from across the globe which brought together the representatives from financial institutions, global think tank, policymakers, development partners, leading practitioners and experts from as many as 40 countries.

The event was divided into Plenary and Inaugural sessions followed by six Business Sessions and finally ended with Closing Session. In addition, a special event on Publication of 'White paper on agricultural insurance' was also a part of this programme.

Hon'ble Finance Minister, Govt. of India, Smt. Nirmala Sitharaman graced the Inaugural Session as the Chief Guest. Dr. Harsh Kumar Bhanwala, Chairman, NABARD; Shri Debashish Panda, Additional Secretary (Financial Inclusion), Department of Financial Services, Ministry of Finance, Govt of India and Mr. Senarath Bandara, Chief Executive Officer, Bank of Ceylon and Chairman of APRACA also shared the dais with Hon'ble Finance Minister. Shri Abhilaksh Likhi, Additional Secretary, Department of Agriculture, Cooperation and Farmers' Welfare, Ministry of Agriculture and Farmers' Welfare (MoA & FW), Govt of India; Shri Mahesh Kumar Jain, Deputy Governor, Reserve Bank of India; Dr. Ashok Gulati, Agricultural Economist, ICRIER, New Delhi; Dr. Ramesh Chand, Member, NITI Aayog; Mr. Calvin Miller, Former Senior Officer of FAO; Mr. Jean-Marie Sander, President of CICA; Mr. Jean-Christopher Debar, Director, FARM Foundation, Paris; Mr. Jesus Alan Elizondo, Director General, FIRA, Mexico; and about 300 national and international delegates representing Govt of India, RBI, members of regional/global associations, NGOs, Cooperative Institutions, Banks, etc., took part during two days of deliberations on the theme.

Day 1

Plenary Session

Session Theme: Key Note and Special Addresses on Agricultural Development and Role of Financial Services to Achieve Sustainable Development Goals

Shri Abhilaksh Likhi, Additional Secretary, Department of Agriculture, Cooperation and Farmers' Welfare, Ministry of Agriculture and Farmers' Welfare, Government of India in his address thanked NABARD for giving him the opportunity to present his views before this august gathering. He expressed immense pleasure that the 6th World Congress on rural and agricultural finance was being hosted by NABARD with active support from Ministry of Agriculture, Govt. of India. It was first such International Conference on rural and agricultural finance which was organised in India with huge participation from financial institutions of different countries.

The Sustainable Development Goals (SDGs) enunciated by the United Nations have provided us with a benchmark and a long term development agenda. However, we face several challenges like deteriorating natural resources, rapid soil degradation, acute water shortages and increasing fragilities arising from climate change. In this backdrop, it is important to understand how agriculture can contribute to the "Sustainable" Development Goals and what strategy can be adopted to deal with such issues. The Govt. of India has put in place many schemes like National Food Security Mission, National Horticulture Mission, National Livestock Mission and Prime Minister Krishi Sinchayee Yojana, etc., aimed at increasing resource use efficiency, increasing agricultural productivity and producer's remuneration in the agriculture sector.

A key target adopted by the Government of India has been its push towards doubling farmers' income by 2022.While traditional approach of ensuring optimum farm input use by the farmers is important, the goal of doubling farmers' income can only be achieved by putting greater emphasis on market access and extension services and efficient use of innovative ideas like e-NAM and farmer

aggregation models like Farmers Producers Organisations (FPOs). NABARD has been helping the cause of collectivisation of farmers through promotion of FPOs in a big way since Indian agriculture primarily comprises small and marginal farmers which together have nearly 86% share in total agricultural landholdings. Among various finance related initiatives for small farmers, prescribing a sub- target of 8% of total bank credit within Priority Sector Lending (PSL), providing interest subvention of 2% to Banks and another 3% of farm loan issued to farmers through Kisan Credit Cards as incentive for prompt repayment if they repay the loan within 12 months.

He informed that the ground level credit flow to agriculture sector has been quite satisfactory and the target for the same for the year 2019-20 has been kept at Rs 13 lakh crore. The Kisan Credit Cards (KCCs) scheme which was initially promoted to provide easy credit to farmers for purchase of agriculture inputs, now covers animal husbandry and fisheries activities also. There are about 7.0 crore active KCC accounts against a total of 14.6 crore operational holdings in India. However, to reap the maximum benefits of various schemes aimed at expanding institutional credit to farmers , it is critical to develop last mile architecture, sensitise ground level officials like the District Magistrates, District Level Bankers Committees and Block Level Bankers Committees so that policy formulations can be transformed into actionable agenda. It is important to understand the role of new financial inclusion technologies and shift focus on its quick and successful adoption so as to reach out to the unbanked and the unserved.

Dr. Paul Winters, Associate Vice President, International Fund for Agriculture Development (IFAD), Rome in his opening remarks underlined the importance of agriculture in striving towards SDGs. He remarked that one of the most important question that we face today is who will take up agriculture and feed the people in the future? The answer is youth. Approximately 700 million young population lives in the rural areas and out of these 65% are in the Asia- Pacific region. Contrary to our thinking, around 75% of the youth will end up being engaged in agriculture & allied activities. However, they do not want agriculture that was practiced by their parents, rather they want agriculture that is business oriented.

He opined that modern agriculture faces many deficiencies, viz. (a) lack of capacity development, (b) lack of access to land and (c) lack of access to finance. Savings mobilization and insurance products can be used as tools to tackle these deficiencies. Out of 17 SDGs, 6 of them highlight the role of the youth in its sustainability. Digital technology is creating new opportunities. However, investments are needed for cognitive and non-cognitive skills development of youth. Youth in the future need to be absorbed in off-farm self-employment for which they need initial financial support and access to credit.

Dr. Paul Winters concluded that rapid growth of financial technologies and mobile money, especially in the less developed countries, serve as an opportunity to gainfully engage youth in the agri-business activities.

Dr.Tomio Shichiri, FAO representative in India, New Delhi in his special address congratulated NABARD and APRACA for organising the 6th World Congress in India. He opined that efforts aimed at financial inclusion has also helped in achieving the SDGs and the focus on agri-value chain financing will help reduce risk and vulnerabilities of farming community. There is an investment requirement of nearly $80 billion in Indian agriculture to meet the growing food demand. India has rapidly increased its production levels and now has a total food grains production of approx. 285 million tonnes. However, the investments in agriculture are still meagre compared to service sector and industries. He felt that the level of agriculture indebtedness in India is still very high and 30% farmers still access credit through non- institutional sources as per NAFIS 2016-17. Therefore, Govt. of India in partnership with agencies like IFAD/FAO should focus on developing an ecosystem to facilitate greater credit flow to the entire agriculture value chain. He also informed that FAO-India is working for climate resilient agriculture in north- eastern region of India.

Inaugural Session

Dr. Harsh Kumar Bhanwala, Chairman, NABARD formally welcomed the Hon'ble Finance Minister, Govt. of India, Smt. Nirmala Sitharaman, other dignitaries on the dais, delegates from about 40 countries and other Indian delegates to the 6th World Congress which was being organised for the first time in India. He also welcomed Dr. Prasun Kumar Das, Secretary General, APRACA and delegates from all four regional associations CICA, AFRACA, ALIDE, and NENARACA. During his address, he outlined that the focus of the Congress is on inclusive and sustainable finance and about 37 speakers would be delivering their lectures and making presentations and finally the Congress will come out with Delhi Declaration having the required action plan.

He added that every society, every country historically wants the quality of life of its citizen to improve. When we talk about it, the immediate focus shifts to Sustainable Development Goals (SDGs). Out of seventeen SDGs, about seven SDGs including 'no poverty', 'zero hunger' and 'gender equality' have rural and agricultural finance as base across countries. With respect to financial inclusion space not only India but entire Asia region has a lot to share and also to learn from other countries. Our Financial Inclusion endeavour dates back to more than 100 years, when we started providing agricultural loans through institutional mechanism. Many players viz. Cooperative Banks, SHGs, JLGs, Public Sector Banks and Small Finance Banks have played their role. In our country, the Reserve Bank of India, the central bank of the country has prescribed minimum lending targets/ sub-targets for various activities falling under 'priority sector' which has approval of the Govt. of India.

On an annual basis, our country provides close to US $ 200 billion (say Rs. 13.0 lakh crore) of agricultural credit primarily to small and marginal farmers and this is unparalleled across globe. For the first time, concerted efforts have been made during last few years, especially by NABARD, to mobilise farmers into Farmer Producer Organisations (FPOs) who together can take their fate forward through a sound business plan. Encouraged by the positive outcome of the FPOs already formed, formation of 10,000 new FPOs to provide economies of scale to the farmers has been announced in the Union Budget 2019-20 which would be formed in the next five years. Once these 10,000 vibrant organizations of small farmers become functional and enter the value chain, there will be a shift from traditional way of financing to the farmers to value chain financing thereafter. These inclusive measures aided by technology interventions would bolster financial inclusion and rural financing efforts in a much sustainable way. He added that the launching of doubling farmers' income in 2016 in the country indicates a clear shift in the focus from increasing agricultural output to ensuring a minimum level of income to an agricultural household which is basically on the premise that unless individual farmer's income grows, the benefits of development will not plough back to upscale the farming activities.

Dr. Bhanwala also informed that world's largest SHG-Bank Linkage Programme pioneered by NABARD which has benefitted close to 120 million households is being moved to digital platform through EShakti programme. The EShakti project now covers 250 districts in 25 states and two UTs across the country and is expected to digitise 11.5 lakh SHGs benefitting around 138 lakh rural poor. He also indicated that as far as the efforts in areas of climate change are concerned, the MoA & FW, Govt of India along with State Governments and various other institutions have taken steps towards conservation of water, suitable crop planning, building by-products around agricultural waste, etc. NABARD has emerged as a very important entity in the sphere of financial as well as developmental initiatives in India relating to climate change. Further, with 35 crore youth population in the 15-29 years age bracket, India is the youngest country in the world at present. To harness the demographic dividend and engaging the rural youth in a sustainable livelihood activity, we have an exclusive scheme for entrepreneurship development called MUDRA Scheme.

Dr. Bhanwala while closing his address expressed hope that the recommendations of this 6th World Congress, if implemented in the right spirit, would not only help rural areas to become more vibrant but would support realising the Government's motto of "Sabka Saath Sabka Vikas" in the days to come.

Mr. Senarath Bandara, Chief Executive Officer, Bank of Ceylon and Chairman of APRACA offered opening remarks for this Congress and welcomed all the delegates to the programme. He introduced the theme of the 6th World Congress i.e. 'Rural and Agricultural Finance: Critical Input to Achieve Inclusive and Sustainable Development'. He also thanked NABARD and APRACA for bringing together all the necessary ingredients to this programme. He especially thanked NABARD Chairman, Dr Harsh Kumar Bhanwala, for staging such a big event and wished good luck to all delegates for great learning ahead.

Shri Debashish Panda, Additional Secretary (Financial Inclusion), Department of Financial Services, Ministry of Finance, Govt of India while welcoming the Hon'ble Finance Minister and other Indian and international delegates underlined that financial inclusion is a very important policy objective for economic development of any country and indicated that the economic policy of India has always been driven by this underlying intent of sustainable and inclusive growth.

The Govt. of India has clearly recognized that financial inclusion can play a vital role in transforming the rural landscape by providing both accessible and affordable financial services. Second important plank is women and those sections of society who are at the bottom of the pyramid. In this quest for sustainable and inclusive growth under the leadership of our Hon'ble Prime Minister and Hon'ble Finance Minister, the Govt. of India has initiated the National Mission for Financial Inclusion namely, Pradhan Mantri Jan Dhan Yojana (PMJDY) in August, 2014 to provide universal banking services for every unbanked household. Today, PMJDY is the world's largest financial inclusion programme. The basic tenets of this programme was to bank the unbanked, to secure the unsecured, to fund the unfunded and to serve the underserved.

However, there are several challenges for universal financial inclusion and several measures were initiated to overcome these challenges. There were psychological barriers in people living in rural areas to get into the formal banking system. So to counter this, zero balance bank accounts (without

any charges) were opened. Also KYC was made easy through Aadhar and a biometric E-KYC was launched in India in a big way. Further to address the issue of inadequate number of banking touch points, approximately 5,97,000, including branches and banking outlets, manned through Banking Correspondents were deployed in rural areas. In several parts of rural areas where internet connectivity was weak, it was addressed by deployment of solar VSATs.

Further, to address the issue of low insurance penetration and strengthen the neglected social security aspect, affordable life and accidental micro-insurance schemes were introduced to help penetrate rural areas. To facilitate credit to enable taking up of income generation activities by the weaker section of the society, collateral free microcredit and rolling over-draft facility were introduced. All these initiatives have created an enabling environment for institutional credit flow to rural areas. The financial services which were available to a select few in the past is reaching the last mile now. The financial inclusion led development has now both the transformational as well as a directional change. He also highlighted some of the major achievements of Govt. of India as under:

• More than 374 million PMJDY accounts have been opened up. This size would be probably more than the size of three to four countries together,

• Deposits in these accounts stand more than US $ 1 trillion,

• 53% of the Jan Dhan account holders are women,

• 59% account holders are in rural and semi-urban areas,

• Around 80 million Jan Dhan account holders are receiving Direct Benefit Transfer (DBT) under various developmental schemes of the Government.

He further added that India has a very robust banking infrastructure now. The intent of the government is to make banking services available within a radius of every 5 KM. Digital pipeline has been laid for the implementation of PMJDY through linking of Jan-Dhan account with mobile and Aadhaar [Jan Dhan-Aadhaar-Mobile (JAM)].This infrastructure pipeline is providing the necessary backbone for DBT flows, adoption of social security/pension schemes, facilitating credit flows and promoting digital payments through use of RuPay cards and thereby accelerating the pace of attaining the goal of a secured, insured, digitalized and a financially empowered society. Another important intervention has been MUDRA scheme which is a micro credit scheme launched in the year 2015. As on 31 March 2019, it has provided credit to the tune of more than Rs 3.21 trillion. Further, the insurance cover under PM Jeevan Jyoti Bima Yojana and PM Surakasha Bima Yojana of Rs 2 lakh each comes very handy in rural areas.

Having outlined these, he emphasised that the bigger challenge now is to take financial inclusion to the next higher level. Fintech solutions using Artificial Intelligence, Data Analytics, Blockchain Technology are the future. Financial capability building and robust grievance redressal system need to be developed. He concluded that all these initiatives under financial inclusion space would help in fulfilment of SDGs.

The Chief Guest of the occasion **Smt. Nirmala Sitharaman, Hon'ble Finance Minister, Govt. of India,** while welcoming all the delegates to the 6th World Congress, considered it a great opportunity for India to learn from the experiences of the delegates from different parts of the globe. She was very happy to see a number of policy makers as well as domain experts participating in the event who are constantly evaluating Government's programmes and critiquing the loop holes in the implementation of such programmes at the ground level. She mentioned that Government of India through its policies has touched upon various important aspects of Indian people viz. food security, national security, farmers' income, issues related to water and soil management. She also recognized the need for quickly taking up efficient water and soil management.

Hon'ble Finance Minister Smt Nirmala Sitharaman delivering the inaugural address

She informed that the farmer needs to be recognised not just as somebody who produces grains but as somebody who can do many other activities aimed at enhancing his income level. Hence this year's budget referred the farmers not only as 'annadatas' (food producers), common expression for somebody who tables the food, but also as emphasised the need to transform them into 'urjadatas' (energy givers). The farmers can not only help generate renewable energy through solar panels and wind energy for larger use by the countrymen but can also earn a decent income from these initiatives on their farm. She said that the union budget proposal of forming 10,000 new FPOs would help farmers to access institutional credit as well as other marketing assistance which in turn would ensure them better and sustainable livelihood opportunities.

She also mentioned that e-NAM, an online trading platform for agricultural commodities in India, is helping the farmers in better price discovery and providing them the facilities for smooth marketing of their produce. She informed that the Union Government as well as State Governments are closely working to ensure on-boarding of farmers as well as traders on the e-NAM platform to realise the market prices in a very transparent manner. Union Government is ensuring that states are cajoled to do away with APMCs, which no doubt served its purpose once but today faces many difficulties. She opined that APMC is not so efficient now in ensuring farmers getting the value for their products and hence needs to be dismantled. She further added that Direct Benefit Transfer (DBT) and usage of Aadhar have helped remove a lot of pilferage by ensuring benefits reaching directly to the farmers without involving any middlemen. She also indicated that the recently launched scheme 'Prime Minister Krishi Samman Nidhi' (PM-KISAN) by the Central Government, under which the farmers are getting Rs 6000/- per annum, has been considered as a very important initiative in increasing the farmers' income. Many State Governments like Andhra Pradesh, Telangana, Odisha, etc., are providing additional income support to the farmers over and above that is given by the Central Government. She opined that in order to help the farmers through DBT, financial inclusion is very important. She appreciated the role played by NABARD in purveying of institutional credit in rural

areas through Banks, Micro finance institutions, Small Finance Banks and Non-Banking Finance Companies (NBFCs).

The Hon'ble Finance Minister advised NABARD to take up immediate and necessary steps to extend desired support to the farmers of Union Territory of Jammu & Kashmir so that the next crop of saffron, peaches, walnut and other agriculture produce in the state is procured at the right time at a right price. She also stressed upon the need to promote use of solar energy in the Ladakh region by assessing and creating suitable infrastructure since there exists a huge potential for the same in the region. She requested Dr Bhanwala, Chairman, NABARD to accompany her during her next visit to the Union Territory of Jammu & Kashmir to help her understand the agriculture and rural development related issues of the UT and to come out with some implementable solutions for the same.

The Finance Minister also mentioned that the Government was focusing on the priorities of fishermen in the coastal and inland water areas. Towards this end, NABARD needs to focus on marketing of seaweed, spirulina, algae and other nutrients with the help of Self Help Groups (SHGs) and Farmer Producer Organizations (FPOs). She informed that the Government is also planning to set up fish processing centres in the potential areas that will not only enrich local nutrients but would also enhance the income of fishermen in coastal areas.

She was of the opinion that today, soil fatigue is very high in India. Soil Health Cards (SHCs) being propagated by Govt. of India is a very reformative step. Awareness about reducing the use of pesticides and chemical fertilizers and use of recommended doses of fertilisers as per the SHC is being spread through Krishi Vigyan Kendras (KVKs). KVKs are also being revived now for being more useful and effective to the farmers. She advised that farmers should switch over to such crops which are in short supply in the country and can prove more remunerative to them. She suggested that farmers need to grow more oilseed crops in order to reduce our dependence on its imports. She also suggested that Bamboo has now been recognised as grass and it is no more a tree. Farmers, especially of North Eastern region of India, can earn better income by cultivating it on their farms as well as other waste lands.

She impressed upon the need for documentation of various success stories relating to innovation in the field of farm as well as non-farms sectors in India. She gave the example of the districts in the Kutch region of Gujarat which were categorised as saline and marshy land, have now been converted into horticulture farms which are producing for domestic as well as export markets. Most of these farms have also become energy sufficient through introduction of solar panels on the field. She advised NABARD to document such success stories for wider dissemination. She also advised that Indian farmers, agri-preneurs and scientists should learn from abroad and replicate their success stories, if found suitable for Indian conditions. She expressed her desire for having a look at the recommendations of this Congress.

Dr Prasun Kumar Das, Secretary General, APRACA thanked Smt. Nirmala Sitharaman, Hon'ble Finance Minister of India; Shri Debashish Panda, Additional Secretary, Department of Financial Services; Dr. Harsh Kumar Bhanwala, Chairman, NABARD and all other dignitaries for sparing their valuable time for this event. While offering vote of thanks, he looked forward for active participation from all the delegates during the deliberations over the period of 2 days of the World Congress.

Business Session – 1

Session Theme: Mainstreaming Sustainable Agriculture to Achieve 2030 Agenda(Hosted by Organizing Committee of World Congress)

Chair: Dr. Ashok Gulati, Infosys Chair Professor-Agriculture, Indian Council for Research on International Economic Relations (ICRIER), New Delhi, India

Presenters

1. Dr. Bernard Lehmann, Former Secretary of State and Director General, Federal Office for Agriculture (FOAG), Switzerland, Berne
2. Dr. Pierre Jacquet, President, Global Development Network, New Delhi
3. Dr.Thouraya Triki, Director, Sustainable Production, Markets and Institutions Division (PMI), IFAD, Rome

Dr. Bernard Lehmann began the session by emphasising that on an average, the world has enough calorie production to feed the world, but even then, the food is insufficient, unavailable, unaffordable and of sub-par quality for nearly 10% of the world's population. Out of these, more than 10% of population resides in Asia and more than 20% in sub-Saharan Africa. He opined that human conflicts, droughts and poor purchasing power are the primary reasons for this unfortunate situation and the burden of food loss is disproportionately higher in Least Developed Countries (LDCs) and hence an improvement in world order requires improvement in LDCs.

He added that ecological footprint of agriculture is often above the ecological carrying capacity of our planet and maintaining quality of resources including biodiversity and agro-biodiversity, in general, and water biodiversity in particular, soil fertility, animal welfare and limiting Greenhouse Gas (GHG) emissions will be the primary challenges in the coming years. He highlighted that the agricultural sector is prone to frequent price fluctuations. The price index of food, for instance, has increased by 50% between 2008 and 2019. This increase has been caused not only due to increasing demand for food but also due to constraints inhibiting supply of commodities, including drought, rising petrol prices, etc.

Further, he argued that technological progress is crucial to manage these challenges. The national policy framework provides broad guidelines to improve the sustainability of agriculture and the UN Sustainable Development Goals (SDGs) provide broad guidelines to incorporate the desired features in the policy framework of all countries. He highlighted FAO's five basic principles which need to be stressed upon to meet the SDGs: (i) Increasing productivity, employment and value addition in food systems (ii) Protect and enhance natural resources (iii) Improve livelihoods and foster inclusive economic growth (iv) Enhance resilience of people, communities and ecosystems (v) Adapt governance to meet new challenges. He added that in the absence of any correction on the consumption side, food demand will increase by around 60% by 2050 compared to the present times primarily due to changing demography and rising welfare of the world population. In order to increase the supply to match the demand, productivity needs to be improved.

He opined that there is a growing consensus to set the following objectives: (i) Stabilize the increase in world food demand to around 30% till 2050 (instead of +60%)(ii)Moderation in meat consumption in developed countries (iii) Less concentrated feed for milk and meat, less wastage in industrialized countries, more focus on fisheries (iv) Improve productivity progression at +30% until 2050 without surface increase, less losses in developing countries (v) Improve biodiversity, sustainability, climate change mitigation & adaptation.

He concluded by arguing that the future of agricultural sector requires the key priorities and focus areas to be as follows: (i) Improving sustainability of productivity through plant selection/breeding with greater emphasis on reduction of ecological foot print, animal breeding with societal expectations, stronger system approach in development of production systems (ecosystem services) for carbon footprint reduction (ii) Encouraging private and public investments in developing new technologies including, digitisation, genome-editing, etc. (iii) Research and extension for improved seeds, plant protection, weed management, weather management, etc. (iv) Reduction of post-harvest food losses in storage and processing (v) Investments (private and public) in agriculture including facilitation of access to finance.

Dr. Thouraya Triki summarised her arguments in the following words: IFAD, through its interventions, has laid stress on achieving the Sustainable Development Goals (SDGs), particularly, SDGs 1&2 which aim at ensuring No Poverty and Zero Hunger, respectively. With this broad target in view, the three objectives of IFAD are (i) Supporting small landholders to increase their production and productivity (ii) Enhance the benefits of farmers from market participation (iii) Strengthen environmental sustainability/climate change resilience in agriculture. In order to achieve these broad targets, the financing targets set by IFAD are (a) 25% of financing to be gender transformative (b) 50% to be nutrition sensitive (c) 50% to be climate sensitive. These targets are in-sync with the priority areas identified by IFAD, which include, targeting and more effective use of resources, targeting small farmers and scaling up projects for them, emphasis on leveraging technology through a focus on awareness, capacity building, use of ICT knowledge, focus on greater private sector engagement with emphasis on two pillars of catalysing more financing as its high risk low return and value chain orientation. She stressed upon the need to move from PPP (Public Private Partnership) to 4P (Public Private Producer Partnership) model.

Dr. Pierre Jacquet in his presentation made the observation that in the existing global environment, it is important that the farmers take entrepreneurial role in agriculture to tackle the challenging trends being observed in the world today. There are three trends in the world today:

a) Weakening of multilateralism: renationalisation of value chain is taking place that is translating into undermining of emerging global challenges like migration
b) Weakening of scientific progress and slow progress in research and development activities
c) Increasing global inequality with polarisation of opinions, emerging challenges from propaganda, misuse of social media

He opined that to counter these trends and improve the sustainability of the agricultural sustainability, the following should be prioritised:

a) Innovation and technological development: Demand-based research needs to be encouraged, with focus on extension services and capacity building
b) Improved financial regulation : The focus should be on creating better financial services and products for the poor and increasing the penetration of products like microcredit and micro-insurance
c) Localised Research: There is a need for localised research with focus on credible, relevant and legitimate research on local topics and needs
d) There is need for greater financial innovation and strengthening partnership with private sector in delivering the financial services to the agriculture sector

The Chairman of the session, **Dr. Ashok Gulati,** while concluding the discussion of the session said that for the past 30-40 years, the focus has been on increasing agricultural production to deal with food shortage across the world particularly in a developing country like India. Now that India has attained food security, we need to focus on value chain development in the agricultural sector, with increasing role of private sector. The dairy sector provides a fitting example to the benefits that can be derived from building value chains. The milk supply chain is an example of a smooth functioning well developed value chain. The question is whether such a value chain can be replicated for all perishable goods in South Asia and Africa? For this, we need to have supporting infrastructure in the form of cold storage, godowns, cold chains and reefer vans, etc. With the growing population, there is bound to be an increase in demand, therefore, it is important to focus on greater market access and extension services as well as practice climate resilient agriculture.

Business Session – 2

Session Theme: Smallholder Aggregation Model for Efficient Value Chain and Their Financing (Hosted and Organized by NABARD, India)

Setting the Tone: Dr. Sunil Kumar, Chief General Manager, NABARD

Chair: Prof. Ramesh Chand, Member, NITI Aayog, Government of India

Presenters

1. Prof Amar K.J.R. Nayak, Professor, Xavier Institute of Management (XIM) Bhubaneshwar, Odisha, India
2. Shri Anil Kumar Sharma, Executive Director, Reserve Bank of India, Mumbai, India
3. Dr. Suresh Pal, Director, ICAR-National Institute of Agricultural Economics and Policy Research, New Delhi, India
4. Shri Ashis Mondal, Director, Action for Social Advancement (ASA), Bhopal, India
5. Mr. Bruno Vindel, Task Team Leader, Agence Francaise De Development (AFD), Paris, France

Prof Ramesh Chand in his opening statement remarked that smallholders are a matter of concern for almost all developing countries. This is because developing countries in Asia & Africa are following a different path from that followed by developed countries. In developed countries, labour advantage of smallholders was wiped out by the advantage in scale enjoyed by large holders. Consequently, in the developed countries small holders vanished and farm size became bigger. Brazil followed a similar model where the big fish swallowed the small fish. However, when it comes to developing countries such as those in Asia, the story turns out to be totally different. This could be mainly because of cultural differences. For example, Japan, an industrialized country, continues to have small landholders. Similarly, the Chinese economy has grown significantly in the recent past but small farmers have not been wiped out. Since small farmers are going to stay in Asia, the western model of development cannot be replicated. In case of Africa, which is still behind the development process, small farmers are leaving agriculture. However, this is not developmental migration but distress migration and a cause of concern. We have to empower them and equip them with enablers such as technology, market and institutional finance.

FPOs seem to be empowering small holders. Being associated with FPOs gives them scale advantage, thereby providing them with bargaining power both in purchase of inputs and sale of output. While it is true that there exist many success stories but we must admit that there exists many failure stories also. In fact, number of failure stories perhaps has been more. In case of Small Farmers Agribusiness Consortium, there are less than 1,000 FPOs while in case of NABARD, the number is much better, a little less than 5000. In a country like India where the number of villages is five lakhs and number of panchayats more than 250,000, five thousand FPOs may appear to be a small number but it provides us with a ray of hope.

Dr. Sunil Kumar through his Presentation on the theme 'FPO Movement in India & NABARD's Contribution to FPO Movement' had set the tone for the session. He dwelt upon the initiatives and contribution of NABARD in taking forward the FPO movement in India.

While elaborating on the issue, he said that the farmers' distress is caused due to several factors such as weak bargaining power, low level of technology adoption, lack of capital and poor business skills, poor infrastructure and low market efficiency.Collective efforts of farmers in the form of FPOs has emerged as a potential tool to transform agriculture into a sustainable business enterprise. FPOs play an organization role towards- produce aggregation, agro services & inputs, credit linkage, market oriented production, processing/ value addition, market access and improved returns to members.

During his presentation he elaborated on the following important issues which affect the FPOs:

i Lack of seed money assistance and interest subvention for emerging FPOs
ii Inadequate institutional mechanism for capacity building, incubation/ catalyzing services
iii Inadequate credit support and limitations of existing Credit Guarantee Fund Scheme
iv Difficulties in Statutory and Regulatory compliances, including KYC compliances.

Dr. Amar KJR Nayak mentioned that the concept of FPOs is drawn from the natural principles of inter-dependence. He shared that for last ten years, he has been researching on FPOs limited to small clusters in a remote area with the idea that if it can work there, then it can be replicated elsewhere as well. He observed that there are five aspects which are important in designing FPOs viz., size, scope, technology, management and ownership.

Of these, he elaborated on the scope and size aspect. Scope pertains to the activities to be undertaken by the FPOs. Towards this, farmers' efficiency, agricultural efficiency and market efficiency, all need to be balanced. The issue of size puts forward the question regarding the optimum or minimum number of members and optimum or minimum number of geographic clusters.

He shared that both the social capital and financial capital are important to ensure sustainable FPOs. The SHG movement which was based on the mobilisation of social capital lacked commercial viability. Thus, the ideal approach for encouraging FPOs requires striking an appropriate balance between social and financial capital. Also, when we look at FPO alone, its chances of survival are less because of the presence of negative externalities. He observed that wherever the lessons have been learnt from failures, FPOs are doing well and NABARD has been constantly learning.

Dr. Suresh Pal observed that while the production basket is increasing, we face new challenges in the form of problem of aggregation, competitiveness of small holders and quality. With regards to the aggregation problem, we should look at the range of products. For example, wheat is not produced in two categories, rather quality varies from lot to lot. We have to see how best we can aggregate and how best we can improve the market linkage.

With regards to value chains, he said that the considerations of efficiency and competitiveness, inclusiveness and sustainability are crucial. The success in milk value chain needs to be replicated in other sub sectors. He added that innovation is another important aspect for improving the success of these value chains. He explained that earlier these value chains were long and a lot of cost was involved. In his opinion, contract farming has been a good innovation and finance is the main constraint in this particular sector. He also highlighted the need to minimize the risk factor and creation of value in this sector.

Shri Anil Kumar Sharma enumerated the reasons for the small and marginal farmers' distress as lack of scale (nearly 86% of the operational holdings are small as per Agricultural Census 2015-16), high overhead cost, lack of pricing power, adverse terms of trade, lack of access to timely credit and absence of an assured market. He affirmed that due to these factors conventional faming is no longer profitable.

FPOs provide a win-win solution due to the advantage of lower risk, lower cost and higher income. He acknowledged that FPOs face difficulties in the initial years and felt handholding for five years would be beneficial. It is important for FPOs to get integrated with established value chains and undertake greater value addition. Compliance with quality standards, traceability requirements and

certification are crucial steps. Testing infrastructure may be built by the Government or may be provided through the PPP model.Further, we need to develop local/domestic markets/clusters. This will be a stepping stone to participation in the Global Value Chains.

While concluding he said that greater value addition would depend on how integrated the chain is, support that it receives from the government and access to technology and finance.

Dr. Bruno Vindel explained that AFD is the French agency for development with intervention in fifty countries and eighty on-field agencies. AGREENFI is AFD group's agricultural and rural finance label. It encourages local financial institutions to provide tailored financial services to support the actors of rural world.

FPOs form a focus area for AFD. FPOs are a complete universe in itself. They differ in size, geographic dimension and scope: from basic village organizations with simple functions to national APEX bodies specialized in advocacy for the agricultural sector. He further added that there were two main phases in the history of support provided by AFD to FPOs (in Africa), from support for creation and empowerment to strengthening capacities for performing technical and economic functions. He acknowledged that collaboration among farmers is not always easy and cooperatives, marketing associations and related groups undergo the risk to collapse due to lack of solidarity and/or poor governance, or too much dependence on external support.

He shared that experience of AFD shows that farmers in general and smallholder farmers in particular, have much to gain by collaborating through associations and cooperatives, joining forces in obtaining fair prices for farm inputs, fair prices in selling products, and in negotiating credit. It is also in the interest of agro-processors and agro-traders to work with farmers groups rather than farmers individually due to economies of scale, reliability of the group, easiness to convey technical messages concerning quality of produce or certification. Similarly, a financial institution (Bank or MFI) derives many benefits when dealing with groups because of self-selection present within the groups.

Contract farming, an innovative scheme in agricultural finance, involves traders and/or processors who provide or facilitate credit to farmers willing to sell their crop forward. Buyers are motivated by secured product supply and farmers are motivated by assured market and secured prices. Furthermore, in contract farming, technical help given to farmers reduces production related risk. He gave the example of South Africa where coffee farmers are organized in associations or cooperatives receive credit from banks, and this is done through the coffee-washing stations to which they agree to deliver the crop, credit repayment (with interest) is deducted from the value of the coffee fruit delivered.

Another example put forward by him was that of Mali and Senegal where for cotton production, farmers' associations receive credit in kind (inputs) through farmer unions. In addition, they receive cash advances that can be used for other crops.Further, he added that value chain intermediation is another example of access to credit facilitated through farmer groups. However, these schemes do not eliminate risks such as partner non-compliance and crop failure. Hence, Mr. Vindel raised the need for serious thinking on guarantee schemes for farmers.

Shri Ashis Mondal, mentioned that India faces challenge in the form of fragmented finances and hence we are unable to get desired outcomes. One of the major reasons for the poor being caught in perpetual poverty is the lack of capital formation. The current supply chain is not working as it is neither benefitting the consumers nor benefitting the producers. He further added that food prices in India are low as it is governed by the middle class which is a big political constituency.

Shri Mondal, who has been instrumental in formation and successfully nurturing of a number of FPOs while working with farmers in hinterland underlined that FPOs can add value, create wealth and employment. It is also good source of raw material for business and industry. The FPO model is proven not only in India but elsewhere also. Therefore, he expressed the need for a central institution for umbrella support to take the issue of farmer producer organizations to next level. He opined that a suitable institutional set up to promote, support and nurture is urgently required in India.

Prof. Ramesh Chand, the Chairman of the session mentioned that studies in India and China show inverse relation between farm size and productivity. This fits well into saying "small is beautiful, however no doubt small is beautiful but small is also weak". Small holders have lower earning capacity. Thus, we have to address this weakness of small holders.

Prof. Chand advised that FPOs are the best vehicle to deal with farmers' weaknesses. He added that while the creation of FPOs is important, taking care of their training, nurturing and handholding requirement is crucial too. He suggested that the best route of income generation in agri-business is to buy in the peak season and sell in the lean season and thus it shall add a lot of value if we can facilitate FPOs to do this. This will require good storage and infrastructure facilities which could be supported by both public as well as private parties.

Business Session – 3

Session Theme: Credit Flow to Agriculture and its Value Chain to Achieve Revitalized Rural Landscape and Deliver Inclusive Growth(Hosted and organised by APRACA, Bangkok, Thailand)

Chair: Mr. Calvin Miller, Former Senior Officer, FAO and Value Chain Finance Expert

Presenters

1. Dr. Michael Hamp, Lead Regional Technical Specialist, Rural Finance, Markets and Enterprises, IFAD, New Delhi, India
2. Mr. Wenhui Qian, President, Agricultural Development Bank of China (ADBC), Beijing, China
3. Mr. Tanaratt Ngamvalairatt, Senior Executive Vice President, Bank for Agriculture and Agricultural Cooperatives (BAAC), Bangkok, Thailand
4. Mr. Matt Shakhovskoy, Senior Advisor, Initiatives for Smallholder Finance (ISF), Washington DC

Mr. Wenhui Qian highlighted the role played by Agricultural Development Bank of China (ADBC) in the agricultural sector in China. He pointed out that China is presently under going a phase of rural recession, with funds and projects in rural areas having dried up. Recognizing this, the Chinese government through the ADBC started a rural revitalization programme in 2017. The five major aspects of the revitalisation programme are:

a) New business models to be developed during rural revitalization to promote the inclusive growth of rural finance
b) Focus on producing high quality agriculture produce
c) Diversification of agriculture
d) Reform of rural collective ownership system

e) Financing conditions to be created through the integration of resource factors and the upgrading of agricultural products

He also highlighted that ADBC is a financial institution that abides by its social responsibilities, placing top priority on implementation of policies. As the only agricultural bank in China, ADBC has a more development orientation than profit orientation and provides finance at 100 basis points lower rate than other financial institutions.

Mr. Tanaratt Ngamvalairatt highlighted that BAAC's strength lies in its customer understanding and knowing the grassroots economic challenges faced by the farmers like low productivity, market inaccessibility, high debt burden and uncertain income. He informed that BAAC has established the Small and Medium Agricultural Enterprise (SMAE) which aims to bring together small farmers to reap the benefits of aggregation. BAAC provides support to these SMAEs by financing the entire value chain, ranging from upstream activities to the downstream activities. He also shared one of the major success stories of BAAC. Kitchakood Organic Farm Cooperative Limited, which functions like a locomotive that pushes a train forward through marketing, offering sustainable credit loan, small holder credit loan and utilizing BAAC's learning centers to share knowledge to other communities. Such success stories resulted from the attributes which may be listed as follows:

a) BAAC's approach is customer centric, it is the knowledge of the customers which allows it to provide the right financial support
b) As a financial institution BAAC lays emphasis on institutional development and diversification
c) BAAC's strength also lies in building strong networks and strategic partnerships both with public and private platforms

Dr. Michael Hamp put forward the important role played by IFAD for encouraging inclusive rural development through inclusive rural finance. Since 1977, IFAD has provided USD 21.1 billion in grants and low-interest loans for farm and non-farm projects, thereby benefiting more than 500 million people. He highlighted that IFAD is adapting its own structure to provide better financial services. Two recent changes that have been adopted are: (a) Setting-up of the YIELD Fund Uganda, Agri-Business Capital (ABC) Fund for equity and debt investments directly for private players, including Financial Organisations and Financial Service Providers and (b) Changed IFAD articles of agreement to allow use of IFAD core resources for private sector funding.

He also highlighted the following challenges that need to be addressed in order to improve the credit flow to value chains:

- The new complexity of financial inclusion: Broader set of private sector players, and regulators to engage with digitization and innovative ICT solutions for development so as to quickly transform the delivery of financial services to Value Chain actors.
- IFAD needs to get prepared to drive impactful changes in its mandate and target markets, e.g. apply multi-functional digital platforms, big data analytics, Artificial Intelligence for knowledge management, block chain for (reverse) factoring, purchase order and inventory financing.

Mr. Matt Shakhovsky introduced to the house the Rural and Agriculture Finance State of Sector Report 2019 and highlighted the Rural Pathways Model brought out in the report.

The speaker pointed out the seven pathways of the rural pathways model:

a) Developing a Resilience Buffer
b) Farm intensification
c) Land Consolidation
d) Transition to Formal Enterprise
e) Transition to Service Provision
f) Conversion to Rural Employment
g) Migration to Urban Areas

He highlighted the potential of the rural pathways model in the following words:

- At the micro- level, specific smallholder household and agri-SME service needs to become much more specific, enabling and effective with respect to targeting over time
- At the macro-level, there is an opportunity to consider how the shape of the rural economy will change over time to ensure inclusive agricultural transformation.

The session ended with brief interaction with the audience which was facilitated by the Chairman Mr. Calvin Miller.

At the end of Day 1 (12 Nov 2019), a Special Event on publication of "White Paper on Agricultural Insurance" was organised and the summary of the discussion is as under:

Insurance is a powerful tool to foster economic development and has social consequences for the small and marginal farmers in particular. Public intervention is necessary to crowd in the private investments in the insurance sector. In India, while there is a strong policy framework governing the insurance sector, the total area under crop-insurance is 30% which is very low.

The penetration of insurance products among small farmers is low which is primarily due to the following bottlenecks:

a) Low awareness of the advantages and need for insurance coverage, mainly because of the low literacy levels of farmers.
b) Lack of presence of insurance providers in the rural areas.
c) High cost of the insurance product if it is not subsidised by the government.
d) Cumbersome and time taking process of insurance settlement.
e) Access to financial services as a whole is not adequate. However, in this area India has shown rapid improvement due to Government's push towards financial inclusion.
f) Premium payments do not match the income streams of farmers. There is a rigidity in the premium payment timings and fixed payment schedule is followed. However, the income stream for farmers is only in the post-harvest season and thus farmers face difficulty in premium payment in lean periods.

During the last session, it merged that insurance is majorly a tool for risk management. However, we cannot insure if we do not control the entire ecosystem of agriculturist. In order to increase the penetration of insurance we need to involve all the players in the supply chain as tools for risk management and insurance product delivery channel. The ideal scenario would be to link insurance with credit. This is already being practiced in India but requires further investment and scaling up.

Day 2

Business Session – 4

Session Theme: Agricultural Value Chain Finance Innovations and Lessons: Case Studies in Africa(Hosted and organised by AFRACA, Nairobi, Kenya)

Chair: Mr. Calvin Miller , former Senior Officer of FAO and Value Chain Finance Expert

Presenters

1. Mr. George Kuria, Chief Executive Officer, ACRE, Africa
2. Mr. Thomas Essel, Secretary General, AFRACA
3. Mr. David Ruchiu, Executive Director, Farm Concern International
4. Mr. Dickson Naftali, Head of Program, MobiGrow, Kenya Commercial Bank

Mr. Thomas Essel emphasised that integrating the smallholders within the value chains is an important step to improve their livelihood and dealing with the agricultural distress. Without being integrated in the value, the smallholder farmer may not succeed in selling his produce at a lucrative price because of the lack of market linkage. Amongst the AFRACA members, there have been increased efforts to provide improved business models, improved access to financial services and increased use of technology to facilitate lending to the different participants in the value chain. Some of these efforts were discussed during the session.

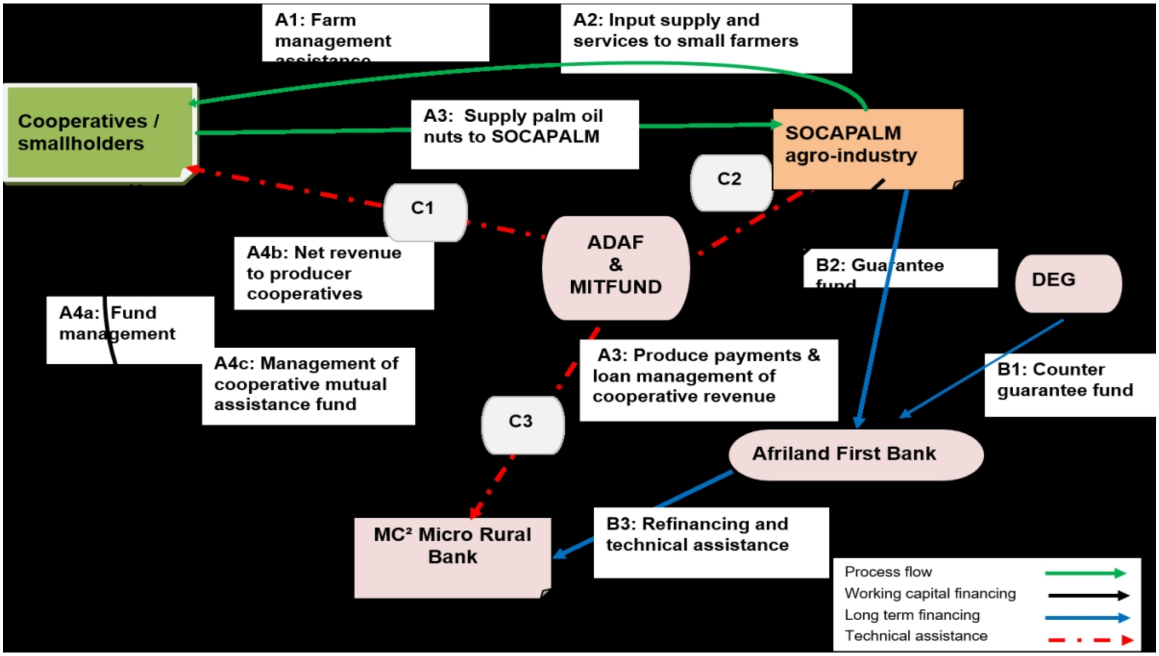

Figure 1: Multiple Players involved in Value Chain Financing Model

Mr. Calvin Miller discussed the following case studies:

1. *Long-term plantation financing in Cameroon*- The salient features of the project have been listed below:

a) Oil palm and rubber plantations involve long-term value chain financing for smallholders to buy land leases and renovate oil palm or rubber plantations and sell to SOCAPALM or to HEVECA Rubber Company, respectively.

b) This case study describes similar Value Chain Financing (VCF) models with two different sectors, processing companies and regions. Value chains (VCs) and their financing involves many actors such as Afril and First Bank – a Commercial Bank , Appropriate Development for Africa Foundation (ADAF) for facilitation, Cameroonian NGO, MC2 rural mutual savings and credit micro banks , MITFUND - a local venture capital firm for MC2 management training support, DEG – German private sector financier providing a partial guarantee to Afril and First Bank, Farmers cooperatives formed to aggregate and coordinate with companies and Agribusiness oil palm and rubber plantation companies – SOCAPALM and HEVEA (Figure 1).Holistic development of the value chain involves cooperation among the different players, so as to provide a comprehensive ecosystem for their development.

2. Women's informal huckleberry financing system in Cameroon:
a) This case study is an example of producer driven business model and women's leadership. It

describes a mechanism of value chain development through which a traditional vegetable was transformed into a commercial vegetable which showed that (i) Women-initiated and led local initiatives can become important national VCs while supporting home and national food security (ii) Producer-driven business models can work when there is mutual trust (iii) Initial success of projects led to bank financing for upgrading production and irrigation (iv) Economic crisis necessitated the women's innovation and creativity.

3.Facilitated farmers' union value chain partnership in Ghana: This case study described an intervention undertaken with an objective to link farmer groups to financial institutions and marketing firms. This pertained to a facilitated business model by an NGO with selected VCs. Evangelical Presbyterian Development and Relief Agency (EPDRA-Yendi) worked with the small farmers having less than four hectares of non-irrigated land to help organize and train them on management and technical areas focused on VCs in selected sectors – maize, soybeans and rice.
It led to the following results: (a) Farmers Union got cashless financing for production and harvest from local Bonzali Rural Bank (b) Loans to farmers passed through Union to farmer groups to farmers (c) Financing received in kind or in cash (d) No arrears after several years.

Some of the conclusions that may be drawn from these case studies are as follows: (a) Agricultural Value Chain Financing (AVCF) is context specific and must be tailor fit to yield positive results (b) Successful approaches use informed VC assessment to develop appropriate financial and non-financial tools and technologies (c) Cases highlight opportunities for financial institutions to collaborate in VCF initiatives with companies further along the chain (d) Public sector's role is important – most innovations had some public support at initial stages (e) The sector is still characterized by a lack of access to suitable financing, addressing which is crucial to develop a holistic value chain.

Mr. George Kuria elaborated on functioning of Agriculture and Climate Risk Enterprise Ltd(ACRE), Africa. It is a facilitator (and not the insurance provider) for a range of products including weather-index insurance, area-yield insurance, hybrid-index insurance (combination of the weather-index and multi-peril crop insurance) and livestock insurance. He emphasised on the lessons that may be derived from their experiences: (a) Insurance can accelerate agriculture finance – using insurance contracts as first level of collateral (b) Insurance product design has several outputs that can add value to the risk management process such as a data-driven agri-risk scoring tool and an early warning risk advisory system (c) Presence of insurance as the first level of risk management tool can be used to negotiate for lower rates on alternative risk management tools e.g. Credit Guarantees (d) Agriculture insurance linked with credit works as a collateral for the lender.

He informed that ACRE has developed a credit scoring tool that looks up farmer specific tool and the lender makes decision based on it. Further, exploitation of technology and partnerships play a vital role. Digital finance tools increase capacity of data collection compared to traditional finance models. Mobile technology and partnerships enable mapping of agri stakeholder locations and delivery of location specific agro-weather advisories.

Mr. Dickson Naftali elaborated on the KCB MobiGrow agri-focus initiative of the KCB Group. KCB MobiGrow enhances financial inclusion for smallholder farmers by increasing capital supply from KCB Group to the unbanked, under-banked and first time borrowers. It de-risks the smallholders by getting them in a supply chain where there exist forward contracts. Further, it expands demand for capital for high-potential MSMEs and smallholders. For example, under the KCB closed circuit value chain financing of maize in Kenya, the buyer/agribusiness enters into a contract with the farmer. The farmer receives inputs in kind, grows the crop and receives the cash, minus the loan at the end of the season.

Mr. Thomas Essel elaborated on the functioning of GIRSAL. It is a Non-Bank Financial Institution incorporated as a private company with the Ministry of Finance, Government of Ghana, as the principal shareholder, with seed funding from the Bank of Ghana and the African Development Bank (AfDB). Its core objective is to de-risk agricultural financing by the financial institutions through the issuance of an agricultural credit guarantee instrument. He also informed that GIRSAL uses a six-pillar approach to mitigate unique risks of agricultural finance including both supply-side and demand-side interventions. These six-pillars may be divided into De-risking Instruments (risk fund, technical assistance facility and agriculture insurance) as well as Incentives and Enablers (bank rating, bank incentive mechanism and digital financial services).

Mr. David Ruchiu elaborated on the functioning of the Farm Concern International: Commercial Villages Market driven model in AGVF. Farm Concern International (FCI) is an Agri Market & Trade System Facilitator specialising in bridging the gaps targeting urban formal markets of private companies, agro-SMEs informal markets and rural traditional input/output systems for scale up and sustainability in Africa. Its objective is to facilitate private sector business partnerships for farmers, SMEs, Agro-pastoralists and communities to drive inclusive profitable enterprise for increased income, livelihood resilience and employment.

Business Session – 5

Session Theme: Agriculture Insurance and Risk Management Especially to Facilitate Achieving SDGs (Hosted and Organised by CICA, Zurich, Switzerland)

Chair: Mr. Jean-Christophe Debar, Director, FARM (Foundation for World Agriculture and Rurality), Paris

Presenters

1. Mr. Pranav Prashad, ILO's Impact Insurance Facility
2. Mr. Siraj Hussain, Former Secretary, Department of Agriculture & Farmers' Welfare
3. Mr. Thierry Langreney, CEO of PACIFICA
4. Mr. Ernest Desrosiers, CEO, La Financiere Agricole du Quėbec, Canada
5. Ms. Mariem Dkhil, Director, Sustainable Development Finance, Credit Agricole du Maroc, Rabat, Morocco
6. Dr. Jean-Claude Bidogeza, Lead Economist, African Risk Capacity (ARC)

Mr.Pranav Prashad opined that there is an increasing trend to move away from the use of insurance as a protective tool to it being used as a productive tool which can foster credit linkage and lead to better agricultural production. In recent times, insurance companies have been becoming more customer centric and increasing penetration through the use of technology. However, insurance as a standalone product, is becoming increasingly unviable. Thus, it is important to bundle insurance along with other value added services and products like seed, credit etc. so that insurance adoption can be scaled up. There is also a greater need to focus on capacity building of all stakeholders in the agricultural sector.

He pointed out that women, whose contribution in the agricultural sector has received increasing recognition, also need to be involved and educated about the advantages of insurance-credit linkage.

Mr. Ernest Desrosiers highlighted the role and functioning of La Financiere Agricole du Quebec (a publically owned company) in the agricultural and development activities in Canada. Despite being publicly owned, it is a representative organisation with the government body having 40% representation from the farmers so that their knowledge and expertise can be utilised to benefit the sector. Recent interventions by the Canadian government in the insurance sector aims to take over the risks inherent in the sector and speed-up the penetration of insurance as a product as well lead to uniformity in its implementation.

He mentioned that the major challenges present in the insurance and risk mitigation sector in Canada are the following:

a) Technological Challenge: One of the major challenges is the challenge of simplicity. It is very difficult to explain the complex products to the farmers. To overcome this hindrance, it is important to focus on capacity building of both the farmers as well as the sellers of these products.

b) Big Data: Varied and large scale datasets are available but security and privacy issues in the use of data are rapidly increasing.

c) As far as insurance products are concerned, there is still lack of trust among the farmers. In order to address their doubts, there is a need to undertake greater confidence building measures amongst the farmers. Transparency and timely settlement of claims can go a long way in this direction.

d) The agricultural sector also faces a big threat from climate change. While it is important to adapt climate resilient agricultural practices in tropical and low lying areas, it is equally important to harness the positive impact of climate change on agricultural sector in the temperate areas.

Mr. Siraj Hussain pointed out that the Indian story of crop insurance can still be described as work in progress. Even though the government provides crop insurance premium subsidy of nearly Rs 3.88 billion, the penetration has still not reached the optimum level, with only around 35% of the gross cropped area being covered under crop insurance. He mentioned that worldwide there are three types of insurance products in agricultural sector: (a) Yield based (b) Weather based (c) Price insurance. While the first two types of insurance products are provided in India, price insurance is still not available, primarily because of the absence of a robust system of capturing prices of agricultural commodities.

He highlighted some of the challenges that the Indian crop insurance sector faces. The average landholding size is very low and technological solutions to assess crop yield loss are still not satisfactory. Also, farmers do not have the trust in insurance products. This is primarily due to three reasons: (a) Fairness of insurance companies- delay in settlement of insurance claims of farmers (b) Integrity of overall progress- technology to assess damage to crops and capture actual crop yield loss is still in the nascent stage and leaves major loopholes for all the stakeholders (c) Lack of transparency in insurance products and poor awareness amongst farmers.

Despite these constraints, there has been some progress in the penetration of crop insurance products in India, primarily since it is compulsory for the loanee farmers to buy insurance products. Thus, the real progress of crop-insurance can be measured by its penetration among the non-loanee farmers. The percentage of non-loanee farmers taking up crop-insurance has increased from 25% in 2016 to 33% in 2018. In the western states of Maharashtra, non-loanee farmers have started seeing merit in insurance which is a positive that needs to be built upon.

Ms. Mariem Dkhil highlighted the role of insurance in agricultural development in Morocco. She pointed out that the goal of her organisation Credit Agricole du Maroc has been to develop the agricultural sector using the following model: (a) aggregation of value chain (b) Compulsory insurance for those availing agricultural credit, since insurance acts as a collateral, indicating that the crop insurance became important when coupled with credit (c) Prompt settlement of claims, that created an atmosphere of trust in the insurance product (d) With this there was a change in the attitude of the farmers towards insurance resulting in a fairly successful insurance scheme.

Mr. Thierry Langreney mentioned that PACIFICA is the 10th largest bank in the world, largest insurance bank in the world and the 6th largest in agricultural insurance sector. He pointed out that, in France, crop insurance industry collects a total premium of nearly Euro 500 million.

However, certain challenges exist for the crop-insurance sector in the temperate regions: (a) Productivity and investment- Productivity has to keep increasing to meet growing demand (b) The challenge to produce better: Earlier to produce better meant produce at less cost, but today it means to produce with more respect for farmers, animals and in future, 'produce better' will include the idea of carbon neutral and carbon mitigation. He opined that the major reason for low penetration of crop-insurance is that the cost of risk is difficult to define tangibly, thereby making insurance too expensive relative to the disposable income of farmers. The role of capacity building and information dissemination is important to address this issue and the farmers may be educated that not taking insurance cover may be costlier than the cost of insurance in the long run.

Dr. Jean Claude Bidogeza highlighted the role of African Risk Capacity (ARC) as a pan African risk management agency. The agency was created because of growing number and intensity of natural disasters in recent years and traditionally used instruments to respond to these natural disasters have proved inefficient.

He informed that ARC has now expanded its network to 34 countries, with 8 countries engaging with ARC on a regular basis. However, there are two critical challenges that lie ahead: (a) Premium: The farmers as well the States find the rate of premium too high (b) Insurance should not be seen as a panacea for risk management and should be allowed to work complementarily with other instruments.

He also touched upon the two steps that must be taken to improve the overall health of the agriculture insurance sector: (a) Training farmers as well as channels through which insurance products are sold. The regulatory mechanism in this sector is slowly improving, but the transparency of insurance products needs to improve (b) Building an environment of trust which can only be created through professionalism and specialization.

Business Session – 6

Session Theme: New Sustainable Financing Sources and Digital Technology to Mitigate High Transaction Costs and other Agricultural Development Barriers(Organised by ALIDE, Lima, Peru)

Chair: Mr. Jesus Alan Elizondo, Director General, FIRA, Mexico

Presenters

1. Mr. Claude Torre, ARB Department, Agence Francaise de Development(AFD), France
2. Dr. Christoph Kessler, Director, kfw office, New Delhi

Mr. Jesus Alan Elizondo informed that FIRA is an institution managed by the Central Bank of Mexico and its capital is provided by the Ministry of Finance, Government of Mexico. FIRA supports 60% of total commercial loans lent to the agriculture sector. FIRA reaches over one million small and medium size producers. He highlighted that we need to finance sustainable projects as Agriculture is one of the contributors to adverse climate change and will be greatly affected by it. According to IPCC estimates, agricultural activities produce 23% of greenhouse gas emissions globally, making it a leading contributor to expected rising average temperatures.

He added that agriculture in the tropics is highly exposed to the effects of climate change. Mexico, for instance, is expected to experience a temperature rise of 2.5°C - 4.5° C and precipitation loss of 5% to 10% by 2050. That will result in outcomes such as decrease in yield in crop production, particularly in maize, rise in sea levels potentially affecting agricultural lands by means of saline intrusion, increase in number and severity of tropical storms and natural disasters and rise in ocean temperatures that could lead to the collapse of fish stocks.

The Chair explained that among the most relevant barriers for financial penetration in rural areas in Mexico are: (i) high number of small and medium size producers with low productivity and no geographically convenient access to financial markets (ii) lack of collateral to back up financial resources (iii) Information asymmetries: the borrower has much better information about his financial situation than the bank. e.g. high level of informality in economic activities in rural areas leading to lack of accounting records, proof of income, and/or guarantees and collaterals. (iv)The farmer has much better information about the risks associated with the production than the bank.

He explained that environmental protection and climate change mitigation are increasingly important to FIRA and developed in partnership with allied institutions.FIRA, IDB and Climate Bond Initiative (CBI) collaborated to create protected agriculture criteria specific to Mexico, making it the first CBI certified Green Bond in the world to include protected agriculture projects.

FIRA's framework includes Environmentally Sustainable Agriculture (including protected agriculture), Water Efficiency, Energy Efficiency and Renewable Energy. Protected agricultural projects has the benefits (vs. open field agriculture) in the form of up to 49% lower Greenhouse gas emissions, up to 80% water saving, higher productivity: up to 35 times more production per ha, up to 12.5% less nitrogen use and up to 48.2% lower use of energy.

The following lessons emerge with respect to sustainable project financing:

i. International organizations use different criteria to identify sustainable projects. The adoption of common standards would facilitate synergies and would be very helpful in scaling up sustainable projects and programs.
ii. International organizations often promote achieving multiple goals simultaneously (e.g. climate change, SMEs, indigenous rights, biodiversity, among others). Multiple goals increase the complexity of the sustainable financing programs.
iii. Monitoring and supervision costs are high for green projects. Digital technologies and the development of parametric approaches could greatly contribute to decreasing transaction costs.
iv. Sustainable project financing cannot be a substitute for adequate national regulatory frameworks that require better climate conservation practices.

Mr. Claude Torre presented that agriculture and land-use sector have difficulties to draw significant environmental-friendly investments. Only 10% of green bond proceeds were earmarked for low-carbon projects in the land-use sectors in 2017.

Agricultural emissions come from many sources, including soil bacteria, livestock, and farm equipment. He was of the opinion that reducing these emissions and preserving carbon sinks (agriculture is also a part of the solution) would require conventional farmers to change their practices, but there are limited incentives for them to do so since positive externalities are not incorporated into prices. Also, the existence of negative externalities are not taken into account by the market and thus policies such as regulation, taxation and remuneration of positive externalities are needed.

He further added that ICT contribution and information are key to reduce transaction cost.

Digitalization, automation, links to geo-referenced data and maps to have the landscape vision, costs/economic and financial evaluation are other important factors for mitigating agricultural development barriers. Geo referencing platform helps in preventing public financing of deforestation, identifying the legal status of the agricultural units subject to credit and monitoring the evolution of vegetation cover on land where the project is financed. The AFD approach involves identification /appraisal phase, formalization, capacity building measures, studies and infrastructure development, development of financial services and sustainable project implementation.

He stated that the International Development Finance Club (IDFC), created in 2011, is the leading group of 26 national and regional development banks from all over the world, a majority of which are active in emerging markets. IDFC is the largest provider of public development and climate finance globally, with USD 4 trillion in combined assets and annual commitments above USD 600 billion, including USD 150 billion per year for climate finance. IDFC members have the unique function of supporting domestic policies while transferring international priorities into their own constituencies. IDFC members are aligned with and work together to implement the Sustainable Development Goals (SDGs) and the Paris Climate Agreement agendas. Through IDFC, and in close partnership with other development bank networks, members join forces as a platform to promote and leverage sustainable development investment worldwide.

Dr. Christoph Kessler commented thatUmbrella Programme in Natural Resource Management (UPNRM) brought a paradigm shift from grant to loan programmes in the NRM sector in India. It started in 2007-08 in partnership with NABARD with the aim to demonstrate viability of loan financing for financially viable and ecologically sustainable business models to manage natural resources and increase farm incomes.

He elaborated on the the five guiding principles of UPNRM viz. pro-poor, environmentally sustainable, good governance, community participation and need-based approach. It was highlighted that the success was based on the following:

- A flexible financial product which determines project specific terms depending on the project scope
- Supplementary grant funds for capacity building and resource conservation
- Mainstreaming in banks when projects have been tied up with NGOs for handholding and by leveraging corporate social responsibility (CSR) funds.
- Creation of a Risk Mitigation Fund or Credit Guarantee Fund
- Channel partners having sufficient own banking/ micro-finance experience or being teamed up with partner finance institutions

He further mentioned that agriculture financing is mired with multiple challenges such as high level of subsidies creating market distortions, political risk/loan waivers, preponderance of small and marginal holdings and the resultant need for aggregators/community based approaches/FPOs, intensive handholding required for project appraisal and monitoring, risk management in agricultural projects and collateral-based lending versus innovative projects.

Closing Session

Theme: Synthesis of 2 days' Proceedings and 'Way Forward'

During the closing session, the proceedings of the 2 days' programme were summarised by Mr. Jean-Marie Sander, Chairman, CICA. He highlighted that the 6th World Congress held discussions on various themes which are not only ambitious but carry immense importance for the future of the agricultural sectors of the world. Most of the SDGs such as achieving No poverty, Zero Hunger, Gender Equality, Good Health and Well-Being and Responsible Production and Consumption formed the focal points of the discussion.

With increasing world population and widespread malnutrition prevalent among citizens of the world, a healthy world population in the coming years will not only need higher quantity of food but also of better quality. Our food production system must respond to rapid growth of population and climatic changes. Sustainable production of fisheries requires special attention. Resilience is a very important factor in guaranteeing sustainable agriculture and forestry.

He expressed his happiness in knowing about the highly ambitious programs in India. He went on to mention, in particular, the SHG movement, Aadhar card for each inhabitant and the JAM trinity with the vision to bank the unbanked, to secure the unsecured, to fund the unfunded and to serve the underserved.

He reiterated that the three conditions put forward by Dr. Bernard Lehmann are extremely pertinent. Firstly, there is need to stabilize the progression of demand increase to nearly 30% till 2050 (instead of +60%). This can be achieved by moderation in meat consumption in the developed countries and reduction of food wastage, less concentrated feed for milk and meat and more focus on fisheries.

Secondly, there is need to improve productivity and reduce wastage in developing countries. Thirdly, he highlighted the need to improve biodiversity, sustainability, climate change mitigation & adaptation. He added that in order to feed the planet and realise a stable future, science, research & innovations hold key. Significant amount of effort is also needed to promote and popularize the research.

There is a need to devise a mechanism to respond better to risks. Insurance is the primary tool being used for risk management. However, sole reliance on insurance may not yield desired results if we do not control the entire ecosystem of agriculturalists. In order to increase the penetration of insurance we need to involve all the players in the supply chain as tools for risk management and insurance product delivery channel. The way forward is to link insurance with credit.

He highlighted that as voiced by Dr. Ashok Gulati, Prof Ramesh Chand and Mr. Calvin Miller, countries like India still focused on production of traditional cereals. Small farmers pay little attention to marketing. Development of agriculture value chains will contribute to improving growth and reducing poverty in these countries.

He put forward the question, how do we enhance and make value chain more efficient in Asia and Africa? He remarked that in order to achieve this, all different actors in the value chain are vital and mandatorily need to get organized to exercise their rights. There is also a need to focus on improving the quality of products. He mentioned that, as highlighted by Dr. Suresh Pal, India has achieved success in establishing the value chains for milk but has been unable to replicate the same for other commodities.

He highlighted that in Business Session 4, organized by AFRACA, the house learnt several innovative examples from Africa. For example, Mr. George Kuria spoke about the Agriculture Insurance as a risk

mitigation tool in the agriculture value chain finance. He added that it was informative to hear Mr. Thomas Essel talk about the case of Ghana - Incentive-Based Risk-Sharing System for Agricultural Lending (GIRSAL) Project. The role of GIRSAL is to help accelerate financing and interconnectedness of the agriculture sector to ensure that it is functioning at optimal levels across its key components.

He further added that on both the days of the event, there was a focus on resilience and risk mitigation as a vital component of agriculture. Agriculture has always been risky and farmers had to rise up to challenges. However, in the past few years, new issues such as globalization, larger fluctuation in prices, trade frictions and climate tension have become central. Further, there have been rising cases of natural calamities. CICA has been working on it for more than two years and published a white paper on agricultural insurance.

Farmers need large and wide array of tools to ensure stable future for their farms. Resilience of farms is the first response but zero risk doesn't exist. Insurance penetrations needs to be expanded. As far as governments are concerned, they have a duty to provide higher grants and insurance. Another requirement is to consider both insurance and non-insurance costs and aim to achieve a balance between the two. Of course, ambitious insurance schemes have been introduced by respective governments in countries like China, India, Canada and Morocco, but a lot more needs to be done to achieve an 'insured' agricultural sector. He concluded by thanking the organizers and audience on behalf of CICA.

This was followed by New Delhi Declaration jointly read by Mr. Senarath Bandara, Chairman, APRACA & Dr. Harsh Kumar Bhanwala, Chairman, NABARD. The text of the same is enclosed (Annexure).

'Way Forward' by Shri Mahesh Kumar Jain, Deputy Governor, RBI

While thanking APRACA and NABARD for inviting him to deliver the Valedictory Address for the 6th World Congress, Shri Jain congratulated the organizers for choosing such a relevant theme for the conference. The speaker highlighted that all the topics resonate strongly with the government's agenda of financial inclusion so as to ensure finance becomes an enabler for all sections of the economy and help us achieve the Sustainable Development Goals.

He said that RBI's Financial Inclusion effort can be traced back to 1960s when the focus was on channelizing credit to the neglected sectors of the economy and weaker sections of the population. While the Government of India nationalized banking operations of few Commercial Banks in two tranches in 1969 and 1980, RBI also took initiatives such as laying down priority sector lending norms, Lead Bank Scheme (LBS), establishment of Regional Rural Banks, Service Area Approach, Self Help Group- Bank Linkage Programme and of late opening of Small Finance Banks and Payment Banks all aimed at making available benefits of banking services to all. All these developments brought along a sea-change in the flow of institutional credit to the rural population including population dependent on agriculture. Gradually, the country moved towards a multi- agency approach to meet the credit needs of rural areas including farmers.

The sustainable development framework adopted by the global community consists of 17 goals and 169 targets to be achieved by 2030. While, SDG 2 includes targets on agricultural productivity and sustainability yet agriculture is also critical to achieve several other SDGs relating to hunger, malnutrition, climate change, gender equality, natural resources protection and jobs. Hence, policy measures related to agriculture needs to be closely integrated with the SDGs. Further, the policy should focus on a combination of resource-efficient methods, dynamic cropping patterns, farming that is adaptive and responsive to climate change as well as intensive use of information and communication technology. In this backdrop, the present state of agriculture and institutions involved in credit delivery in agriculture in India need to be reinterpreted.

Agriculture and allied sector even today plays a significant role and provides livelihood to about 46% of the working population. However, contribution of agriculture to GDP is declining. Economic Survey 2018-19, released by Ministry of Finance, Govt. of India suggests that growth rate in GVA (2011-12 prices) over the past 5-6 years has been higher in livestock, fisheries than in crops. Allied activities contribute approximately 40% to agricultural output, whereas only 6-7% of the agricultural credit flows towards allied activities. Another characteristic of Indian agriculture is that it is dominated by small holders with an average landholding size of 1.08 hectares. The small and marginal farmers account for nearly 86% of the total agricultural holdings and 47% of the operated area. They contribute more than 50% of the total agriculture and allied output. In small holder farming, it remains a challenge to raise agriculture productivity and farmer's income. It requires an appropriate solution starting with easy access to modern inputs and then selling the produce in most remunerative markets. Institutional credit at reasonable cost all along the value chain is one such catalyst that can facilitate this by converting many subsistence farmers into vibrant commercial farmers. They can then diversify the agriculture operations in growing high value crops including fruits and vegetables and engage in allied activities such as dairy, poultry, fishery, beekeeping etc. Allied sector has huge potential that needs to be capitalised by improving credit flow towards it and by encouraging farmers to move towards these activities. Thus, we need to focus our efforts on the allied sectors in order to meet our target of doubling farmers' income by 2022.

The Government has also taken several important initiatives to drive forward the agenda of welfare of the farming community. Some of these schemes like Interest Subvention Scheme, Soil Health Cards, PM Krishi Sinchayee Yojana, Pradhan Mantri Fasal Bima Yojana and e-NAM have already started bearing fruit and leading to significant improvement in farmers' welfare. The Indian agriculture sector has not only become self-sufficient but also a net exporter of several agriculture commodities such as rice, marine products etc.

While the progress that has been made is significant, there are also certain challenges faced by the agriculture sector today viz: Diminishing and degrading natural resources, rapidly growing demand for food, stagnating farm incomes, fragmented landholdings and unprecedented climate change. All these need to be tackled for long term sustainability and viability of Indian agriculture.

Banks in India have made significant progress in terms of both scale and outreach. From the outstanding advances of Rs 31.71 billion (in 1981) to agriculture and allied activities, it has grown significantly to 13.69 trillion in the year 2017-18 that constitutes 16% of the total bank credit. Agricultural credit as a percentage of agriculture GDP has also increased from 10% in 1970 to 52% by 2018 which shows that banks have made significant progress in lending to agriculture. In India, scheduled commercial banks are the major players in supplying credit to agriculture sector followed by rural Co-operative Banks, Regional Rural Banks and Microfinance Institutions. Small Finance Banks have started their operations recently with the objective of deepening financial inclusion. They would be catering to small and marginal farmers, low income households, small businesses and other unorganised entities.

The challenges that are present in agriculture financing are as under:

- Despite impressive growth in formal agricultural credit, data on average loan taken by household as per NABARD All India Rural Financial Inclusion Survey (NAFIS) 2016-17 indicated that 72 % of the credit requirement was met by the institutional sources and 28% from non-institutional sources.
- Further, the report states that out of the total agriculture households, about 30% of them still avail credit from non-institutional sources.
- The problem of financial inclusion gets aggravated due to lack of legal framework for landless cultivators as the absence of documentary evidence becomes a major hindrance for extending credit to this segment of the farming community.
- Further the analysis of the state wise flow of institutional agriculture credit has revealed uneven distribution of credit amongst states compared to their corresponding share in overall output. To a certain extent, such regional disparity is on account of variation in credit absorption capacity of these regions.

He suggested that NABARD should think of measures through which funds like Rural Infrastructure Development Fund (RIDF) can be earmarked to the most backward credit starved regions of the country to ensure faster development. We may also have to think of ways to incentivise banks to lend in these backward areas so that both the demand and supply side issues are addressed. These issues and challenges impinge on the efficiency, inclusiveness and sustainability of the agriculture credit system which is a matter of concern. Considering this, RBI had set up an Internal Working Group (IWG) in February 2019 to understand the issues and recommend workable solutions to address constraints. The IWG based on detailed data analysis and research had held extensive deliberations and consultations with experts and practitioners in the field and submitted its report in September 2019.

The recommendations of the IWG include:
1) Building up of an enabling ecosystem through digitization of land records.
2) Reforming of land leasing framework.
3) Creation of a national level agency to build consensus between the state governments and the Central government with regards to agriculture related policy reform.
4) Innovative digital solutions to bridge the gap between the banks and farmers for expediting the credit delivery process.
5) Suitable modification in the PSL guidelines applicable to all banks and strengthening of credit delivery channels through Kisan Credit Cards, SHG-BLP, FPOs in a manner so as to make these more effective and efficient in ensuring credit flow to the credit starved regions of the country.

RBI will be taking steps for implementing regulatory recommendations as these would go a long way in ensuring long term sustainability and viability of Indian agriculture sector.

Technology has powered Indian agriculture time and again to help overcome productivity stagnation, strengthen market linkage and enhance farm management. Globally, it has been established that technology adoption modernises farmers production practices and leads to uniform annual returns for farmers and reduce risk of crop failure and increase yields. Hence, at the macro-level, agriculture development policies should focus on leveraging technology with the goals of achieving high growth by raising productivity, inclusiveness coverage of lagging regions, small and marginal farmers, landless, tenants, oral lessee and women farmers and sustainability of agriculture. New age technological solutions in the form of products, services and applications by agri startups can build up a smart agri value chain that will enhance the sustainability of agriculture. Agri-start-ups could focus on some key areas such as supply chain, infrastructure development, finance related solutions, farm data analytics and information platforms.

Shri Jain was of the opinion that agri-startups can succeed and scale up only in a conducive ecosystem which is possible if agribusiness industry comes forward and deepened its engagement with agri-startups. In the past, Indian agriculture faced a formidable challenge to produce more food. Today, we are food surplus country and net exporter of many agriculture commodities. This requires government policies related to agriculture be shifted from managing food scarcity to managing food surplus. Today, Indian agriculture faces an even more demanding challenge to grow agri produce sustainably and responsibly. This can be achieved when all the stakeholders bind their policy and action towards the SDGs. As far as financing of agriculture is concerned, going forward banks will have to integrate sustainability into their business models and decision making process in order to support environmentally responsible projects in the agriculture sector. For this, banks will have to undertake innovative agriculture finance models to achieve inclusive and sustainable development.

The programme ended with **vote of thanks** proposed by **Mr. Edgardo Alvarez**, Secretary General, ALIDE and it was announced that the next meeting would be held in **Mexico** three years from now.

New Delhi Declaration

We, the delegates gathered at the Sixth World Congress on Rural and Agricultural Finance held on 12-13 November 2019 at the Taj Palace Hotel, New Delhi, India affirm the significant contribution of financial institutions to the agricultural and rural economies in achieving the inclusive and sustainable development;

We recognize the importance of the Sustainable Development Goals (SDGs) espoused by the United Nations and we are committed to support activities that would contribute to promote investments in agriculture which is crucial to enhance the capacity for agricultural productivity and sustainable food production systems which eventually are necessary to help alleviate the perils of hunger by 2030;

Likewise, we are cognizant of the fact that the rural and agricultural financial institutions in local economies will continue to play an important role in scaling-up private sector finance to low-carbon, climate-resilient investments in line with countries' Nationally Determined Contributions (NDCs) under the Paris Agreement.

We are mindful that majority of the poor live in rural areas and we accept the challenge of employing agricultural and rural finance as a strategic tool to enhance the resilience and sustainability of farming systems to address this challenge;

We affirm the need to make agriculture and rural finance flexible in order to respond effectively to emerging global developments of ensuring food security, empowerment at the grassroots levels, dealing with present day climate and environmental realities, and rapid technological advances.

We encourage the necessity of increased private-public partnership so that they can collectively make significant impact on alleviating the plight of the vulnerable groups, especially the poor which are mostly in the rural areas;

We also feel the need of promoting off-farm sector activities in rural areas through suitable financial interventions as well as market support with a view to supplement the farm income of rural poor so that the SDGs aimed at endingthe poverty in all forms and dimensions by 2030 is expedited.

We have realized that institutional financing to informal groups like Self Help Groups (SHGs) and Joint Liability Groups (JLGs) have not only helped millions of rural women getting socially and financially empowered but have also supported the majority of them to come out of the poverty. Similarly, the collectivization of farmers in the form of Farmer Producer Groups/ Companies have great potential in increasing the farmers' income if they are integrated to a sustainable value chain model and are provided credit support by agricultural and rural financial institutions.

It is also realized that a sizeable number of farmers derive their livelihood from rainfed farming and they also lack opportunity to pursue other allied activities due to many other constraints. There is a need to develop a suitable and exclusive hybrid financial product aimed at fulfilling the production cum consumption credit needs of farmers practicing rain-fed and dry-land farming;

As clearly expressed during the exchange of experiences during this Congress, the business leaders across the globe supported the policies and strategies based on positive values, promoting compassion, transparency, honesty and self-reliance, among others, which is so clearly exemplified by the slogan of 'Make in India' by the Government of India;

We also recognize the critical roles of agricultural and rural banks as pillars of rural finance and development, and are the appropriate instruments to address inclusive economic growth to provide sustainable employment and promote equality;

Furthermore, we also affirm the strategic partnership between agricultural and rural financial institutions with other microfinance institutions (NGOs and Cooperatives) in bringing the much-needed financial resources to the last mile recipients;

In light of the statements made, we propose that the current efforts in the following concerns be strengthened:

1. Fostering of linkages, partnerships and constant communication among agricultural and rural credit delivery institutions, government and non-government organizations and international development agencies;

2. Adoption of the strategic policies and programme that will enhance the resilience of the agriculture sector to meet the current climatic aberrations, increasing demands for food security and sufficiency in light of the dwindling natural resources and competing demands for non-food uses;

3. Engage with the farm and non-farm enterprises to align the lending and other financial services which may have significant positive environmental and social impacts;

4. Developing sustainable value chains of various commodities and activities in farm and non-farm sectors and arranging institutional finance for supporting the entire value chain;

5. Collectivization of potential entrepreneurs in form of off-farm clusters and Farmer Producer Organizations/Companies (FPOs/FPCs) to take advantage of economy of scale through better backward and forward linkages;

6. Developing a suitable and exclusive hybrid financial product aimed at fulfilling the production cum consumption credit needs of farmers practicing rainfed and dryland farming;

7. Harnessing of advanced technologies such as space and digital technologies to improve agricultural and rural finance delivery systems;

8. Acknowledge the importance of risk management practices in agriculture sector and support the innovations in mitigating these risks and adopt insurance and other credit enhancement instruments;

9. Expansion and improvement of capability building and training activities to allow the rural communities to overcome their vulnerability in the face of natural and man-made crisis;

10. Review and formulation of appropriate legal and regulatory framework that would enhance public-private partnerships to strengthen the flow of financial resources and services to the agricultural and rural economies;

11. Enhance effective use of technical assistance and grants focused on building capacities of the rural population and

12. Acknowledge the necessity for a continuous dialogue and collaboration among agricultural and rural finance institutions in the world and among the agricultural credit associations to accelerate the development of agricultural and rural economies.

Mr. Edgardo Alvarez, Secretary General, ALIDE; Dr. Harsh Kumar Bhanwala, Chairman, NABARD, Mr M K Jain, Deputy Governor, RBI; Mr Senarath Bandara, Chairman, APRACA, and Mr. Jean-Marie Sander, Chairman, CICA unveiling the New Delhi Declaration for Rural and Agricultural Development

Glimpses of the Event

Panelists of the Plenary Session

Dr Harsh Kumar Bhanwala, Chairman, NABARD interacting with media

6th World Congress sessions were translated into French, Spanish and Chinese

Dr Harsh Kumar Bhanwala, Chairman, NABARD welcoming Shri M K Jain, Deputy Governor, Reserve Bank of India

Informal discussions at the 6th World Congress

Informal discussions at the 6th World Congress

Participants at the 6th World Congress


Participants at the 6th World Congress


Participants at the 6th World Congress with Chairman, NABARD

Team MCID at 6th World Congress –Smt D Sumana, AGM-MCID, Smt Deepmala Ghosh, DGM-BIRD, Smt Prafulla T Kurien, DGM-MCID, Smt Rajashree K Baruah, CGM-MCID and Ms Bhawna Jain, Mgr – MCID


Shri S Dwivedi, CGM-CPD, Shri K V Rao, MD – NABCONS, Shri Jiji Mammen, CGM-DoR and Dr Milind Bhirud, DGM-MCID at Publications display desk by BIRD, Lucknow represented by Smt Deepmala Ghosh, Deputy General Manager


Team DEAR headed by Shri N P Mohapatra, CGM; Shri Gyanendra Mani, GM; Dr Ashutosh Kumar, DGM; Ms Shivangi Shubham, AM & Saad Bin Afroz, AM

Senior officers from New Delhi Regional Office – Shri Bhaskar Pant, DGM, New Delhi Regional Office; Shri Vivek Krishna Sinha, GM-OIC, New Delhi Regional Office and Shri Navin Dhingra, GM & Senior Vice President, NABCONS, New Delhi

Team CCD HO - Shri Bijayshree Parida, Manager, Shri Ayush Sheopuri, Deputy General Manager and Shri P B Mento, Manager

Ms. Samriddhi-MC for the World Congress

Participants at the 6th World Congress – Smt Sonali Sengupta, CGM-FIDD, RBI with faculty from CAB, Pune

Team MCID and New Delhi RO at 6th World Congress

Mr Rodolfo Petines Estigoy, Board of Director, Kabalikat Para sa Maunlad na Buhay Inc, Philippines with Shri P C Suresh Babu, AGM-MCID, HO and Shri Ayush Sheopuri, DGM-CCD, HO

Shri V K Pahwa, AGM, New Delhi RO; Smt D Sumana, AGM, MCID-HO and Mr Kittisak Mommoh, Programme-Coordinator, APRACA

Smt Prafulla T Kurien, DGM-MCID, HO; Shri Puneet Kumar, DDM-Agra and Shri A K Kapoor, DGM, Uttar Pradesh Regional Office addressing the delegates alongside Agra DCCB officials

Demonstration of Mobile Banking Van by Agra DCCB

Team APRACA

Field Visit to Taj Mahal

NABARD's Welcome Dinner at Shangri La Hotel, New Delhi

Mosaic of the Magical Cultural Night at the 6th World Congress

Mosaic of the Magical Cultural Night at the 6th World Congress

Acknowledgements

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Team CCD
Team Delhi RO
Team Uttar Pradesh RO

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Organizing committee, speakers and NABARD officials at the 6th World Congress on Rural and Agricultural Development

NABARD

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