

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

## 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** <u>climate change</u>.

The report was released in conjunction with the <u>World Food Prize</u> 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 The Vision
- 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 National Action Plan on Climate Change (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

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