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INDIA

CASE STUDY

Technology Broadens Farmers' Markets

Low-cost drip-irrigation systems become part of program to strengthen agricultural markets



Photo: International Development Enterprises India

Farmers in Maharashtra now have access to modern, low-cost irrigation technologies.

By switching from subsistence farming to cash crop farming, Maharashtra's small farmers have gained an additional \$200–\$400 in income per year.

Challenge

Most of India's poorest people are subsistence farmers who have little or no access to new technology and markets for their produce. Access to water for irrigation is one of the most critical constraints that small farmers face, and in semi-arid regions like Maharashtra, small farmers struggle with scarce water resources and no access to irrigation technology that would allow them to enter high-value crop markets. Effective drip-irrigation systems have a high initial cost that most small farmers could not afford, leaving many unable to grow enough produce even to feed themselves and their families.

Initiative

USAID worked with its partners to develop drip-irrigation technology that is tailored to poor farmers in very dry regions of Maharashtra. They also sought to address other difficulties the farmers were facing, such as their inability to access quality agriculture inputs and change over to high-value horticulture methods. USAID supported the development of a value chain for drip irrigation, including nurseries, manufacturers, dealers, installers and maintenance businesses. Establishing a market to deliver these products and services to farmers helps maximize and sustain the impact of the new technologies.

Results

Maharashtra developed a strong market for drip-irrigation technology that has significantly changed the way small farmers manage their scarce resources. USAID's help has lowered the price for drip irrigation technology 50–70 percent, and small farmers became the core of a robust, localized and integrated market for drip-irrigation technology. By successfully switching from subsistence farming to cash crop farming, Maharashtra's small farmers have gained an additional \$200–\$400 in income per year.