

The G20 and the Role of Public Development Banks in promoting Resilient Agri-food Systems

Abstract

The G-20 member states work in coordination with national or international banks to implement the best policies and maximize distribution of resources. The member states are namely; Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, UK, USA and the EU.

Public Development banks play a crucial role in implementing the agri-systems in a nation. For all its policies to fan out, the funds and the executive powers of the government are together required to bring out the maximum benefits for the farmers and create a sustainable food system.

In this paper, we will see various situations where help is required to create a healthy food supply and ensure food security. Together with this, climate change is also a burning issue that we must keep in mind. Everyone has the right to life and ensuring adequate food portions should be the goal of the banks. The challenges are multiple; migration, climate change, war, disruption in food supply and others.

A number of global and national events has led to the economy spiral into a mess. Highest inflation rates ever recorded in the last 40 years and disruption in supply chain even basic commodities are doing rounds. The Russia- Ukrainian war had propelled a food security and energy crisis. The UK, considered to be a stable place for the economy, faced dangerously low supply of oil.

Public Development Banks or PDBs are national undertakings that hold a massive potential in fuelling public agricultural growth and reforms. There is a well-coordinated relation among the PDBs of the G20 members through the 'G20's Development Working Group' established in the 2010 Toronto Summit. Direct low-interest loans given out to the vulnerable farmers and women are helping establish sustainable agricultural systems and production. Non-farmers, who have no resources at disposal are also being helped by Self-help and local level schemes and help from Public Banks. NABARD or the National Agricultural and Rural Development Bank is one of the notable schemes that is micro-financing agriculture for the most rural poor.

The Matera Declaration signed jointly by the G20 members acknowledges that there is a widening gap between the extremely vulnerable and their accessibility to food grains. They even admit it has been

alleviated by the sudden Covid-19 outbreak which stalled supply chains. Approximately 840 million people are going to be affected by world hunger. This estimated number is completely contradictory to the United Nations Sustainable Development Goals 2030 (SDGs).

The Declaration has affirmed it would keep fair and ethical business and trade policies in tune with the World Trade Organisation (WTO) rules while dealing with the supply of food grains.

Ensuring a resilient agri-food system system

The Public Development Banks have huge resources and budgets to enable resilient food systems in the light of the Covid-19 impact and other global challenges.

Their current annual investment of US\$ 1.44 trillion and an effective database is enough to meet the 2030 SDG goals. However, the PDBs have a fair share of challenges. They are unable to keep up with the rapidly changing agricultural patterns and its appropriate requirements of assistance to the farmers. The highly volatile international market and rates of goods is making it unpredictable for the exporters to earn their income goals. Monopoly by certain big corporations and brands are affecting the local and rural agricultural practices in the developing agricultural-based economies. The PDBs are not able to secure the farmers from the exploitation by the big multinational food chain brands.

India's G20 presidency and food security

Global and regional food security have been deliberated upon as one of the priority agendas of the G20 for many years now. The situation has worsened with growing conflicts, and spiralling climate crises marked by droughts, floods, cyclones, and economic downturns in the past few years.

In this context, India's presidency of the G20 offers a



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agri-markets and prices and agri-research and extension. The 1991-2015 period saw the diversification of agriculture with greater focus being given to the horticulture, dairy, animal husbandry, and fisheries sectors. The continued learning encompassed elements of nutritional health, food safety, sustainability, etc.

In the past three years, while responding to the pandemic, India

through the pioneering UN Food Systems Summit, held by the G20 leadership, for global food systems transformation to achieve the Sustainable Development Goals by 2030. The summit created a mechanism focused on five identified action tracks: Ensure access to safe and nutritious food for all; shift to sustainable consumption patterns; boost nature-positive production; advance equitable livelihoods, and

Steps PDBs can inculcate:

1. Crop-Specific Assistance to farmers- Owing to a drastically changing environment due to climate change, specific food crop production is at risk. Not every agricultural product has the same requirements and challenges. For instance, local coffee bean farmers from Chikmagalur have faced extreme losses. Coffee bean production is labor-intensive and there has been shortages of labor due to uncertainty in the yield. Even though the demand for coffee has only increased, little help has been provided to the coffee farmers, a very vulnerable group. Chikmagalur attracts a huge number of tourists every year as there has been investments being made in the tourism industry but not in the agricultural industry. The farmers are not demanding monetary help, rather supply of affordable laborers. Coffee bean is a very sensitive crop that requires utmost care and optimal weather conditions.

The PDBs can provide help according to the requirements of the farmers as they demand and need. Generic and basic assistance helps to a certain extent but not entirely. The huge resource and research facility of the PDBs can be effectively utilized to help the small farmers.

Similarly, traditional *muga* silk saree weavers from the rural areas of Assam are at a grave risk of losing their occupation. *Muga* silk sarees are woven from silk worms. Approximately, 4500-5500 cocoons are required to make one silk saree. It takes weeks of patience and hard work to harvest the silk worms in favorable conditions. Even though *muga* silk sarees are highly priced in the markets, the sericulture farmers have not been able to make adequate profits to meet their daily requirements. It takes an entire village to be involved in making these sarees; so they do not have any other reliable source of income and employability. Cultural and ethnic products are at a risk of vanishing as the small weavers are losing out to big manufacturing companies.

Hence, assistance in accordance with the crop that is cultivated is required by the PDBs. There are thousands of such indigenous crops that require very particular assistance and care.

2. As declared in the Matera Declaration, giving financial help to the rural women should be made more accessible. It has been shown in the studies that women farmers are better borrowers and repayers of loans. Additionally, women farmers are more adept to cultivation that causes the least amount of environmental damage. Apart from women, financial help should also be given out more readily to the rural and tribal groups as their traditional methods of farming will be more sustainable. Having said that, women labor force is still unrecognized and unregistered thus creating a gap in the labor data. Women and rural groups should be registered in national and global data reports to assess their functioning more accurately. Only

with the help of viable national records can the PDBs and the Centre implement laws for women and ethnic population.

3. Antonio Guterres, UN Secretary-General said at the recent COP27 Summit in Egypt that all nations and organizations should develop a zero-tolerance policy towards 'greenwashing'. Greenwashing refers to companies creating false impressions about their products and making the consumers into believing that it has been sustainably produced. Antonio further argues that big companies use favorable yet false marketing to attract sales. This comes with a huge environmental cost. Big brands and chains should be made responsible for their sustainability claims. Coffee giant, Starbucks used to get clean coffee production certificates from a third party organization but after gaining enough capital, Starbucks withdrew their association from this organization and started giving self-attested clean certificates to its coffee beans. This not only gives big corporations a false sense of authority but it also tampers with consumer rights.
4. As the G20 members agree to be transparent in the funding of the Public banks, we must remember that governments change with time and so do their aims at the funding and the functioning of the Public Banks. This affects the smooth functioning of the Banks. Public banks, even though they are national initiatives should be able to exercise a certain degree of autonomy.

Brazil, under its new Left President Luis Inciao Lula Da Silva has agreed to work with India to chart out a new form of "South-South" cooperation. It is necessary as many developing southern countries are trying to break away from the "Western-centric" world politics.

S. Jaishankar, India's Foreign minister has called out the 'biased' Western views and perspectives. He argued that Western media has portrayed India as a 'fascist' state without understanding the full viewpoints.

"My point is there are biases, there are efforts really, to determine,... Look, the more India goes its way and the people who believe that they were the custodians and the shapers of India lose ground in India the more actually, some of these debaters gonna come outside," **Mr. Jaishankar said** responding to a question on the increase in anti-Indian forces in this country.

We must keep in mind that the G20 consists of countries that are developed as well as developing. Hence, the shared global perceptions must be uniform and not be dictated only by the 'Western' media. This creates a disruption in the shared values under the Matera Declaration and causes distrust among its member states.

It is alleged that many insurance companies follow corrupt practices. The rates they levy out are not suitable to most poor farmers of India. Hence, they either discontinue from the schemes or they do not get to know the full benefit of the governmental schemes.

Also, owing to the membership of both developed and developing countries, the agro-technologies are not mutually shared. Technology is crucial if we plan to recreate sustainable agro-systems. This is unlike in the ASEAN, where the South-east Asian states share trade and economic relations. Trading of technology will open up new innovations and trade between the nation states. International Trade fairs and Expos can help in building these ties.

5. In the recent light of migration and refugee crisis, there has been a call by author Matthias Lucke to the G20 leaders to help the low-income countries in combating with load by the incoming refugees. He made a policy brief on the working of the T20 Task Force on Forced Migration. This is to ensure the host countries have enough resources and food material to support the basic food necessities of the refugees.

The author has urged the developed G20 nations to chip in support to the low-income host countries to create a balanced and well-distributed food supply system.

Even the 1951 Geneva Convention has called for international cooperation to help the host countries but there is no procedure for the distribution. Hence, it is of utmost importance to chart out a comprehensive plan to help the low income countries like Greece and Italy to help them food supply-wise.

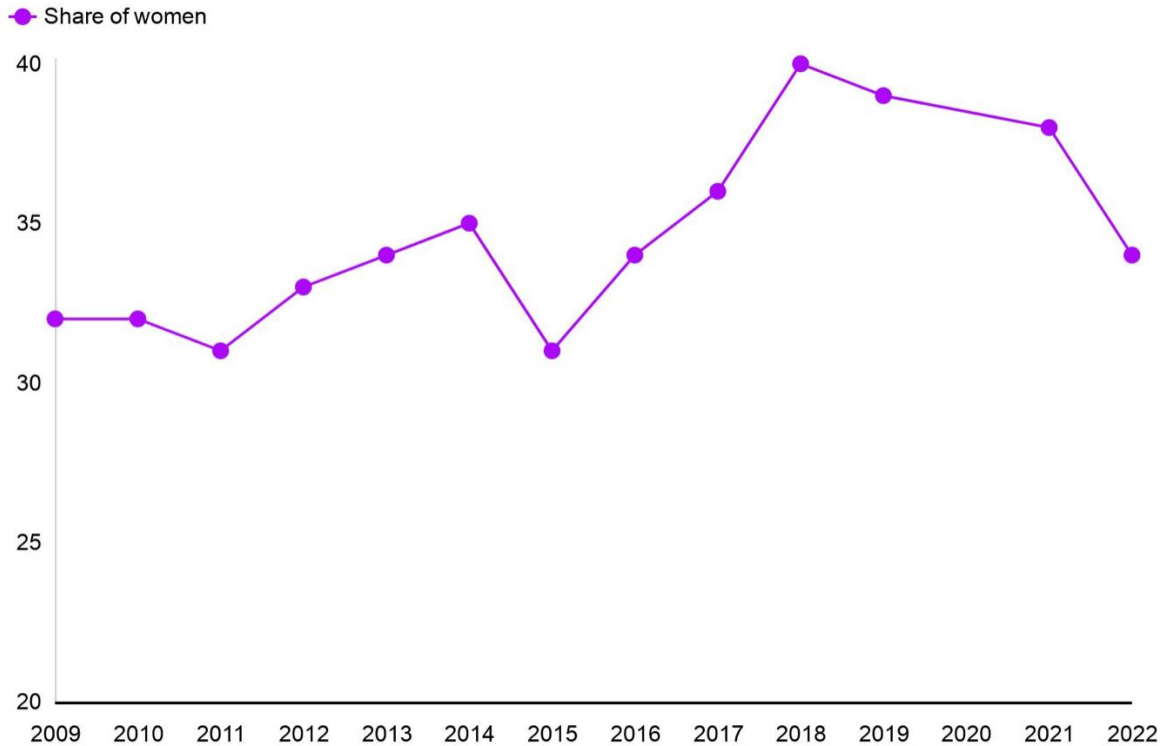
6. When the Covid-19 broke out and food supply export and supply was temporarily halted, it created a food security crisis in the small developing states, who primarily depend on imports for their food supply. The G20 along with the help of the Public Development Banks must create multiple and diversified supply channels.

Even the Russia-Ukrainian war has disrupted food supplies and has led to apprehension of a global food shortage. Every nation, whether G20 member or not, should agree on non-political food supply trade agreements to ensure the Right to Life is not violated in any way. The terms

should clearly reflect the non-termination of the trade agreements in any political crisis or situation.

7. Many countries like India have started a national scheme for water security under the Jal Jeevan Mission Har-Ghar Jal. Water is not just for drinking purposes but most importantly, irrigation. Deteriorating climatic conditions has created unpredictable rainfall patterns so irrigation-water security is crucial. Other countries must follow suit and create systems for water security. Access to clean drinking water is a basic human right and every institution and government in power must take every possible action to ensure supply of clean drinking water. To ensure this, India must make the G20 members comply with the Small-Scale Irrigation (SSI) model of the World Bank that has been proven not only to increase agricultural productivity but also fight climate change. There is a detailed handbook on this called the Handbook for Scaling Irrigation Systems prepared jointly by the International Finance Corporation(IFC) and the International Fund for Agricultural Development (IFAD). They viewed several case studies and deduced that reducing the water usage in irrigation smartly can save up gallons of water and produce better yield.
8. At the recent COP27 Summit, multiple media and individuals raised questions about the under representation of women and indigenous people at the summit. The Women's Environment and Development Organisation (WEDO) stated that this year's summit saw the lowest concentration of women. Women and indigenous people have greater knowledge about nature and the climate. Shirley Djukurna Krenak, an indigenous woman of the Krenak people of Minas Gerais, Brazil, told the BBC that women have always been "fighters" for the planet. In spite of all of the actions by women, there has never been enough voice or space for women eco-fighters. India must champion and encourage other nations and itself to include more women in the agro-policy field. Seats should be reserved for women in very important decision or policy-making meets. All members of the G20 meet can take inspiration from India's landmark constitutional amendment; the 73rd and the 74th Constitutional Amendment Act,1992 which guarantees 33% reservation of seats in the local self-governing bodies. Encouraging women's participation at the local level can impact policy making and even enable impoverished women access to food resources or means of sustenance. Other nations must follow suit to categorically reserve seats and space for women in matters relating to the environment and agriculture.

Female participation in country delegations (%)



No summit was held in 2020 due to COVID-19

- India is home to a variety of indigenous and local crop varieties that are much healthier, cheap, easy to process and environmental friendly. This can range from the *Tulaipanji* rice in West Bengal to the *Thondy* in Kerala. For years till today, western food culture and trends dominate our food and health choices. Avocados are imported all the way from California and whey protein is sourced from the USA to create health products in India. As a result, the Indian variants have less or no visibility in the food market. The industry of raw palm syrup is still an unregistered rural industry that simply has no visibility to the notorious sugar industry. It is time and a great chance for India to reverse this trend by not only supporting the farmers that grow these variants but create a profitable selling place for them. For years, we get to see indigenous and rural products limited to state-organized fairs too, mostly through the help of self-helping groups. None of their products are sold even in the local grocery store, let alone in international places. The Indian government should popularize its use pan-India and even further. Rice grows abundantly and diversely in India across almost all regions. ‘Thanal’, an organization is championing the cultivation of climate-resilient rice crops. The incorporation of tribal knowledge into this cultivation will not only represent their ancient knowledge but produce more effectively. So, India should push for the sale of these indigenous crops in the international market through its G20 presidency.

Wayanad rice festival promotes climate-resilient crops

SPECIAL

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At a time when climate vagaries are posing a serious threat to farming in the country, a Kerala-based organisation named *Thanal* has embarked on a unique conservation experiment, planting 300 climate-resilient varieties of traditional rice on 1.5 acre of land at its agroecology centre in Panavally in the Wayanad district.

On December 12, *Tha-*

nal gave the public an opportunity to experience their initiative by launching *Ikki Jathre*, or the Festival of Rice in tribal parlance. Throngs of farmers, researchers, environmentalists and students have been arriving at Panavally to take part in the festival, which concludes on Sunday.

The initiative aims to sensitise people to the significance of conserving traditional crops that have the ability to withstand harsh climatic conditions. *Thanal* has been organising annual “rice field weeks”



Learning ground: An aerial view of the Rice Diversity Block at Panavally in Wayanad district. SPECIAL ARRANGEMENT

since 2012.

The festival also sets the stage for knowledge sharing and co-creation of

knowledge between tribal farmers and experts. “We launched the Rice Diversity Block (RDB) at Panavally

under the Save Our Rice campaign in 2009, with a collection of 30 varieties of rice,” *Thanal* director S. Usha told *The Hindu*. It has now expanded to 300 varieties.

“Many farmers had stopped cultivating traditional rice seeds after hybrid rice varieties became popular, under the misconception that the former has low productivity. But this is not true. The *Thondy* variety, a traditional and popular rice among the people in Wayanad a few decades ago, could compete with any hybrid

rice in terms of productivity,” she said. Moreover, the input cost of traditional rice cultivation is very low owing to its inherent resistance to pests and diseases. Also, its nutritional value is high, though studies are yet to be conducted.

Though many traditional rice varieties, especially black rice varieties, are already rich in minerals like zinc, iron and other nutrients, the government is now trying to supply fortified rice by artificially adding minerals and nutrients to hybrid rice varieties.

10. Technology in agriculture can be a boon in boosting yield and depending less on imports for supplies. GM crops are not permitted in India except cotton. However, this was recently revised by the environment ministry which gave a go-ahead for genetically-modified mustard seeds cultivation to meet the edible oil demands. More than 60% of India’s edible demands were being met by imports from Indonesia, Malaysia and the Black Sea region. To ensure food security and reduce imports, India should inculcate this technology more to meet the current demands safely. Through its G20 presidency, India should push forward sharing of GM and other agricultural technologies to foster mutual growth and productivity. The USA and Brazil are leading producers of GM crops and export a considerable amount of them. India can chart out a memorandum to share GM technologies which will be in India’s best interest.

Conclusion

While the world is still recovering from the impact of Covid-19, newer regional and global co-operations with new leadership must take charge to drive the crisis and the possibility of a greater impact of the ongoing recession. The delegation, or rather the overtaking of leadership roles by India and South-east Asian nations is essential to de-route the production and distribution systems. The impending threat to the climate which is affecting agricultural and rainfall patterns is expected to only increase in the future unless concrete decisions are taken. The carbon production of the producing and developing countries will obviously be higher than the first world countries. To measure the emission on the same scale is unfair as they do not meet any similar standards of input and production.

This impacts the agricultural distribution as many people have been cut off from essential supplies during the pandemic. The main goal of every PDB should be to ensure ease of doing farming and the most smooth and hassle-free food distribution to the poorest section of the people. The focus has to be

on a fine balance of increasing agricultural productivity sustainably and to ensure an uninterrupted food chain supply.