

Held on July 7<sup>th</sup> 2021 at Asia Pacific Climate Week. Hosted by the Sustainable Rice Landscapes Initiative (a consortium of WBCSD, SRP, FAO, JRT, GIZ, UNEP and IRRI) and the Just Rural Transition

## The Forgotten Commodity: Scaling Sustainable Rice @ Asia Pacific Rice Week

*How can countries, investors, corporates, development partners and farmers work together to drive the systemic changes needed to scale sustainable rice landscapes?*

**Moderator: Dada Bacudo** | Convenor for ASEAN Climate Resilience Network and Senior Advisor to ASEAN

**Panel: Sereyvath Prak** | Director of the Cambodian Institute for Research and Rural Development

**Tanja Havemann** | Director and Founder of Clarmondial

**Abhishek Jain** | Fellow at the Council on Energy, Environment and Water

**Chris Stevens** | Director of Agribusiness at Kellogg Company

**Dr Sheetal Sharma** | Soil Science and Nutrient Management Scientist at IRRI

### Summary of Discussion

The session began with the **current situation for rice farmers on the ground**. A combination of economic and climate pressures are increasingly pushing rice farmers towards unsustainable intensification techniques. While more environmentally sustainable production techniques are available, they require farmers to work more for a lower yield (at least during the first 3-4 years of the new practices) for a product with limited consumer recognition or demand. New economic incentives for farmers are needed.

**We must also scale finance for sustainable rice**. Rice has historically received little recognition on the green finance agenda, in part due to its complexities. Structural issues pervade, including 'loose' informal supply chains, and cash flow issues across the value chain. In strategic infrastructure projects, the credit-worthiness of governments is a significant hurdle. No single corporate or government can finance sustainable rice at the scale required easily, and no replicable 'off-the-shelf' solutions exist; public and private actors will need to work together to co-design innovative solutions that address the unique challenges of each region.

**Repurposing public support**, often in the form of subsidies for rice production, may be one way to source the finance needed. One such example is in Andhra Pradesh, in which a publicly-funded agroecology project, administered through women-led self-help groups, generated a 90% reduction in fertiliser use in the farmers included in the study, passing on cost savings for the government. This model could be applied across rice-growing regions, with subsidy savings invested in transition funds for farmers to shift their growing practices.

The **role of consumer demand** was also highlighted. Consumers create the 'pull' of demand through the value chain. Understanding what drives consumers will therefore help to drive sustainable rice. Around the world, this differs considerably. In Europe, ideas of origin, provenance and supporting local farmers is well established. In the Asia market, ideas of clean, green, and organic have a stronger resonance. Determining the key drivers (including cultural resonances) and then marketing that story is key to leveraging consumer demand.

Finally, **digitisation of rice supply chains** can boost climate resilience, yields and livelihoods. Researchers are developing new tools, including drones for field monitoring, blockchain for certification, 3D printing for machinery parts, GIS sensing for crop loss monitoring and AI-powered algorithms for yield prediction. Where infrastructure is lacking mobile phones play a vital role in connecting smallholders to agro-advisory services and finance opportunities. When designing interventions, it is key to consider both the needs and constraints of the end users, for solutions to truly scale.

The session concluded with a call to keep cross-landscape conversations going. With so many initiatives in need of scaling, knowledge exchanges across sectors will be important in getting solutions implemented.