Crop per Drop: Why is Arizona #1?

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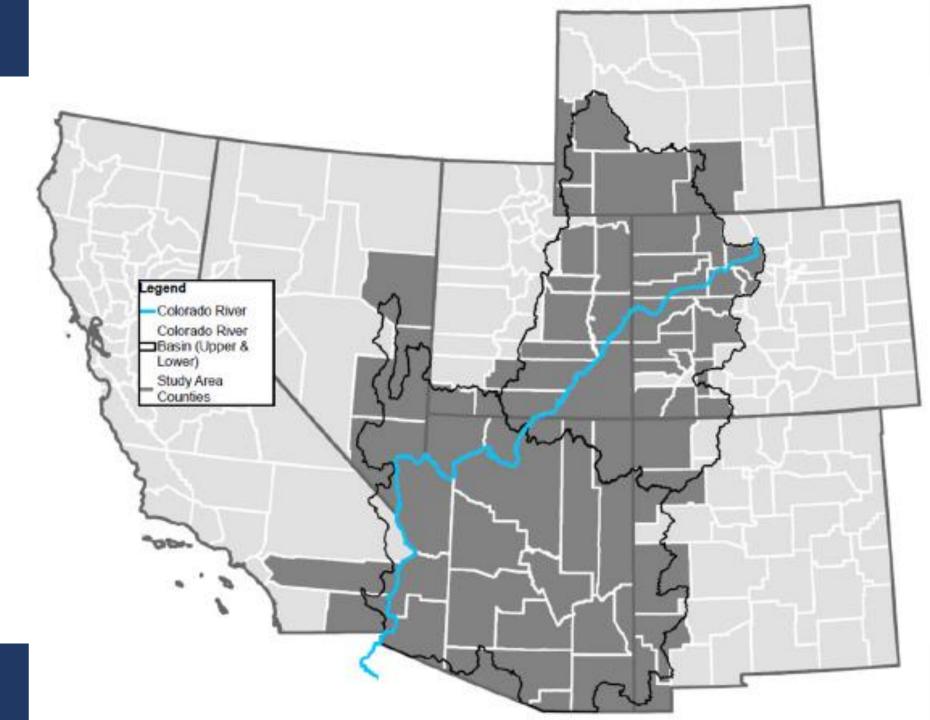
New Work on Water Productivity

- Frisvold, G., & Duval, D. Agricultural Water Footprints and Productivity in the Colorado River Basin. Hydrology **2024**, 11, 5.
 <u>https://www.mdpi.com/2306-5338/11/1/5</u>
- Frisvold, G., & Atla, J. Agricultural Economic Water Productivity Differences across Counties in the Colorado River Basin. Hydrology 2024, 11, 8.
 https://www.mdpi.com/2306-5338/11/8/125

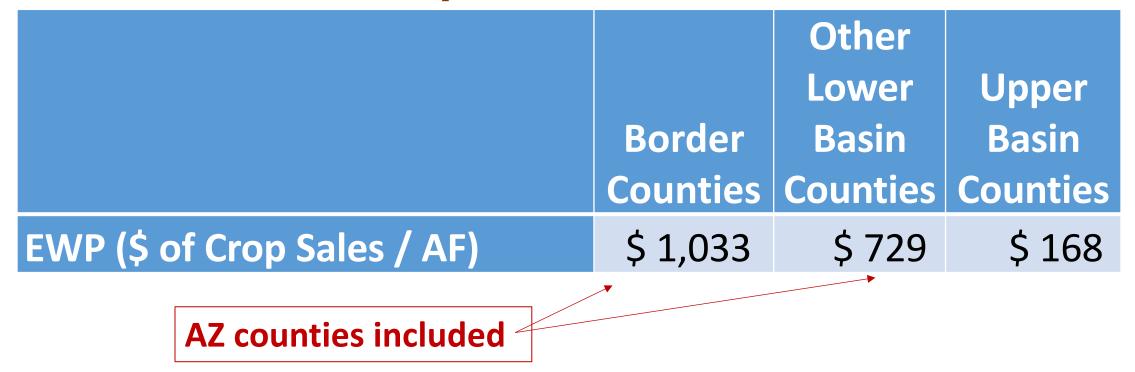
Different Productivity Measures

- Physical output (tons, bushels, etc.) / AF
- Economic Water Productivity (\$ sales / AF)
- Water Footprint (AF/ \$ of sales)
- Cash rent premiums for irrigated cropland

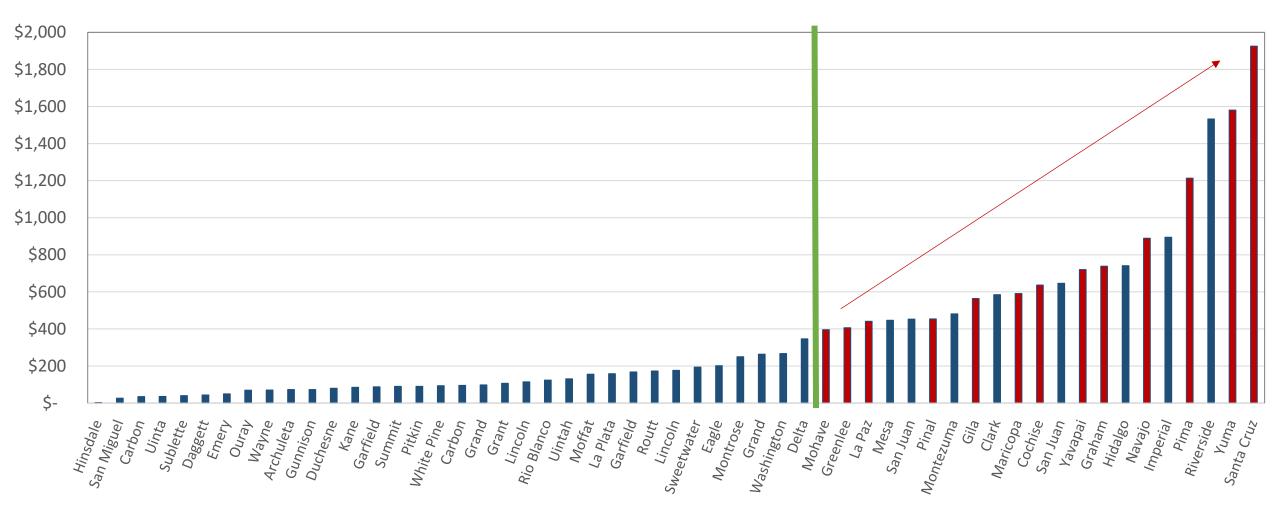
Study Area



<u>The What</u>: High Variation in Economic Water Productivity (EWP) across Colorado River Basin Counties [EWP = crop sales / AF of water consumed]



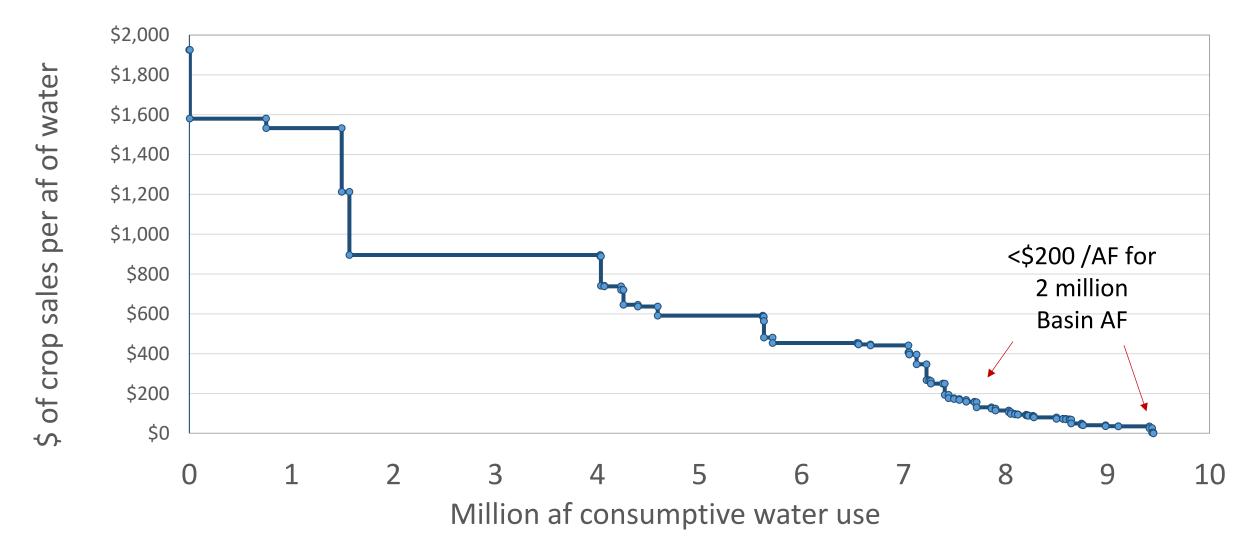
Basin Counties Ranked by EWP



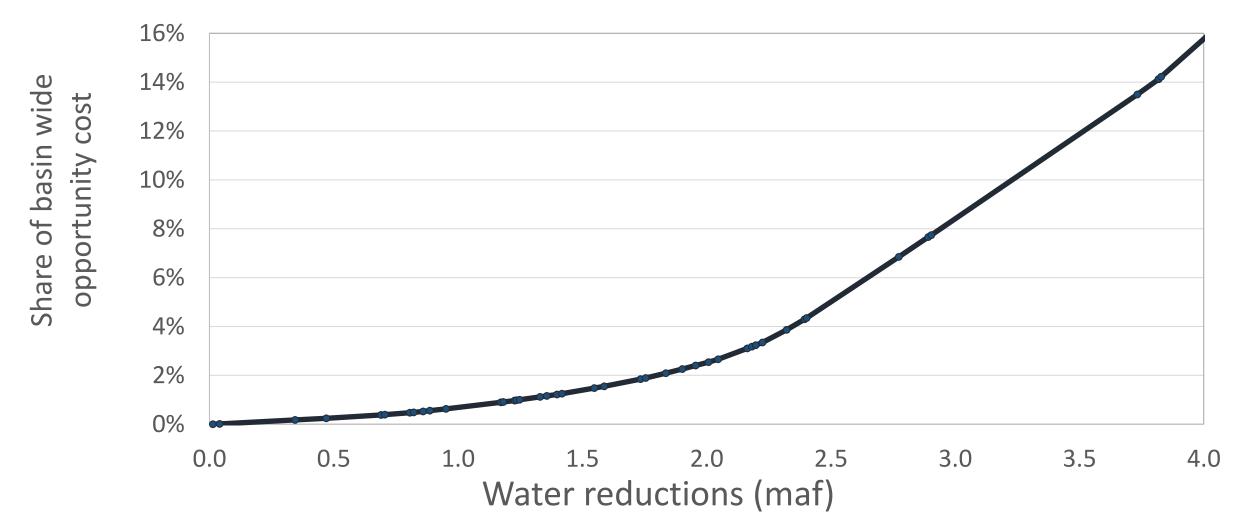
What is the potential cost in terms of lost crop sales or reallocating water from agriculture?

- This depends critically on **where** cuts are made
- Cuts to water supplies where EWP is higher entail greater costs in terms foregone sales

Crop Sales / AF across Colorado Basin



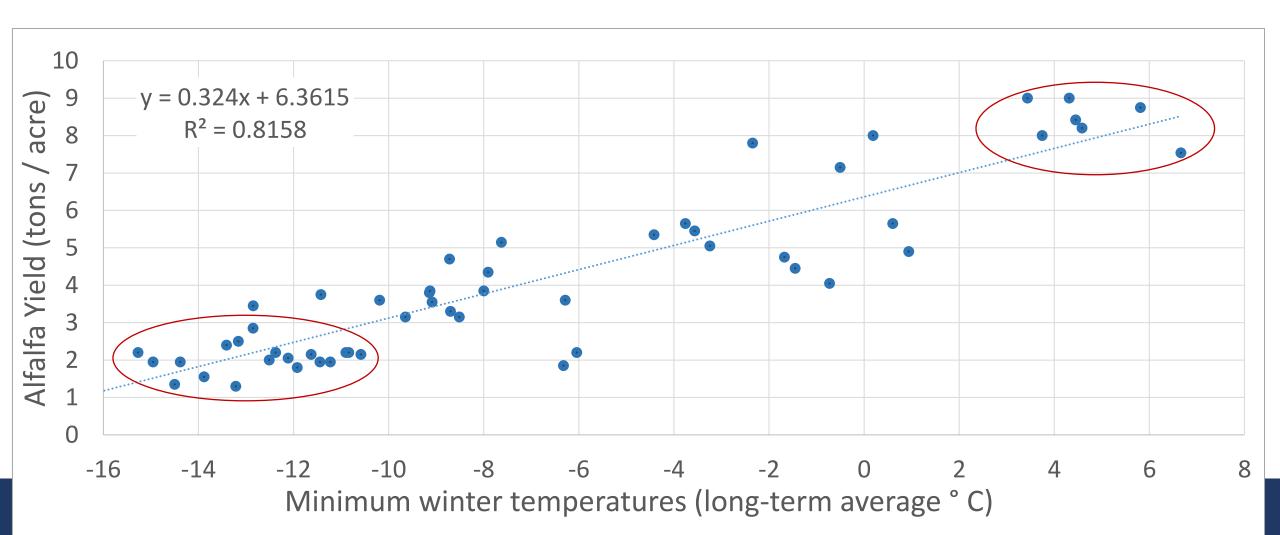
Percentage of Regional Crop Sales Lost with Water Cutbacks



<u>The Why</u>: What Drives Differences in EWP across Counties?

- Climate
 - Warm winters (+)
 - Summer humidity (+)
- Small / remote counties (–)
 - Higher transactions costs
 - Rural broadband & other infrastructure
- Average irrigated acres (–)
 - Land extensive operations include irrigated pasture & lower value crops?
- Being on the US Mexico Border
 - Labor availability

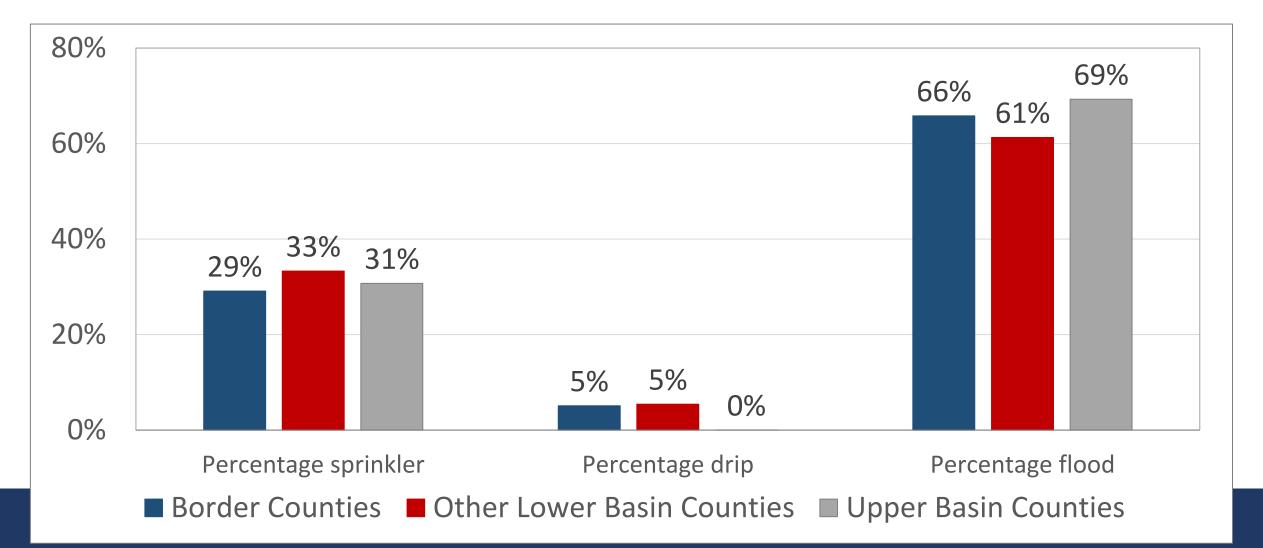
Alfalfa Yields Grow with Winter Temperatures



Adoption of Improved Irrigation Systems Does <u>Not</u> Account for Inter-County Differences in EWP

- Why not?
- Possible explanations
 - Gravity flow irrigation has been optimized to reduce efficiency differences
 - Advantages of sprinkler systems reduced in extremely hot & arid conditions
 - There's just not that much variation in adoption rates across counties
- This says nothing about role of irrigation technologies <u>within</u> counties or over time

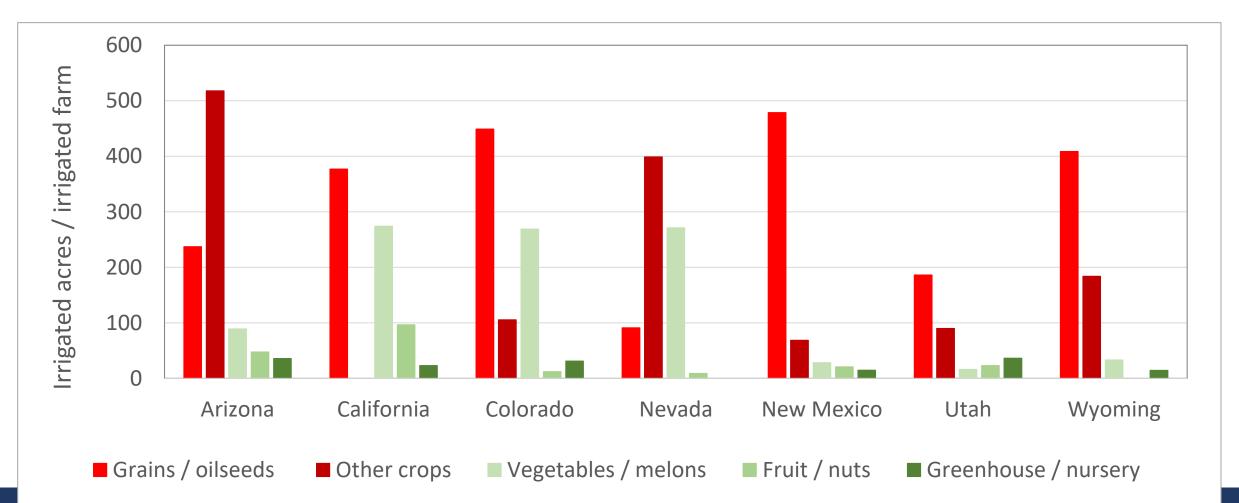
Little Regional Variation in Irrigation Technology Adoption



Labor Costs & Farm Specialization

Region	Labor costs as a share of production expenses	Farms specializing in vegetables / melons, fruits / nuts, and nursery / greenhouse production as a share of all farms
Border Counties		
Yuma County	28%	51%
Remaining Border Counties	21%	17%
Other Lower (OL) Basin Counties		
Riverside County	21%	60%
Remaining OL Basin Counties	17%	14%
Upper Basin Counties	15%	7%

Irrigated acres / farm by crop specialization



Summing up

- Reallocating water from agriculture in systems with high EWP will have the highest losses in crop revenues
 - Border County EWP 6X greater than Upper Basin EWP
 - Other Lower Basin County EWP 4.3X greater than Upper Basin EWP
 - Counties with the lowest EWP consumed 25% of the Basin's agricultural water (>2.3 million af) to generate 3% of Basin crop revenue
- Warmer climate favors higher-value specialty crop production and enhances alfalfa yields
- Controlling for other factors, being on the Border increased a county's EWP by \$570 / AF
- Sustainability of regional agriculture depends on both water availability & labor availability

Questions?

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