Agenda Item 4c

ASIA AND PACIFIC COMMISSION ON AGRICULTURAL STATISTICS

TWENTY-SECOND SESSION

Kuching, Malaysia, 9-13 June 2008

Expert Consultation on Farmers’ Income Statistics
The Expert Consultation on Farmers’ Income Statistics was organized by the Regional Office for Asia and the Pacific (RAP) of FAO. It was held in the premises of the FAO Regional Office in Bangkok, Thailand, from 11 to 14 December 2007. The Expert Consultation was attended by a total of 16 participants, including six experts from various countries of the region and six experts from the US Department of Agriculture (USDA), Eurostat and FAO. Four observers, one each from the Ministry of Agriculture and Cooperatives and the National Statistical Office of the Government of Thailand, and two from the Ministry of Agriculture, Centre of Agriculture Data and Information, Indonesia, also attended the Expert Consultation.

The general objective of the Expert Consultation was to contribute to the improvement of farmers’ income statistics in the Asia and Pacific Region. More specifically to (i) identify methodologies for collection and possible integration of surveys to obtain farmers’ income data; (ii) review processing of farmers’ income data and identify appropriate strategies for imputation and analysis; and (iii) recommend optimal strategies for improving the collection and analysis of farmers’ income data.

**Expert Consultation Results**

Fourteen technical documents were discussed. The Expert Consultation ended with a roundtable discussion on “Recommendations of Optimal Strategies for Improving the Collection and Analysis of Farmers’ Income Data”. The Session’s Agenda included topics on:

1. Farmer income data for decision-making
   a. Identify methodologies for collection of farmers’ income data
   b. Review of possible integration of surveys to obtain farmers’ income data.
2. Processing and analysis of farmer income data
   a. Methodologies for processing and analysis
   b. Appropriate strategies for overcoming data limitations
   c. Appropriate strategies for imputation and analysis
3. Recommendations of optimal strategies for improving the collection and analysis of farmers’ income data

The following were the highlights of and recommendations made by the Expert Consultation:

1. **Budgetary Considerations.** Budgetary constraints were cited often as a common issue in the collection of farmers’ income data among developing countries. These can influence sampling design, accuracy of the data, frequency and timing of data collection, and the survey instruments that can be used. With rising cost of survey operations, Experts considered worthy exploring other sources of funding outside the framework of public spending. Users of farmer income and other socio-economic data might be persuaded to contribute in funding to the collection of such data. The Experts recommended that FAO increase awareness among national governments (through meetings and other relevant channels) on the use of farmer income data and the need for setting aside funds for data collection, analysis and dissemination. They also recommended that, when appropriate, countries look for funding of data collection, analysis and dissemination beyond the framework of public spending.

2. **Information Requirements and Definitions.** The Experts noted that households (including farm households) tended to be burdened with various surveys and that the
socio-economic information collected was often inconsistent across Asia Pacific countries. The Experts recommended that efforts should be made to define the core data requirements that provide consistency and comparability between collections across countries and over time. The Experts also recommended that FAO develop guidelines on the conduct of farm income related surveys, including imputation methods. These actions would facilitate the formulation of national and regional policies and initiatives such as the FAO Rural Income Generating Activities (RIGA) Project.

3. **Framework for Measuring Income.** The Experts agreed that the complexity in concepts related to farmer income called for an appropriate framework where measurements could be based on. The Experts recommended that accounting frameworks like the Living Standards Measurement Study (LSMS) and the System of National Accounts (SNA) should be considered when measuring farm household incomes.

4. **Under-reporting.** Discrepancies were noted between household income and consumption expenditure, suggesting under-reporting in farm income. The Experts recommended that a pilot study be undertaken across countries to assess the extent of underreporting of farm income data, e.g. by comparing income data with consumption and savings data. Case studies could be used to estimate correction factors to adjust under-reported data on income.

5. **Accessibility.** Quality problems with farm income data is often related to difficulty in reaching respondents in areas of difficult access (e.g. remote areas or zones with security problems). The Experts recommended that FAO explore the possibility of conducting a study or a workshop to identify methods that can efficiently be used to collect farm income data from areas where access is difficult.

6. **Public Awareness and Feedback.** The Experts recognized the need for increased public awareness on the usefulness of the results from farm income data. In particular, the need was felt for greater efforts of feedback to the farmers as to how data provided by them were utilized. They noted that it could present a tangible benefit on them and motivate cooperation and provision of truthful information in future surveys. The Experts recommended that efforts should be made to improve the accessibility to and feedback of information to all stakeholders, including farmers, as a way of incentive to provide reliable information.

7. **Information Technology.** The Experts noted the growing use of information technology (e.g., satellite images, internet, hand-held computers, automated checking and imputation, etc.) in the collection, analysis and dissemination of farm income and other socio-economic data. The use of IT was enhancing the collection, analysis and dissemination of this data. They noted, however, that the use of IT varied significantly among countries. The Experts recommended that a review be undertaken on the use of IT in farm income surveys from collection to analysis and dissemination of data, assessing its potential applications in Asia-Pacific countries.

The report of this Expert Consultation Session was published in March 2007. The recommendations of the Consultation will be reported at the Twenty-second Session of the Asia and Pacific Commission on Agricultural Statistics (APCAS) to be held in Malaysia in June 2008.