Partnerships for Impact at Scale

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Impact at scale requires markets, commercial depth (1/2)

Spread of hybrid maize in the US, 1936-48

- S-shaped pattern of diffusion (slow at first, accelerating until reaches peak, slowing down as laggards enter)
- Geographic differences in the use of hybrid maize explained by differences in the profitability of that use (adoption more profitable in ‘good’ areas)
- Breeding for locally adapted varieties and availability of seed was ‘demand-led’ and followed the market

Source: Griliches, 1960
Impact at scale requires markets, commercial depth (2/2)

*Bt* cotton India as an illustration of the same phenomenon today

- First approved in 2002, heralding in a new era in Indian agriculture (S-curve)
- By 2013, 7.3 million farmers grew *Bt* cotton on 11 million hectares in India; about 1000 hybrids in the market
- Product relevance (‘demand-led’) and availability of locally adapted varieties were key

Source: VIB 2013
‘Public-private’ errands in this context

• Historically, the on-set of sustained yield growth has been associated with the rise of a private seed industry
  – Sub-Saharan Africa the last frontier in this respect

• For a seed industry to emerge, the following is needed:
  – Public goods (R&D, regulatory, ‘conducive’ business climate)
  – Enablers of farm-level demand (nothing new here: cf. Sir John Grenfell Crawford’s India ag strategy recommendations, 1965!)
  – Public-private cooperation to ‘kick-start’ markets (addressing ‘failures’), improve the functioning of value chains, create synergy in agricultural R&D, shape social and environmental outcomes
  – Products, appropriability
The role of non-profits, foundations

Broker public-private cooperation

• Understand need, opportunity, tech aspects, tactics and tools
• Know relevant actors, their skills, incentives, weaknesses, comparative advantage
• Be able to act, i.e., listen, design, coordinate, convene, elicit contributions, clarify accountabilities, invest

**Profits, sustainability and risk outlook implies the need for more of this, not less**

• Outlook is for continued unprecedented food demand growth, a private sector keen on opportunities in ag value chains, governments wanting food security, everybody seeking to work with small farmers, but few aware of how to do it at scale
• In other words, profit and sustainability prospects are there; implementation fraught with risk; PPPs abound, but evaluability and evaluation in short supply
• ‘Cataytic nudge’ the space of non-profits, foundations
Some examples (Syngenta Foundation and partners)

- Seed systems
- Triple A maize
- Demand-led plant variety design
Seed systems development (‘Seeds2B’ powered by SFSA)

**Goals**

**Sub-Saharan Africa:**
- Foster intensification and improve farm income
- Catalyse private investment in seed sector
- Contribute to CAADP productivity growth goals (African-led agenda)

**South/South-East Asia:**
- Address remaining pockets of poor technology adoption
- Extend private investment to wider range of crops

<table>
<thead>
<tr>
<th>Research</th>
<th>Development</th>
<th>Markets &amp; Policy</th>
<th>Products/Models</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demand-led R&amp;D (grains, root crops, vegetables)</td>
<td>Licensing (public-private, private-private)</td>
<td>Policy development</td>
<td>Seed value chains</td>
</tr>
<tr>
<td></td>
<td>Trialling, registering varieties</td>
<td>B2B relationships</td>
<td>Seeds «Bridges»</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Advanced market commitments (AMC)</td>
<td>Public licensing bodies</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Seed Fund</td>
</tr>
</tbody>
</table>

Millions of smallholders everywhere having access to the best genetics and seed technology to address the yield gaps seen around the world.
Triple A maize

Partnership for breeding low-cost maize hybrids with improved dry-season yields

CIMMYT: Genetic diversity, field trialing network, experience in variety release

Syngenta: Molecular screening platforms, elite germplasm, performance assessment, product development

Syngenta Foundation: PPP models, royalty and IP ownership schemes; brokering function

→ Distribution of new varieties through local seed companies
Implementing demand-led approaches to plant breeding

- Partnership Crawford Fund, SFSA and AIFSRC/ACIAR on how to do demand-led breeding
- Best practices gleaned from public and private expertise
- Professional development for breeders and postgraduates in SSA and implementation in national programs
- Foresight on supply and demand drivers on a set timescale
- Priority setting of variety design based on demand
- Partnering with the value-chain and seed system so that demand is supplied by R&D

Start with key stakeholders in tomato value-chain in Ghana, deep-dive analysis of the tomato market segments and their needs
Market-responsive plant variety design (2/2)

- **Tomato: Most important vegetable in Ghana (38% of spend on vegetables)**
- **3 in-country processing plants currently not used (capacity of 400,000 t/year)**
- **Import of tomato paste from China and EU (80,000 t/year)**

**Consumer demand:**
- Fresh produce (transport and shelf-life)
- Processing to paste
- Mini-tomatoes for premium markets

**Tolerance traits:**
- Heat
- Nematodes
- Yellow leaf curl virus
Conclusion

• Markets the ‘vehicle’ for scaling up

• Market development therefore essential, with implications for governmental action, aid agencies, the non-profit sector, business, civil society

• Enlightened cooperation across the relevant spectrum of actors indispensable

• The task: Get specific, tackle blockages, de-risk, build market pull, offer financing on the right terms, pursue shared value, reduce information asymmetry, support learning – all with a view to crowding in private investment and business
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