



### **Chairman's Statement**

by Dr. Kenneth M. Baker, Chairman, World Agricultural Forum

The delegates to the 2017 WAF Conference were asked to debate a heady mix of agricultural trade, food security and new technologies. The attendees including government ministers and officials, corporate executives, senior bankers, heads of international institutions, academics and students were asked to describe the challenges to agriculture in each of the three arenas. Food is the essential component of survival and not surprisingly, there were almost as many solutions as there were speakers on this most pressing of issues, which was how to ensure there was sufficient food with equal access for all. All were fascinated by the place held by agriculture in a world where certainty and direction are increasingly blurred and is far more complex and political than most other areas of global production and commerce.

Several speakers emphasised that agriculture and food production are essentially region-specific, meaning that it is not possible to cultivate and supply everything everywhere. The reasons are due to natural differences in climate, rainfall, temperature and geography. In turn production and politics often take centre-stage.

Those who spoke on trade, including Michael O'Sullivan, CIO of Credit Suisse, and Vangelis Vitalis, New Zealand Deputy Trade Minister, emphasised that there is a clear stagnation in globalisation and a disturbing concurrent trend towards greater protectionism. Several others spoke of a trend towards a multi-polar world in which politics takes the most expedient course including the levelling of non-tariff trade barriers and other political acts such as export bans. It was stated that the real challenge to the establishment of trade deals comes from developing countries and in reality, in spite of the current polemic, those from the major players are decreasing. A plea was made for adherence to a 'rules-based' system, such as that within the World Trade Organization (WTO). Many speakers recognised that the WTO needed reinforcing. It was pointed out that there was an almost total absence of private corporations and traders in influencing WTO negotiations, particularly where agriculture is concerned. Other speakers, in a disappointing sign, expressed concerns about putting faith in international negotiations in the current political climate. Finally, a plea was made for the encouragement of trade in agriculture products as it was by this means that in many places, social protection and especially nutrition was secured.

Moving to food security and imperatives for securing the food production base, speakers focussed on the need to develop, fund and safeguard agriculture projects and investments. The panel speakers came up with many proposals and solutions including the applications of new technology such as satellite data, in the insurance industry and the funding of major projects in Asia and particularly China rather than niche-based adventures which are far less stable. Bruce Blakeman, Vice President, Corporate Affairs Asia Pacific of Cargill, emphasised the theory of David Ricardo that crops should only be grown where it makes sense to do so and conversely, it make no sense to try and be self-sufficient in food as is being promoted in many Asian countries. The biggest potential threat was seen to be climate variations. Others emphasised that providing land rights for small holders, which is not the case in many economies, has an excessively positive effect. Data show that small farmers, when given land rights, can be at least 30% more productive.



The important role of developments in technology in securing food security and sustainable farming was highlighted by speakers and panellist from a wide section of agricultural interests. However, the striking overall conclusion was that technology in agriculture was a bit like ‘horses for courses’, i.e., that not all applications are valid everywhere. And Bernd Naaf, Head of Business Affairs & Communications, and Member of the Executive Committee of the Crop Science division, Bayer, in providing a scene-setter emphasised the fact that in many world areas, agriculture and its applications were an integral part of the social fabric of society and needed to be recognised as sustaining such societies. This theme continued throughout the session with panellists concluding that where technology and agriculture are concerned, there must be open dialogue on benefits and risks, open markets and free trade for the reasons outlined in the trade session above, a robust legal and property protection system for all parties, thought given to new business models along the value chain. The global mega-trends affecting agriculture were stated to be: a growing and ageing population; urbanisation; increasing energy demand and climate protection; and the continuing development of global markets. Michael Dean, Co-Founder of AgFunder, interpreted these trends and stated that in investment terms, the most attractive technology-based opportunities were those with network effects and having proprietary data, and those which opened new channels to the end customer. From a strategic perspective, they should be capital efficient, a pain-killer not a vitamin, and eminently adoptable. If technology cannot reach the farmer or the customer, large or small, it is likely to fail. Later, in a further intervention demonstrating the wide spectrum of new technologies being implemented including variations on old practices, Vijay Kumar, Former Special Chief Secretary to Government & Advisor to the Government of Andhra Pradesh, spoke of the widespread encouragement of ‘natural’ farming in that State. This development responds to local social conditions, uses a combination of old and new techniques and raises productivity without disrupting societies. It was emphatically described as *not* being a version of organic farming and avoided the plethora of rules and regulations which often covers such farming conventions.

In the final session of the conference, delegates heard many and varied ideas and recommendations for improving agriculture productivity through good governance and partnerships. These varied from the US Soybean Export Council (USSEC) which is a very large partnership of essentially family farms mutually focussed on improving sustainable production, to varied projects in Singapore described by Kenny Eng, President of Singapore’s Kranji Countryside Association, which were focussed on Singapore farmers ‘doing what was feasible’ in providing small measure of self-sufficiency in fresh food products, primarily those with short shelf lives. Several speakers endorsed the concept of ‘more from less’ which drove the institutional behaviour and philosophies, however the over-riding recommendation was that by connecting producers with populations, especially through youth partnership schemes.

Delegates left the conference feeling that they had been exposed to many new insights, that agriculture was perhaps the most multi-faceted and socially important of all vital human activities and there was still much to do, especially in promoting and facilitating exchange and trade in agriculture technology, knowledge and food products.