

**Minutes of Meeting**

**High-Level Sounding Board meeting for Maharashtra Cotton Water Platform**

3 December 2015

IFC Office, Mumbai

1. **Welcome**

The Co-Lead, Asia and Middle East, 2030 WRG welcomed participants and provided a synopsis of the Maharashtra Cotton Water Platform and objectives of the first Sounding Board meeting. He mentioned that the Platform was conceptualized in response to a request by the Honorable Chief Minister of Maharashtra at the PPP-IAD (Public Private Partnership for Integrated Agriculture Development) meeting on 24th April, 2015 of the New Vision for Agriculture/ World Economic Forum, to scale up the program to impact 2.5 million farmers, enhance focus on water sustainability, and ensure inclusion of the Vidarbha and Marathwada regions.

1. **Message by the Honorable Chief Minister of Maharashtra (Video)**

The Honorable Chief Minister provided a video message in which he outlined the issues faced by the cotton sector in Maharashtra and emphasized the need to find ‘game changing’ and ‘out of the box’ solutions to uplift the agricultural sector in the state. He mentioned how ’Jalyukt Shivar Abhiyaan’ launched by the government, in a bid to make Maharashtra a drought-free state by 2019 has already built and rehabilitated water infrastructure in 6000 villages within one year. He encouraged the participants to deliberate similar large scale solutions that can transform the sector.

1. **Introduction**

The Additional Chief Secretary of Agriculture, Government of Maharashtra highlighted issues faced by cotton farmers in Maharashtra and called for a concerted and integrated program of action to address their needs and enhance the sustainability and the income of the sector. He further reiterated the support extended by the Hon Chief Minister and further emphasized the need to develop programs similar to the PPP-IAD program with the support of stakeholders.

1. **The Need for Action and Proposed Strategy** – Overview Presentation by Ernst & Young
2. **Thoughts and Perspectives of Participants**

Participants offered their perspectives and recommendations pertinent to the proposed

Maharashtra Cotton Water Platform. In these minutes, the comments are aggregated into the following major themes-

1. Program overview and management
2. Public Private Partnerships for Integrated Agricultural Development (PPP-IAD)
3. Technology and protective irrigation access
4. Good agricultural practices and sustainability
5. Water balance assessments (Integrated Water Resources Management)
6. Corporate Social Responsibility (CSR)
7. Improved access to finance for small holder cotton farmers
8. Resource mobilization for platform delivery and management

**Program Overview and Management**

* Interventions identified for the program should factor each of the identified stakeholder’s interest to enable effective participation in the program.
* Famers should be aware of how interventions from any program benefit them. For example- if promoting drip irrigation, the farmer should be informed that drip irrigation can improve yield while conserving water.
* The Platform should aggregate the numerous ongoing interventions and provide coordination and should include representation at all levels and across sectors.
* When the Platform interventions are being developed, an appropriate robust monitoring mechanism should also be developed.
* The Platform should be initiated with a risk assessment of farmers with mitigation interventions included in the program.
* Platform should focus on how cotton could be developed from a crop of compulsion to a crop of choice. Program to identify mechanism to mainstream cotton in Maharashtra.
* Need to develop business case for cotton platform to be sustainable. Approaches similar to PPP-IAD should be developed to sustain the initiative.
* Several initiatives are ongoing, we need to see how to maintain their identity and subsume them in this platform.

**Public Private Partnerships for Integrated Agricultural Development**

* Two of the most important interrelated issues to consider include maintaining or enhancing demand for Maharashtra cotton and developing the value chain.
* Maharashtra cotton is often considered to be of inferior quality compared to cotton from the rest of India. This is due to the mishandling of cotton in the process of value addition and not necessarily due to the inferior varieties. This can be changed through farmer trainings and PPPs.
* As mentioned by the Hon Chief Minister, it is important to enhance the value chain for cotton within the state by encouraging and incentivizing processing and manufacturing.
* Focus on mechanism to address inefficiencies in supply chain. Access to market in Maharashtra is not easy. Markets are located on an average of over 100 km from cotton farms in Maharashtra as compared to less than 50 km in Gujarat.
* Institutional mechanism should bring supply chains closer to farms with focus on Indian retailers. Interventions to create market linkages need to be focused upon.
* Explore transforming SHGs (Self Help Groups) into cotton producer companies to have better realization.
* The current Maharashtra PPP-IAD program is one of the most effective ways to enhance the sustainability.

**Technology and Protective Irrigation Access**

* Water management, preferably with drip irrigation has shown positive results. Furthermore, drip enables the economical application of fertilizers and pesticides.
* With respect to enhancing irrigation for cotton, the following factors should be considered:
* Cotton needs water only during its flowering and fruit bearing stages; apart from this, it grows akin to a desert crop
* One of the prime reasons for low yield is that the crop does not get water at the right time. There is a mismatch between monsoon and actual timing of water requirement
* Technology options to enhance crop productivity (i.e., mobile irrigation technologies to connect farmers with experts for timely inputs) should be considered.

**Good Agricultural Practices and Sustainability**

* Maximum yield is observed if sowing is done in the last two weeks of May in Maharashtra.
* By shortening the duration of the crop, currently 200-210 days in India compared to only 160-180 days in Australia and around 130 days in Turkey, the following benefits can be realized:
1. Increased yield
2. Reduced social, environmental and economic impacts of pesticide use
* Water management, preferably with drip irrigation, has shown positive results.
* Increasing crop density per hectare can yield better results with more efficient use of inputs.
* In-situ model for soil and water conservation should be promoted.
* Integrated Pest Management, Integrated Nutrient Management and Integrated Crop Management should be promoted.

**Water Balance Assessment (Integrated Water Resources Management)**

* GoM has already covered 6000 villages and around 6 lakh ha under irrigation in a year’s time.
* The platform should facilitate a collaborative approach to promote sustainable cotton production, aquifer basin level water security, and reduced water use.
* This should start with an assessment of water balance at the basin, sub-basin and command area levels.

**Mobilizing Corporate Social Responsibility funds**

* Mechanisms should be set up to channel CSR funds to scale investments in the cotton sector.
* The platform can help identify bona-fide projects in this sector.

**Improved access to finance for small holder cotton farmers**

* Access to financial services is important if farmers are to diversify livelihoods.
* Need to have diversified farming and animal husbandry- like goat-rearing, other crops, soybean, pulses, etc.
* Crop insurance is crucial if farmers are to survive droughts and other crop failures.

**Resource Mobilization for Platform delivery and management**

* Funding would be required not only to implement action on the ground but also for the coordination and fundraising activities of the platform.
* The Global Climate Fund was considered a potential source of funds to be accessed via NABARD which is the only National Implementing Entity accredited by the Fund in India.
* Co-funding could be available from ongoing and potential government programs.
* Private sector seed funding can be instrumental in further operationalizing the platform and in mobilizing these larger sources of funding.

**7. Next Steps**

* It was agreed that smaller working groups will be formed to address each of the key themes identified above.
* Each working group will prepare a brief high-level draft guidance note and action plan to be presented at the next Sounding Board meeting.
* The next meeting is tentatively scheduled to be held in February 2016.