



**Remarks by Patricia A. Woertz, Chairman and CEO  
Archer Daniels Midland Company**

**Global Harvest Initiative CEO Panel  
September 22, 2009**

I appreciate this opportunity to share some thoughts on the opportunities for agriculture from the perspective of one of the world's leading agricultural processors.

I'm pleased to represent ADM today as a member of the Global Harvest Initiative. This group of global agricultural leaders brings together unparalleled expertise in seed technology, chemicals, farm machinery, transportation and processing. We are committed to working together—our four companies, along with other stakeholders—to ensure that agriculture meets the challenges of today and tomorrow in a responsible, sustainable manner.

While those who have taken part in this symposium today may differ on some issues, we all share the view that agriculture -- a 10,000-year-old human innovation -- can and must play a vital role addressing some of our most pressing modern challenges.

That's a tribute both to agriculture's versatility and adaptability, and to the human ingenuity that has driven the progress we've seen to date.

Today, while we are mindful of the millions of people lacking sufficient nutrition, we also know that millions more people than ever before are eating better diets as a direct result of advances in agricultural productivity.

Those same advances have helped us displace millions of gallons of petroleum with cleaner-burning fuels and renewable, sustainable chemicals that promote energy security and a healthier environment.

As we think about these issues, I believe we have two questions to address:

- Can agriculture continue to meet our high expectations?
- And, what will it take to do so?

Our partners in the Global Harvest Initiative have provided answers to the first question.

You've heard throughout the day – and you'll hear from the other executives here – about the increases in productivity that have come from advances in seed technology and precision agriculture.

When you combine these productivity gains with new efficiencies in processing, in feed utilization and in biofuel production, we are confident and optimistic that agriculture can serve our needs for food, feed, fiber and energy products.

So let me focus on what will it take to realize this potential.

We will need a framework for growth:

Again—you've heard about the advances we need in the farm and field:

- More widespread use of advanced seed technology.
- Regionally appropriate, best agronomic practices to improve water utilization, and to ensure that fertilizers and pesticides are used efficiently to achieve desired productivity gains while minimizing environmental impacts.

We also need a framework for growth beyond the farmgate...and industry and government will play critical roles. Both sectors must continue investing in critical transportation, processing and storage infrastructure to ensure we're able to:

- handle tomorrow's larger crop yields;
- collect and store food crops and biomass; and
- continue delivering crops from surplus to deficit regions in a timely, efficient and sustainable way.

We can not overstate the importance of adequate infrastructure.

The International Food Policy Research Institute said in 2008 that, to reduce the proportion of people worldwide living in poverty by 50 percent would require an investment of between \$14 and \$28 billion in agricultural research and infrastructure – specifically, in irrigation and rural roads.

Let me underscore that: a \$28 billion investment in agricultural infrastructure to reduce by half the number of people around the world living in poverty.

To put that amount in perspective, the Treasury Department recently spent \$77 billion bailing out the auto industry, and \$133 billion in the banking sector<sup>1</sup>.

Here is another indication of the value of infrastructure: The FAO has estimated that 10 percent of the world's grain production – or about 220 million tons -- is lost to mishandling and post-harvest operations. In fact, they've pointed out: the world wasted 48 million tons of rice in 2008 -- enough to feed 184 million people, or approximately one fifth of those who are undernourished.

Clearly, protecting the crops we already harvest is critical to reach those who need them most.

So, increasing agricultural yields must go beyond more bushels per acre. It must also involve making the most out of every bushel – and ensuring nothing goes to waste.

At ADM, we are investing to do just that:

- Here in the U.S., we are building plants to make renewable fuels, plastics, and chemicals from crops and crop waste.
- We will soon begin construction of a pilot plant for converting corn fiber into a biocrude product that can be processed into gasoline and a range of other products at traditional refineries.
- And we're working with Deere and Monsanto to explore ways to sustainably harvest corn stalks, cobs and leaves for use as animal feed, biofuel feedstock, and biomass that can be burned to generate process steam and electricity.

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<sup>1</sup> [http://www.financialstability.gov/docs/transaction-reports/transactions-report-09-11-09%20\(3\).pdf](http://www.financialstability.gov/docs/transaction-reports/transactions-report-09-11-09%20(3).pdf)

As we look at the history of agricultural innovation and see the innovation that is happening today—and is in the pipeline for tomorrow—we are confident agriculture can meet the world's growing need for food, feed, fiber and energy in a sustainable way.

If I can briefly offer a closing thought, it would be that this process—the realization of agriculture's potential—will require more than four companies acting together.

- We will need to partner with farmers, industry, NGOs and governments.
- We will need to listen to the many, diverse stakeholders.
- And we will need to address—frankly and thoroughly—the concerns that can arise with a change of this magnitude.

I believe the world community is up to the challenge, and I look forward continuing this discussion and this journey with all of you.

Thank you.