

Future Trends and Outlook



- Improved efficiency of utilization, for example through **custom hiring** or larger holdings;
- Better trade-off of safety, quality and affordability;
- Stronger public-private partnership;
- Greater scope for regional cooperation in policy assistance, information sharing, collaborative R&D, harmonization of standards, capacity building and trade and investment facilitation.



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Custom Hiring

What's custom hiring about?

What is custom hiring about



Custom Hiring



Sharing

- Lower cost
- higher returns
- greater efficiency
- Economic viability

What is custom hiring about



Custom Hiring



Sharing

Specialized management and operations:

- more skilled and high quality operations
- better access to repair and maintenance service
- rural entrepreneurship development and income
- faster uptake of new technologies and machines
- facilitate the organization and implementation of subsidies and other incentive policies

What is custom hiring about



Custom Hiring



Small and marginalized farmers, especially women:

Sharing

Specialized management and operations

→ access to machinery service otherwise economically and technically out of reach
→ more timely planting and harvesting to avoid waste and loss, contributing to:
 food security
 resilience to disasters and risks

What is custom hiring about



Custom Hiring

**is about
sustainable agricultural
mechanization**



UNITED NATIONS
ESCAP
Economic and Social Commission for Asia and the Pacific

CSAM



2nd Regional Forum

on Sustainable Agricultural Mechanization in Asia and the Pacific

Enabling Environment for Custom Hiring of Agricultural Machinery

9-11 September 2014, Serpong, Indonesia

Organized by:

Centre for Sustainable Agricultural Mechanization, UNESCAP
Indonesian Agency for Agricultural Research and Development
FAO's Regional Office for Asia and the Pacific

Supported by:

Ministry of Agriculture of the Republic of Indonesia
Ministry of Foreign Affairs of the People's Republic of China
Ministry of Agriculture of the People's Republic of China

Essentials of an Enabling Environment



1. Effective policies to facilitate the development of custom hiring, including:
 1. subsidy regimes to trigger greater invest in custom hiring, especially the purchase of quality machines and implements;
 2. reduction and/or exemption of related fees, including road toll fees and taxes;
 3. concessional loans and credits;
 4. funding for research, training, extension and information;
 5. infrastructures and facilities.

Essentials of an Enabling Environment



- II. Strengthened planning and piloting to encourage innovations in custom hiring, including:
 1. formulate country-specific strategies and plans, with practical goals, priorities and actions;
 2. organizing demonstrations of different types of custom hiring at different levels;
 3. effective communication and advocacy of good practices and successful model.

Essentials of an Enabling Environment



III. Laws and codes to regulate the conduct related to custom hiring:

1. formulate laws and regulations to promote agricultural mechanization, including provisions to monitor and control market activities and promote fair competition;
2. put in place standards for quality control;
3. promote compliance with laws and voluntary codes of conducts by custom hiring practitioners;
4. specifically, regulations in regards to the repair service and supply of spare parts.

Essentials of an Enabling Environment



IV. Capacity building and training activities to:

1. improve the skills and capacity of machinery operators and enlarge the pool of qualified operators;
2. develop capacities in entrepreneurship;
3. build capacities in the access to, and the analysis and use of information in relation to custom hiring.

Essentials of an Enabling Environment



- V. Improved information service to farmers and custom hiring entities, for example through:
 1. setting up information networks to share and exchange information;
 2. innovative ways to communicate real-time information on supply and demand, price, weather, fuel and repair, e.g. through SMS and mobile phones.

Essentials of an Enabling Environment



VI. Commitments of government agencies at all levels to:

1. survey on new trends of development and design supportive measures, to ensure the sustainable development of custom hiring sector;
2. reinforce the testing and certification of machines and equipment, focusing on adaptability, safety and reliability;
3. put in place surveillance system to address complaints and disputes;
4. to safeguard the rights of custom hiring entities as well as those of farmers;
5. coordinate among themselves to ensure the consistency and synergy of their measures.

Expected outcomes



Stakeholders, from international agencies, national governments, academia and the private-sectors, are convened to:

- I. Take inventory of the experience and lessons, both at policy and at practical levels;
- II. Assess and highlight the importance of custom hiring in sustainable agricultural mechanization; and
- III. Brainstorm on the way forward and how regional knowledge- and information-sharing and cooperation can contribute.

Expected outcomes



I look forward to your presentations and discussions.

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