

# Private Sector Engagement in Sustainable Agricultural Mechanization for the Sustainable Development Goals



Fostering food security and rural development through private sector engagement in South-South cooperation

## Challenge

Availability of and access to appropriate machinery and equipment for sustainable agricultural mechanization is one of the major challenges in Asia and the Pacific, where poverty predominantly affects people living in rural areas. With the exception of a few countries that have a well-developed industry for agricultural machinery manufacturing, many countries have limited capacity to manufacture such machinery and equipment, and often rely predominantly on imports to meet their domestic needs. Limited domestic capacities and weak linkages among private sector players of this industry across countries in the region often lead to the use of outdated machines and technologies, which often unsuitable for local contexts or for the needs of poor smallholder farmers in importing countries. To address these challenges, there is need to strengthen capacities, enable knowledge exchange, and strengthen business and trade linkages among private sector agricultural machinery manufacturer and distributor associations. Such actions would result in accelerating progress towards Sustainable Development Goal (SDG) 1 (No poverty), SDG 2 (Zero hunger) and other SDGs in the region.

## Towards a Solution

In 2014, the Regional Council of Agricultural Machinery Associations (ReCAMA) was established by the Centre for Sustainable Agricultural Mechanization (CSAM) of the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) in response to a request by the Member States and other stakeholders at the first regional forum on sustainable agricultural mechanization in Asia and the Pacific. At its core, ReCAMA represents a network of private sector agricultural machinery associations in the Asia-Pacific region including manufacturers, distributors and other relevant stakeholders. Its objective is to promote the use of sustainable agricultural mechanization in the region by: (i) strengthening the capacity of national agricultural machinery associations; (ii) facilitating the exchange of knowledge and good practices; and (iii) enhancing collaboration and business linkages among the associations and their members, including through the means of South-South and triangular cooperation.

ReCAMA is a participatory network and its activities are guided by members' needs. Currently, it has 20 members from 14 countries, including Bangladesh, China, India, Indonesia, Malaysia, Mongolia, Nepal, Pakistan, the Philippines, Russian Federation, Sri Lanka, Thailand, Turkey and Viet Nam. **It has contributed to scaling-up the availability, adoption and sustainable use of agricultural machinery at the regional level through South-South cooperation, using a demand-driven model closely involving the private sector.** It has supported SDG 1 (No poverty), SDG 2 (Zero hunger), SDG 12 (Responsible consumption and production), SDG 13 (Climate action), 15 (Life on Land) and 17 (Partnerships to achieve the goal). The network has three core functions:

- To provide capacity building: Five rounds of regional training and study tours for agricultural machinery manufacturers and distributors have been successfully organized annually since 2015. They have enhanced national capacities on technologies aligned with SDGs 1, 2, 13 and 15, such as conservation agriculture, precision agriculture and climate-smart mechanization. Participants' feedback confirmed that the training had equipped them with knowledge to improve their work and that they further shared the acquired knowledge with peers and partners.
- To facilitate the creation of business linkages and knowledge exchange: CSAM has facilitated the participation of ReCAMA participants in key agricultural machinery exhibitions in China, Nepal, Thailand and Turkey, in addition to the training and study tour and other ReCAMA events, which have provided exposure to a wide range of modern agricultural machinery and equipment suitable for



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enhancing farmers' productivity and incomes. Side-events tailored for matching businesses were held to better link demand and supply among the associations, facilitate connections for potential trade and investment, and exchange of experience and knowledge. Moreover, as an innovative community of practice on sustainable agricultural mechanization in the region, an active online ReCAMA community Wechat group has been established with over 240 members, which supports a regular exchange of new developments and technologies among participants.

- To develop knowledge products to support decision-making: To enable a better understanding of national policy landscapes to guide business decisions and assist policymakers in identifying current gaps, knowledge products on trade and investment policies for agricultural machinery have been launched in five countries. These include a study on investment policies, which is now being extended to cover more countries. There is also a new study underway on the market dynamics of agricultural machinery in selected countries.

Some key achievements of ReCAMA include:

- Private sector agricultural machinery associations from four countries (China, India, Nepal and Sri Lanka) have established cooperation arrangements with each other for the regular exchange of delegations or have set up other linkages for promoting sustainable agricultural mechanization.
- Following engagement in CSAM's programmes and learning from the experience of other ReCAMA members, the Government of Cambodia is establishing the country's first national agricultural machinery association, which will enable the country to set up a platform to provide services for the agricultural machinery industry and smallholders.
- Through the ReCAMA network, CSAM has facilitated the donation of agricultural machinery by the private sector to women farmers and farmer cooperatives in China and Nepal in support of poverty alleviation and the demonstration of appropriate technologies in rural areas (SDG target 1.4).
- In a follow-up survey of ReCAMA activities conducted in August 2018, over 75 percent of respondents said that they had adopted a practice with a higher level of technology as a result of the ReCAMA initiative. Two specific examples of impact are as follows:

- A ReCAMA participant from the Philippines indicated that the project motivated him to hire more agricultural engineers, which in turn improved the company's after-sales services. He met new agricultural engine manufacturers and increased business with Indian suppliers. He also has ongoing business deals with other Chinese manufacturers of agricultural machinery.
- A ReCAMA participant from Bangladesh indicated that the project enabled him to introduce higher levels of harvesting technology into the agricultural mechanization industry in Bangladesh.

ReCAMA is a member-driven network based on the principle of South-South cooperation that has provided increased opportunities for collaboration among network participants. It has benefited from significant in-kind contribution from partners and co-organizers to sustain its activities. It is also witnessing a significant number of self-funded participants, thus further promoting sustainability. Moreover, it represents a readily replicable model, particularly in regions or subregions with a nascent agricultural machinery industry. Furthermore, government initiative and policy support for catalysing the formation of associations where needed and strengthening them, as well as active stakeholder engagement for expanding membership at the national and regional levels are key to achieving desired outcomes.

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**PROJECT NAME:** Private Sector Engagement in Sustainable Agricultural Mechanization for the Sustainable Development Goals

**COUNTRIES/REGIONS:** Bangladesh, China, India, Indonesia, Malaysia, Mongolia, Nepal, Pakistan, the Philippines, Russian Federation, Sri Lanka, Thailand, Turkey, Viet Nam

**NOMINATED BY:** United Nations Economic and Social Commission for Asia and the Pacific (ESCAP)

**SUSTAINABLE DEVELOPMENT GOAL TARGET(S):** 1.4, 2.3, 2.4, 12.2, 12.3, 12.4, 13.1, 15.3, 17.9

**SUPPORTED BY:** Private sector agricultural machinery manufacturer and distributor associations

**IMPLEMENTING ENTITIES:** Centre for Sustainable Agricultural Mechanization of ESCAP

**PROJECT STATUS:** Ongoing

**PROJECT PERIOD:** 2014–2024

**URL OF THE PRACTICE:** <http://recama.un-csam.org>