

October 12, 2016

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Report calls for investment and smart regulatory systems to stimulate innovation during a volatile business cycle, as agricultural productivity growth stalls

DES MOINES, Iowa – For the third year in a row, the rate of global agricultural productivity growth has failed to meet its target, says a report by the Global Harvest Initiative (GHI) released today. GHI's 7th annual Global Agricultural Productivity Report® (2016 GAP Report®): *Sustainability in an Uncertain Season* warns that unless this trend is reversed, the world may not be able to sustainably provide the food, feed, fiber and biofuels needed for a booming global population.

Improving agricultural productivity is not just about producing more or achieving higher yields; it allows more to be produced while maximizing the use of and impact on precious natural resources. Agricultural productivity lowers the cost per unit of output, helping producers succeed in today's competitive business cycle, and supplies food and agriculture products for consumers at lower prices. It is part of a comprehensive strategy to sustainably meet global demand for food and agricultural products.

According to GHI, global agricultural productivity must increase by 1.75 percent annually in order to meet the demands of an estimated 9.7 billion people in 2050. GHI's annual assessment of global productivity growth – the GAP Index™ – shows the current rate of growth is only 1.73 percent. The rate of productivity growth for low-income countries is of special concern, as it is stagnating at only 1.3 percent annually, far below that required to meet food and agriculture needs in a sustainable manner.

Global demand for food and agriculture products is skyrocketing, driven by a growing population and middle class, yet in high-income countries, like the U.S., productivity growth rates have slowed and agricultural output has declined to levels not seen since the 1980s. This downward trend in productivity raises questions about the health of U.S. agriculture, which is a key driver of the economy, providing \$2 trillion in revenue annually and employing 19 million people.

U.S. farmers are concerned about low crop prices, rising land values and higher prices for seeds, fertilizer, crop protection, machinery and storage and are looking for ways to cut costs and manage risk in order to remain competitive. Uncertainty about regulations make it difficult for farmers and industry to plan for the future and many are worried about the negative reaction of some consumers to their products and production practices.

“We need to ensure that the agricultural value chain is competitive in every phase of the business cycle. The food price crisis was just 6 years ago; to think that in half a decade we have created systems that will sustainably produce an abundance of food would be to disregard history,” said Ben Pratt, Vice President of Corporate Public Affairs for The Mosaic Company and chair of the GHI Board of Directors.

The GAP Report argues that the best way for farmers to improve their competitiveness is to adopt technologies and practices that make their operations more productive and sustainable. With precision agriculture, advancements in seed, fertilizer, biotechnologies and animal welfare practices, farmers can manage costs while producing more and protecting their soils, water quality, and animal health.

GHI calls for renewed commitment to public agricultural research and development (R&D) and improvements to regulatory systems to stimulate innovations that will improve productivity and support the development of resilient food and agriculture systems that adapt to and help mitigate climate change.

“Participants in every part of the value chain need to be able to manage their costs, by investing for innovation and growth,” said Dr. Margaret Zeigler, Executive Director of GHI. “Public sector investments in agricultural R&D coupled with sensible, efficient regulatory systems provide the foundation for innovation and ensure it gets into the hands of the farmers and producers who need it. For farmers who need access to land and finance, new opportunities for partnership are emerging that can expand their options and reduce their risks.”

GHI presented the 2016 GAP Report’s findings before an audience of farmers and global leaders in science, research, policy and private agriculture industry attending the World Food Prize in Des Moines, Iowa. The event included a discussion of the importance of agricultural productivity and policies and investments that can help farmers remain competitive while transforming agriculture into a force for mitigating climate change.

Dr. Margaret Zeigler, Executive Director of GHI, was joined by special guest Ambassador Patricia Haslach, Principal Deputy Assistant Secretary for Bureau of Economic and Business Affairs, U.S. Department of State and former Ambassador to Ethiopia (2013-2016); Mr. Luca Fabbri, Chief Financial Officer, Farmland Partners Inc.; Dr. Keith Fuglie, Economist, Resource and Rural Economics Division, USDA Economic Research Service; Ms. Bonnie McClafferty, Director of Agriculture for Nutrition Global Program, Global Alliance for Improved Nutrition (GAIN); and Mr. Ben Pratt, Vice President, Corporate Public Affairs, The Mosaic Company & GHI Board Chair.

Resources

- The 2016 GAP Report is **presented at the World Food Prize Symposium** in Des Moines, Iowa and the event is **streamed live online October 12 from 11:00 AM to noon CDT** at www.globalharvestinitiative.org
- **The GAP Report®** can be found on www.globalharvestinitiative.org.
- **Follow the event on Twitter:** #GAPReport and @Harvest2050

About The Global Harvest Initiative

The Global Harvest Initiative (GHI) is a collaborative private-sector voice for productivity growth throughout the agricultural value chain to sustainably meet the demands of a growing world. Since 2009, GHI has been focused on the importance of agricultural productivity for global food security, and releases its signature GAP Report®, an annual benchmark of the global rate of agricultural productivity. GHI’s growing membership includes DuPont, Elanco Animal Health, Farmland Partners Inc., John Deere, Monsanto Company, The Mosaic Company, and Novozymes. GHI is joined by 14 Consultative Partner Organizations, from the conservation, university and multilateral development bank sectors. Visit us at <http://www.globalharvestinitiative.org>, Twitter @Harvest2050 <http://twitter.com/#!/harvest2050>, and Facebook <http://www.facebook.com/GlobalHarvestInitiative>.