



منظمة الأغذية  
والزراعة  
للأمم المتحدة

联合国  
粮食及  
农业组织

Food  
and  
Agriculture  
Organization  
of  
the  
United  
Nations

Organisation  
des  
Nations  
Unies  
pour  
l'alimentation  
et  
l'agriculture

Organización  
de las  
Naciones  
Unidas  
para la  
Agricultura  
y la  
Alimentación



## Expanding agricultural price statistics, new derived indicators, data coverage and quality

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# Outline

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- ✓ **Introduction**
- ✓ **Setting the context – Key Uses of Price Statistics**
- ✓ **Existing indicators and new lines of work**
- ✓ **Feedback and comments from AFCAS members**

# Introduction

2007 food price  
crisis

need to **better monitor agriculture food price transmissions** across the value-chain

Consequently, FAO work on agricultural prices is expanding in four key directions:

1

- improve **coverage, frequency** and **timeliness** of price statistics

2

- improve **dissemination** and **awareness** of FAO price data - new data releases with statistical analysis

3

- develop, evaluate & disseminate a **new set of derived indicators** to better capture & monitor price dynamics, transmission and volatility

4

- develop **price profiles** to provide quick and easy access to price information for different geographic groupings

# Setting the context – Key Users of Price Statistics

## National governments & International organizations

- to develop, monitor & evaluate **agriculture policies**
- to identify intra-country & international **comparative advantages**
- to identify population groups at **risk**
- to estimate the **value of agricultural output, intermediate inputs & agricultural VA**

## Farmers & agri-businesses

- to inform **decisions** about:
  - **agricultural production** & composition
  - use and purchase of **intermediate inputs**
  - **borrowing, farm management & investment decisions**

## Researchers, academics & students

- to **increase the stock of knowledge** that will benefit governments, International organizations & private sector

# Existing indicators and new lines of work

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- a. **Producer prices**
- b. **Consumer prices, regional and global price indexes**
- c. **Mobile data collection and the AMIS Project**
- d. **Price transmission and price volatility indicators**
- e. **Price profiles and other analytical products**

## a. Producer prices

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**FAO Producer price dataset** contains:

- **annual** producer prices for 1991 to 2011
- **monthly** producer prices beginning January 2010
- annual producer price **indexes** (PPIs) for 1999 to 2011

**153** countries

**200** commodities

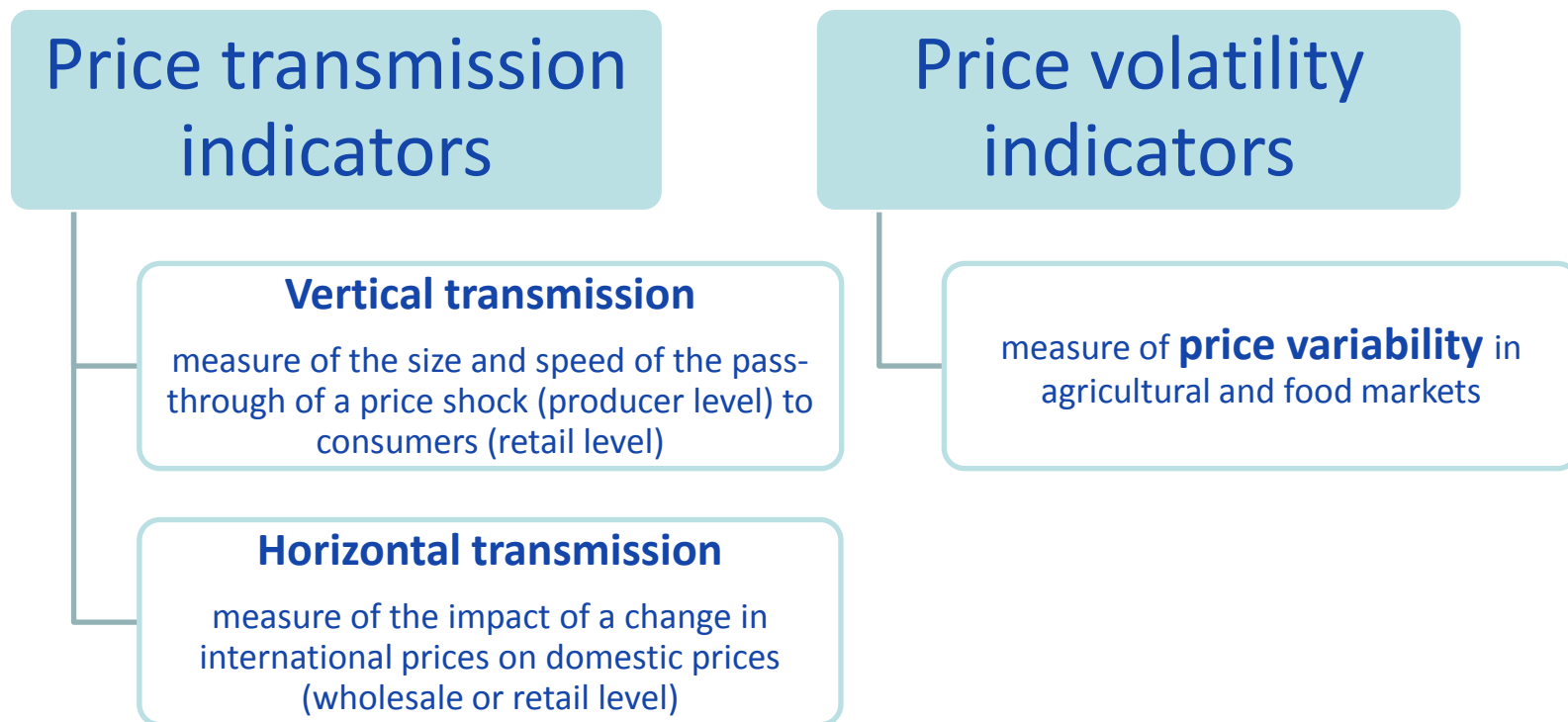
representing roughly **97%** of the world's **value of agricultural production**

## b. Consumer prices, regional and global price indexes



**Target:** help identify **common trends** across regions as well as country-level differences, and the drivers behind both

## c. Price transmission and price volatility indicators (1)

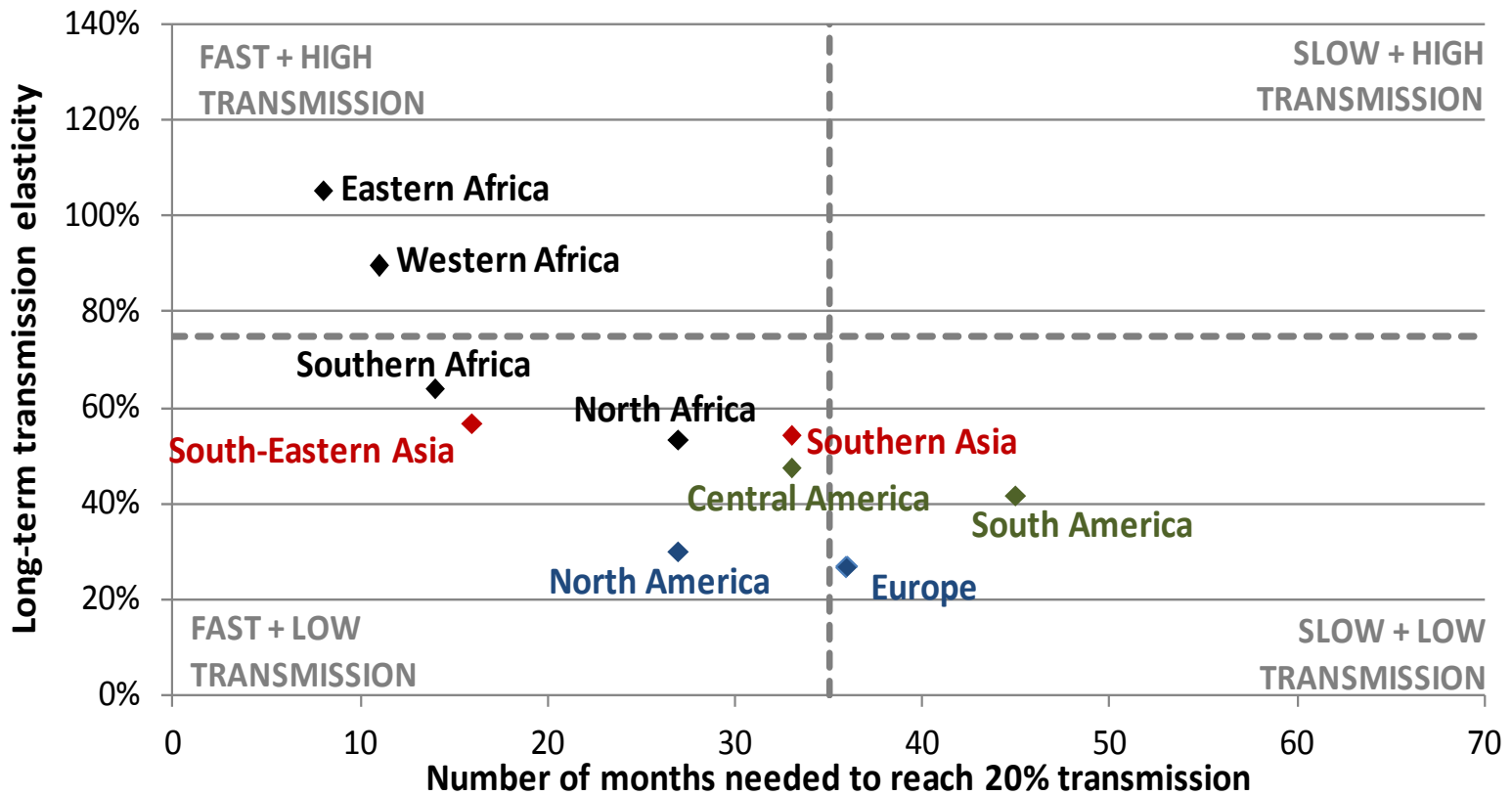


FAO is currently developing, testing and evaluating price transmission coefficients and price volatility indicators



# c. Price transmission and price volatility indicators (2)

This first set of price transmission indicators show the **impact on regional food CPI of a 1% shock in the FAO Food Price Index**



## d. Price profiles and other analytical products

FAO plans to integrate price data and indicators in **country**, **regional** and **global** price profiles:

### Country profiles

- country specific information on **producer prices** (absolute levels and indices), **CPIs** and **price transmission coefficients**

### Regional/Global profiles

- **regional** and **global PPIs** and **food CPIs**, and **average price levels** for selected commodities

## e. Mobile data collection and the AMIS project

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Under the AMIS project, FAO is developing a **market monitor to track current and expected future trends** in international markets, with the following main features:

- ✓ Use of **digital and geo-referenced technologies**, such as smart phones and mobile applications, to collect food price real time data
- ✓ Strengthening of FAO's existing on-line **GIEWS Food Price Data and Analysis Tool**, to monitor basic staple food prices in 82 countries

**Target**: help governments and policy makers **detect abnormal situations** in agricultural markets

## e. Other digital and geo-referenced technologies

### 1. Colombia, Morocco, Bangladesh governments use this technology

- **Morocco – ASSAR project**
  - Price collection and transmission in real time via PDA to automate collection, compilation and dissemination of agricultural product prices
  - Surveyed 60 products, 50 collection points, including producer and wholesale prices

### 2. Private sector firms use this technology and sell their product

- **Pricestats (Cambridge MA, USA):** <http://www.pricestats.com/>
  - Daily on-line prices estimate daily inflation indices for 20 countries, plus global, food, and fuel inflation series. An outcome of the **Billion Prices Project @ MIT:** <http://bpp.mit.edu/>
- **Premise (San Francisco CA, USA):** <http://www.premise.com/index.html>
  - millions of data points daily from thousands of local sources in 30 countries

### 4. FAO data collection

mobile technologies are currently being tested in Haiti and are about to be implemented in India, Bangladesh, Nigeria, Kenya and Uganda

# Questions & Recommendations for Discussion

AFCAS member countries are requested to provide their:

- **Feedback, comments & inputs** on the existing and new lines of work
  - price profiles
  - regional indicators
  - price transmission indicators
- Views on their capacity to **improve the collection** and **reporting** of basic price data
  - *how could FAO support?*
- Views on how **FAO could improve its own data collection, validation & estimation process**
  - *sourcing data directly from national websites, etc.*



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# Thank you

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