

# **Global Agricultural Productivity Report (GAP Report)**



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## Why in News

According to a new report, Global agricultural productivity is not growing as fast as the demand for food, amid the impact of climate change.

The report was released in conjunction with the **World Food Prize** Foundation's annual conference.

### **Key Points**

### Findings of the Report:

TFP Growth:

Total Factor Productivity (TFP) is growing at an annual rate of 1.36% (2020-2019).

This is **below the Global Agricultural Productivity Index** that has set an annual target of 1.73% growth to sustainably meet the needs of consumers for food and bioenergy in 2050.

#### Difference between TFP and Yield

#### Yield:

Yield **measures output per unit of a single input**, for example, the amount of crops harvested on a hectare of land. Yields can increase through productivity growth, but they can also increase by applying more inputs, called input intensification. Therefore, an increase in yield may or may not represent improvements in sustainability.

#### • TFP:

- Total factor productivity captures the interaction between multiple agricultural inputs and outputs.
- TFP growth indicates that more farmers generate more crops, livestock, and aquaculture products with the same amount or less land, labor, fertilizer, feed, machinery, and livestock. As a result, TFP is a powerful metric for evaluating and monitoring the sustainability of agricultural systems.

#### • Factors Responsible for Low TFP Growth:

**TFP growth is influenced by** climate change, weather events, changes in fiscal policy, market conditions, investments in infrastructure and agricultural research and development.

### Situation in Different Regions:

- Drier Regions (Africa and Latin America): Climate change has slowed productivity growth by as much as 34%.
- High-Income Countries (in North America and Europe): Modest TFP growth.
- Middle Income Countries (India, China, Brazil and erstwhile Soviet republics):
   Strong TFP growth rates.
- Low-Income Countries (Sub-Saharan Africa): TFP is contracting by an average of 0.31% per year.

### Significance of Productivity Growth:

- Destruction of Forest Areas: 36% of the world's land is used for agriculture.
   Forests and biodiverse areas will be destroyed for planting or pasture.
- Diet-Related Diseases: USD 2T in economic losses and 4 million deaths are attributed to diet-related diseases each year.
- **Soil Degradation:** 90% of the earth's soils could be degraded by erosion by 2050.
- **Methane Emissions**: 37% of methane emissions from humans influenced activity come from cattle and other ruminants.
- Loss of Irrigation Water: 40% of irrigation water is lost due to inefficient irrigation.

Water sources will be depleted, making prime agricultural land unusable.

### Suggestions:

- Invest in agricultural research and development
- Embrace science-and-information-based technologies
- Improve infrastructure for transportation, information and finance
- Cultivate partnerships for sustainable agriculture, economic growth and improved nutrition
- Expand and improve local, regional and global trade
- Reduce post-harvest loss and food waste

#### Indian Scenario

#### About:

### Strong TFP Growth:

- India has seen strong TFP and output growth this century.
- The most recent data shows an average annual TFP growth rate of 2.81% and output growth of 3.17% (2010–2019.)

### Impact of Climate Change:

- By the end of the century, the mean summer temperature in India could increase by five degrees Celsius.
- This rapidly rising temperature, combined with changes in rainfall patterns, could cut yields for India's major food crops by 10% by 2035.

### Other Challenges:

- In addition to the challenges for environmental sustainability, India's small-scale farmers face significant obstacles to economic and social sustainability.
- Of the 147 million landholdings in India, 100 million are less than two hectares in size. Nearly 90% of farmers farming less than two hectares participate in a government food ration program.

#### Initiatives Taken:

- Soil Health Card Scheme: To create awareness for farmers about the appropriate amount of nutrients for the crop depending on the quality and strength of the soil.
- National Mission for Sustainable Agriculture (NMSA): It is envisaged as one
  of the eight Missions outlined under <u>National Action Plan on Climate Change</u>
  (NAPCC), which is aimed at promoting Sustainable Agriculture through climate
  change adaptation measures.
- Pradhan Mantri Krishi Sinchai Yojana (PMKSY): It was launched during the year 2015-16 with the motto of 'Har Khet Ko Paani' for providing end-to-end solutions in irrigation supply chain, viz. water sources, distribution network and farm level applications.

Source: DTE