SUNSHINE AGRICULTURE
e-Newsletter

ISSN (E): 2583 – 0821

Sun. Agri.:e- Newsletter, (2025) 5(7), 33-37

Article ID: 408

Role of Digital Technology in Agricultural Economy

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Open Access

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Available online at
www.sunshineagriculture.vitalbiotech.org

Article History
Received: 08. 07.2025
Revised: 13. 07.2025
Accepted: 17. 07.2025

INTRODUCTION

An agricultural economy is one where a significant portion of the population relies on agriculture for their livelihood and where agricultural production plays a major role in the overall economy. It's characterized by the production, distribution, and consumption of food and fiber, and often involves a strong connection between the rural population and the land. Digital technology refers to the use of advanced information and communication technology to collect, store, analyze and share physical information and market information in each link of the product value chain, providing important technical support for innovation in various fields. Digital technologies are transforming agriculture by providing farmers with tools and information to improve efficiency, productivity, and sustainability. These technologies include mobile applications, data analytics, artificial intelligence, precision farming techniques, and the Internet of Things. Digital technologies are transforming agriculture by integrating digital tools and data-driven insights to improve farming practices and the overall agri-food system. These technologies, including IoT, AI, drones, and blockchain, offer solutions for everything from optimizing resource use to enhancing market access and supply chain efficiency.

Key Areas of Digital Technology in Agriculture:

Precision Agriculture:

Utilizing technologies like GPS, sensors, and data analytics to optimize input use (fertilizers, water, pesticides) based on specific field conditions, leading to increased yields and reduced waste.

Internet of Things (IoT) and Sensor Networks:

Deploying sensors to monitor soil moisture, temperature, and crop health, enabling real-time data collection and informed decision-making for irrigation, pest management, and resource allocation.

Drones and Remote Sensing:

Employing drones for aerial imagery and data collection, allowing for crop monitoring, disease detection, and yield estimation.

Artificial Intelligence (AI) and Machine Learning:
Leveraging AI for predictive analytics, disease detection, and automation of tasks like harvesting and weeding.

Digital Platforms and Market Access:
Connecting farmers with buyers, markets, and financial services through online platforms, facilitating price discovery, direct marketing, and access to credit.

Block chain Technology:
Ensuring transparency and traceability in the food supply chain, building trust and facilitating secure transactions.
Benefits of Digital Agriculture:
Increased Productivity and Yields:
Optimizing resource use and enabling more efficient farming practices leads to higher yields and reduced losses.

Reduced Costs:
Precision agriculture and optimized resource management can significantly lower input costs (fertilizers, water, etc.).
Improved Sustainability:
Digital technologies can promote sustainable farming practices by minimizing environmental impact through reduced pesticide and fertilizer use and optimized water management.
Enhanced Market Access:
Digital platforms connect farmers directly with markets, improving price discovery and reducing reliance on intermediaries.
Better Decision-Making:
Real-time data and analytics empower farmers to make informed decisions about crop management, resource allocation, and market strategies.
Increased Efficiency:
Automation and data-driven insights streamline farming operations, improving overall efficiency and reducing labor costs.
Greater Resilience:
Digital agriculture can help farmers adapt to climate change and other challenges by providing tools for monitoring and managing risks.
Challenges and Considerations:
Digital Literacy and Access:
Ensuring farmers have the necessary digital skills and access to technology and internet connectivity is crucial.
Cost of Adoption:
Implementing digital technologies can involve significant upfront costs, which may be a barrier for some farmers, especially smallholders.
Data Security and Privacy:
Protecting sensitive farm data and ensuring data privacy is essential.
Interoperability and Integration:
Ensuring seamless integration of different digital technologies and platforms is important for maximizing their benefits.
Infrastructure Development:
Expanding internet connectivity and other infrastructure in rural areas is crucial for wider adoption of digital agriculture.
Despite the challenges, digital technologies are poised to revolutionize agriculture, making it more efficient, sustainable, and profitable for farmers while contributing to a more resilient and food-secure future.

Digital agriculture offers numerous benefits, including increased productivity, reduced costs, improved resource management, and enhanced sustainability. It leverages data-driven insights, automation, and advanced technologies like IoT, AI, and block chain to optimize farming practices and connect farmers with better markets. This leads to more efficient, profitable, and environmentally friendly agricultural operations.

Digital agriculture plays a crucial role in enhancing sustainability in farming by enabling more efficient resource management, reducing environmental impact, and improving overall farm productivity. By leveraging digital technologies, farmers can optimize inputs like water, fertilizers, and pesticides, leading to reduced waste, lower costs, and a smaller ecological footprint.

The Role of Digital Agriculture in Enhancing Sustainability in Farming

Data-Driven Decision Making

One of the core components of digital agriculture is the use of data analytics to guide farming decisions. Farmers today have access to precise information about soil health, weather conditions, crop growth stages, and pest infestations through satellite imagery, drones, and sensors embedded in fields. By analyzing this data, farmers can optimize inputs like water, fertilizers, and pesticides, ensuring that crops receive only what they need. This approach reduces waste, minimizes environmental impact, and enhances yield. For example, soil sensors

can detect when crops need water, preventing over-irrigation and reducing water consumption, a key step toward sustainable water management.

Precision Agriculture for Resource Efficiency

Precision agriculture, a subset of digital farming, allows farmers to apply resources with pinpoint accuracy. Through the use of GPS-guided machinery, farmers can map their fields and apply seeds, water, and fertilizers with precision. This targeted approach not only increases crop yields but also reduces the amount of chemicals and water used, preventing nutrient runoff that can pollute water bodies. Moreover, precision agriculture promotes soil health by avoiding over-tillage, which can degrade soil quality over time. By conserving essential resources, this method supports long-term sustainability, ensuring that future generations can continue to cultivate the land.

Climate-Smart Farming

As climate change increasingly impacts agriculture, digital technologies can help farmers adapt to unpredictable weather patterns and extreme conditions. Climate-smart farming practices include using digital tools to monitor temperature changes, forecast extreme weather events, and predict the best planting and harvesting times. Such tools enable farmers to adapt quickly and reduce crop losses. Furthermore, digital platforms allow for real-time monitoring of carbon emissions, helping farmers minimize their carbon footprint by adjusting practices such as tilling, fertilization, and energy consumption.

Reducing Post-Harvest Losses

In many parts of the world, a significant portion of agricultural production is lost between harvest and market. Digital agriculture can help reduce post-harvest losses through better supply chain management. IoT (Internet of Things) sensors and blockchain technology allow for the tracking of produce from field to table, ensuring optimal storage conditions and reducing spoilage. Additionally, mobile applications can connect farmers to markets directly, shortening the supply chain and reducing the time produce spends in transit, further minimizing loss and food waste.

Empowering Farmers through Digital Platforms

Digital agriculture empowers farmers, especially smallholder farmers, by providing them with access to information and tools that were previously unavailable. Through mobile apps and online platforms, farmers can receive real-time advice on pest control, weather patterns, and market prices. This access to knowledge allows them to make informed decisions that enhance their productivity while reducing their environmental impact. Furthermore, digital platforms facilitate access to financial services, such as loans and insurance, which are crucial for sustaining farming activities in the face of uncertainties.

Enhancing Biodiversity and Reducing Chemical Dependency

Digital tools also promote biodiversity by enabling farmers to adopt more sustainable crop rotations and intercropping strategies, which improve soil health and reduce dependency on chemical inputs. Digital monitoring systems can detect the presence of pests and diseases early, allowing for the timely application of biocontrol methods, reducing the need for harmful pesticides.

Digital agriculture represents a powerful tool in the global effort to enhance sustainability in farming. By providing farmers with precise, data-driven insights, reducing resource waste, and promoting climate resilience, digital tools are revolutionizing how food is grown and harvested. With the increasing challenges of feeding a growing population while protecting the environment, the adoption of digital technologies in agriculture is not just an opportunity but a necessity for achieving sustainable farming practices that can endure for generations.

Digital agriculture offers many innovations to farmers. IoT connected devices can, for example, optimize irrigation and fertilizer applications, implement equipment automation and robotic processes, and reduce growing costs.

Digital agriculture to farmers

Digital agriculture provides a farmer with a field-level view for greater insight and control of inputs for crop health and yields. Insights from digital agriculture can reduce business costs and increase profits for farmers while also creating a neutral – or even positive – environmental impact.

Digital technologies and weather management

The single constant that has dominated agriculture since our Neolithic ancestors began

farming is weather and climate. The ability to anticipate and adapt to volatile weather patterns and climate fluctuation is the foundation of agriculture. Weather satellites are increasingly effective and commercially viable. We're able to predict the weather with greater accuracy over varying timescales.

Digital agriculture gives farmers and agronomists adaptability and better risk management. It also allows them to identify opportunities in circumstances that previously counted as adverse or financially unviable.

Over the next decade, it's likely that the single most useful farming tool will be a smartphone. As governments expand fiber internet infrastructures and 5G wireless coverage, more remote areas will have reliable internet connections and every farmer should be able to connect directly to the global agricultural community.

Challenges:

High Capital Costs: It discourages the farmers to adopt digital methods of farming.

Small Land Holdings: Indian farms are very small in size and 1-2 acres farm plots are the most common. Also, agricultural land leasing under various arrangements is widely prevalent in India.

Renting and Sharing Practices: Due to both limited financial resources and small farm plots, renting and sharing platforms rather than outright purchase for equipment and machinery like tractors, harvesters etc.

Illiteracy in Rural Area: The lack of basic computer literacy hinders the fast development of e-Agriculture.

Related Government Initiatives:

AgriStack: The Ministry of Agriculture and Farmers Welfare has planned creating 'AgriStack' - a collection of technology-based interventions in agriculture. It will create a unified platform for farmers to provide them end to end services across the agriculture food value chain.

Digital Agriculture Mission: This has been initiated for 2021 -2025 by the government for projects based on new technologies like artificial intelligence, block chain, remote sensing and GIS technology, use of drones and robots etc.

Unified Farmer Service Platform (UFSP): UFSP is a combination of Core Infrastructure, Data, Applications and Tools that enable seamless interoperability of various public and private IT systems in the agriculture ecosystem across the country.

UFSP is envisaged to play the following role:

- Act as a central agency in the agri ecosystem (like UPI in the e Payments)
- Enables Registration of the Service Providers (public and private) and the Farmer Services.
- Enforces various rules and validations required during the service delivery process.
- Acts as a Repository of all the applicable standards, API's (Application Programming Interface) and formats.
- Act as a medium of data exchange amongst various schemes and services to enable comprehensive delivery of services to the farmer.

National e-Governance Plan in Agriculture (NeGP-A): A Centrally Sponsored Scheme**,** it was initially launched in 2010-11 in 7 pilot States, which aims to achieve rapid development in India through use of ICT for timely access to agriculture related information to the farmers.

- In 2014-15, the scheme was further extended for all the remaining States and 2 UTs.

Other Digital Initiatives: Kisan Call Centres**,** Kisan Suvidha App**,** Agri Market App**,** Soil Health Card (SHC) Portal, etc.

Way Forward

- The use of technology has defined the 21st century. As the world moves toward quantum computing, AI, big

data, and other new technologies, India has a tremendous opportunity to reap the advantage of being an IT giant and revolutionize the farming sector. While the green revolution led to an increase in agricultural production, the IT revolution in Indian farming must be the next big step.

- There is a need to build a robust digital infrastructure in the country consisting of satellite imaging, soil health information, land record, cropping pattern and frequency, market data, and others.
- Data efficiency can be increased through - Digital Elevation Model (DEM), Digital Topography, Land Use & Land Cover, Soil Map, etc.

Digital Agriculture Mission: Tech for Transforming Farmers' Lives

India's digital revolution has significantly transformed governance and service delivery in recent years by creating digital identities, secured payments and transactions. This progress has paved the way for a thriving digital ecosystem across various sectors, including finance, healthcare, education, and retail, positioning India as a leader in citizen-centric digital solutions.

- For a similar transformation of the Agriculture Sector, the Union Cabinet Committee, chaired by Prime Minister Narendra Modi approved the 'Digital Agriculture Mission' with a substantial financial outlay of Rs. 2,817 Crore, including a central government share of Rs. 1,940 Crore, on September 2, 2024.

The Digital Agriculture Mission is designed as an umbrella scheme to support various digital agriculture initiatives. These include creating Digital Public Infrastructure (DPI), implementing the Digital General Crop Estimation Survey (DGCES), and supporting IT initiatives by the Central Government, State Governments, and Academic and Research Institutions.

The scheme is built on two foundational pillars:

- Agri Stack
- Krishi Decision Support System.

Additionally, the mission includes '*Soil Profile Mapping'* and aims to enable farmer-centric digital services to provide timely and reliable information for the agriculture sector.

An adequate supply of basic staple foods is essential for human survival. An abundance of affordable, nutritious foods is vital for the future development of human progress. Digitalization of agriculture is key to the rapid evolution from the inefficient and even detrimental farming practices of the 20th Century. Global food demand is estimated to double by 2050 and it is vital that digital innovations in agriculture keep pace to help meet the global food demands. Today we have the resources and technology to feed every human on the planet if used properly. The challenge is to channel these technologies into effective processes and apply them at a strategic, holistic level.

Digital agriculture and sustainability are intimately connected to the issue of climate change. Opinions remain divided about the causes of climate change, but it's clear that the Earth's climate is unstable and has fluctuated historically. These conditions require the adoption of better ways to monitor climate and weather patterns and adapt – at niche local and global levels – to the challenges of temperature, drought, and flooding will improve food security for the entire human race.