Monitoring and analyzing food and agricultural policies:
scope, focus and early results

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Outline

1. Introduction. What is MAFAP?

2. Scope and focus

3. Example of results for one country

4. Examples of cross country comparison

5. Conclusions

What is MAFAP?

Monitoring and Analyzing Food and Agricultural Policies

- Analyses policy impacts on food & agriculture with comparable indicators across commodities, countries and over time

  – Price analysis

  – Expenditure and aid

  – Policy coherence

- Builds capacities of national partners for institutionalization

- Targets policy makers & development partners to promote evidence-based policy dialogue

Which indicators and what kind of analysis?

1. Market price support (NRPs/NRAs and MDGs)

2. Public expenditure level and composition

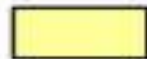3. Policy coherence

4. Country and sector performances

Where does MAFAP focus?

MAFAP countries

- five countries with in-depth analysis
- five countries with preparatory activities (policy reviews)

AFRICA

Mali · Nigeria · Burkina Faso · Ghana · Etiopia · Uganda · Kenya · Tanzania · Malawi · Mozambique

What commodities and expenditures does MAFAP analyze?

	Commodity list	Burkina	Mali	Kenya	Tanzania	Uganda	Ethiopia	Ghana	Malawi	Mozamb.	Nigeria	Total
1	Maize	S	S	S	S	S	S	S	S	S	S	10
2	Rice	S	S	S	S	S		S		S	S	8
3	Cassava			S	v	S		S	S	S	S	7
4	Sorghum-Millet	S	S	S	S		S	S			S	7
5	Cotton fiber	S	S	S	S	S			S	S		7
6	Beans - Cowpeas	S	S		S		S	S		S		6
7	Livestock	S	S	S	v	S	v					6
8	Cow milk		S	S	S		v		S			5
9	Sugar cane			S	S	S				S	S	5
10	Groundnuts	S	S		v				S			4
11	Coffee			S	S	S	S					4
12	Palm, Cotton, Sesame oil	S					v	S			S	4
13	Wheat			S		S	S					3
14	Tea			S		S			S			3
15	Tobacco								S	S		2
16	Cocoa							S			S	2
17	Sesame	S										1
18	Arabic gum	S										1
19	Yam								S			1
20	Fish					S						1
21	Oignon	S										1
22	Teff						S					1
	Total	11	8	11	11	10	9	8	7	7	7	**89**
	Expenditures	S	S	S	S	S		S			S	

Selected technical notes are already available on the web www.fao.org/mafap

What are the MAFAP products ?

- Data base
- Triennial multi-country report
- Country reports
- Technical notes
- Policy monitoring system
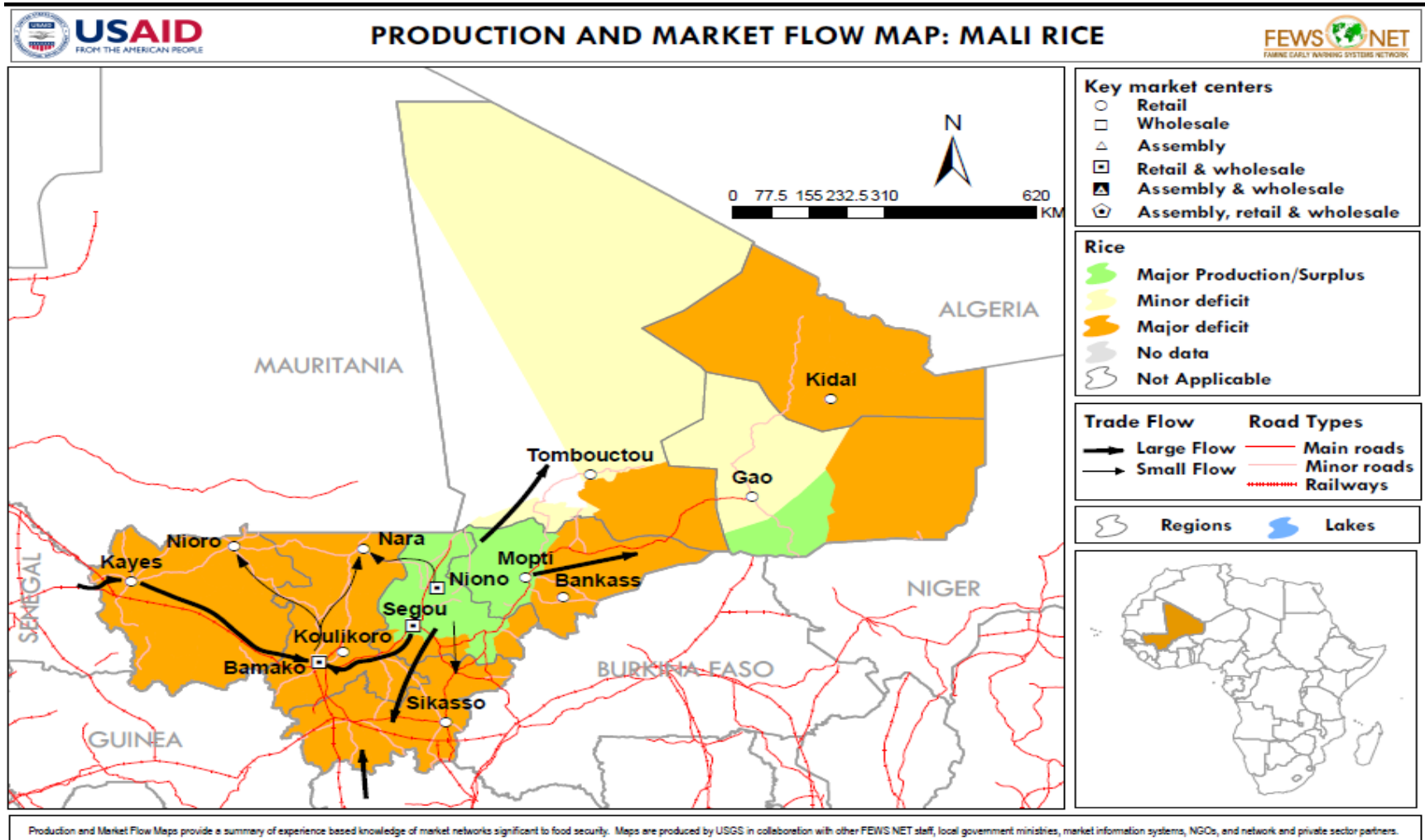- Support to evidence-based policy dialogue and decision making

Example of results for one country: Rice analysis in Mali, 2005-2010

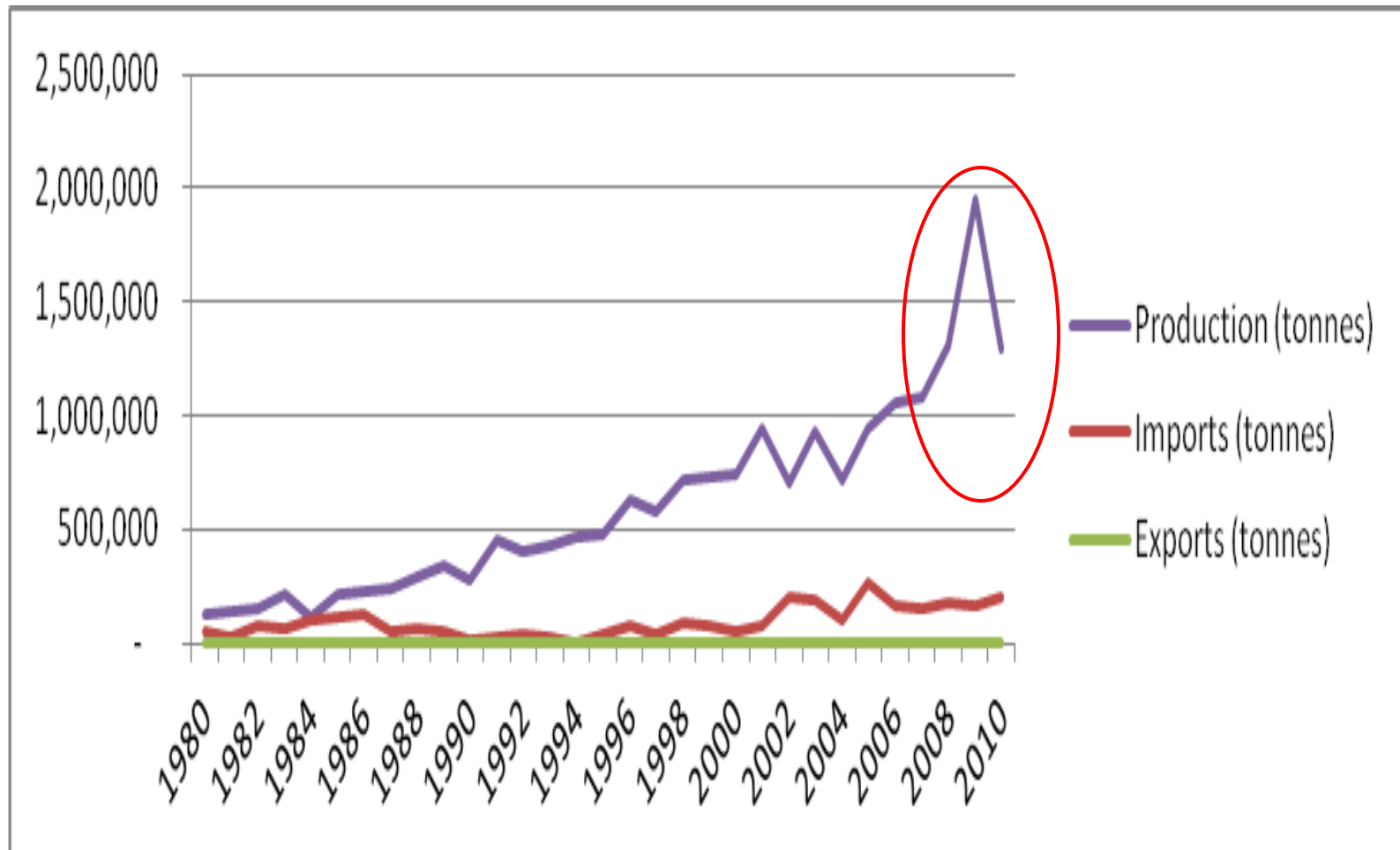Market price support

- Expenditure and aid

- Policy coherence

Rice production and marketing in Mali

PRODUCTION AND MARKET FLOW MAP: MALI RICE

Production and Market Flow Maps provide a summary of experience based knowledge of market networks significant to food security. Maps are produced by USGS in collaboration with other FEWS NET staff, local government ministries, market information systems, NGOs, and network and private sector partners.

Rice production and trade

Policy decisions and measures

- Input subsidies

- Tax exemptions on imports

- Price ceilings

Are there incentives to rice production ?

Policies effective to absorb the price rise

Surging world food prices yet more disincentives !

Legend:
- Écart de prix observé au point de compétition (grey)
- Écart de prix ajusté au point de compétition (blue)
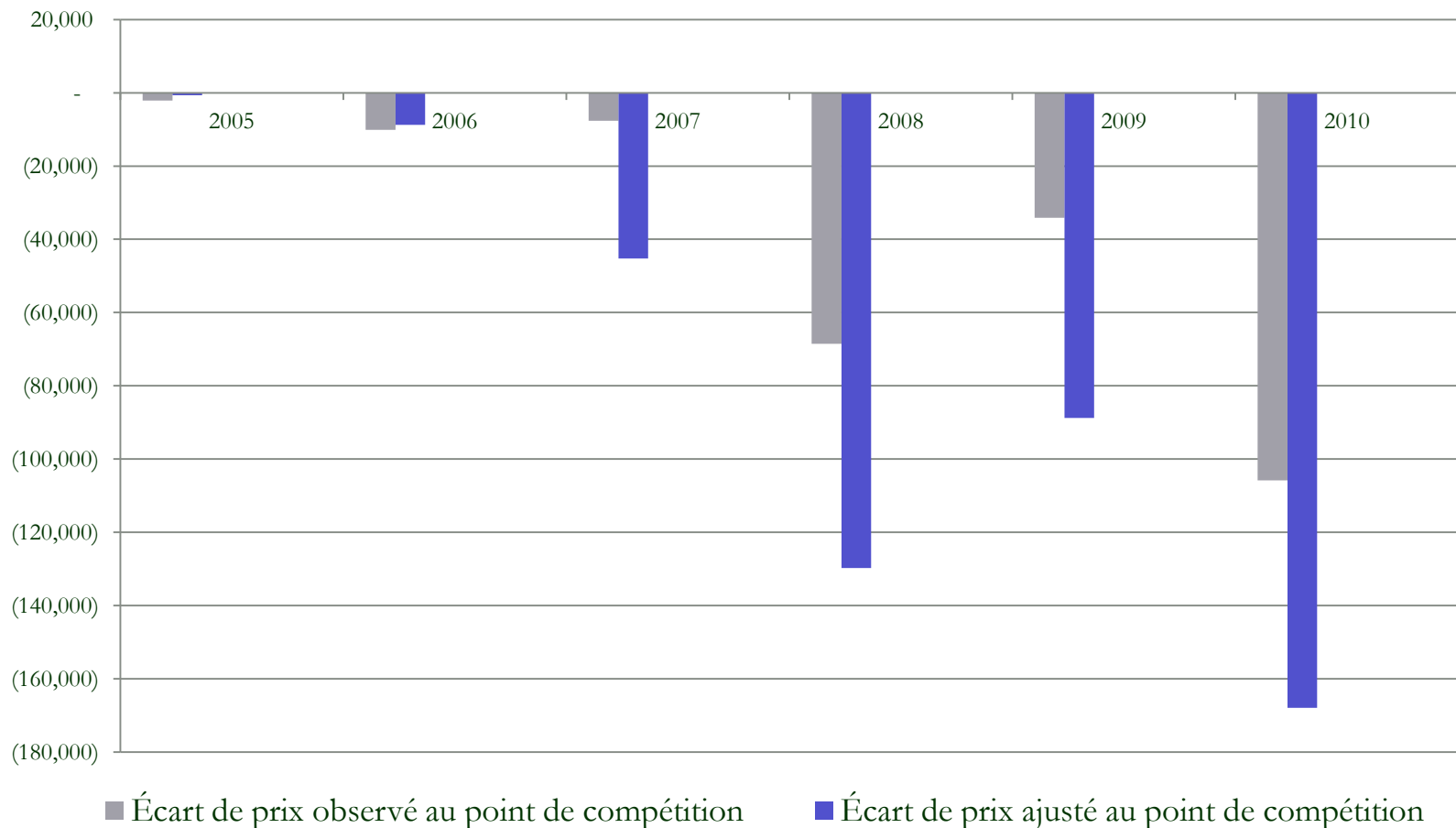
Expenditure composition
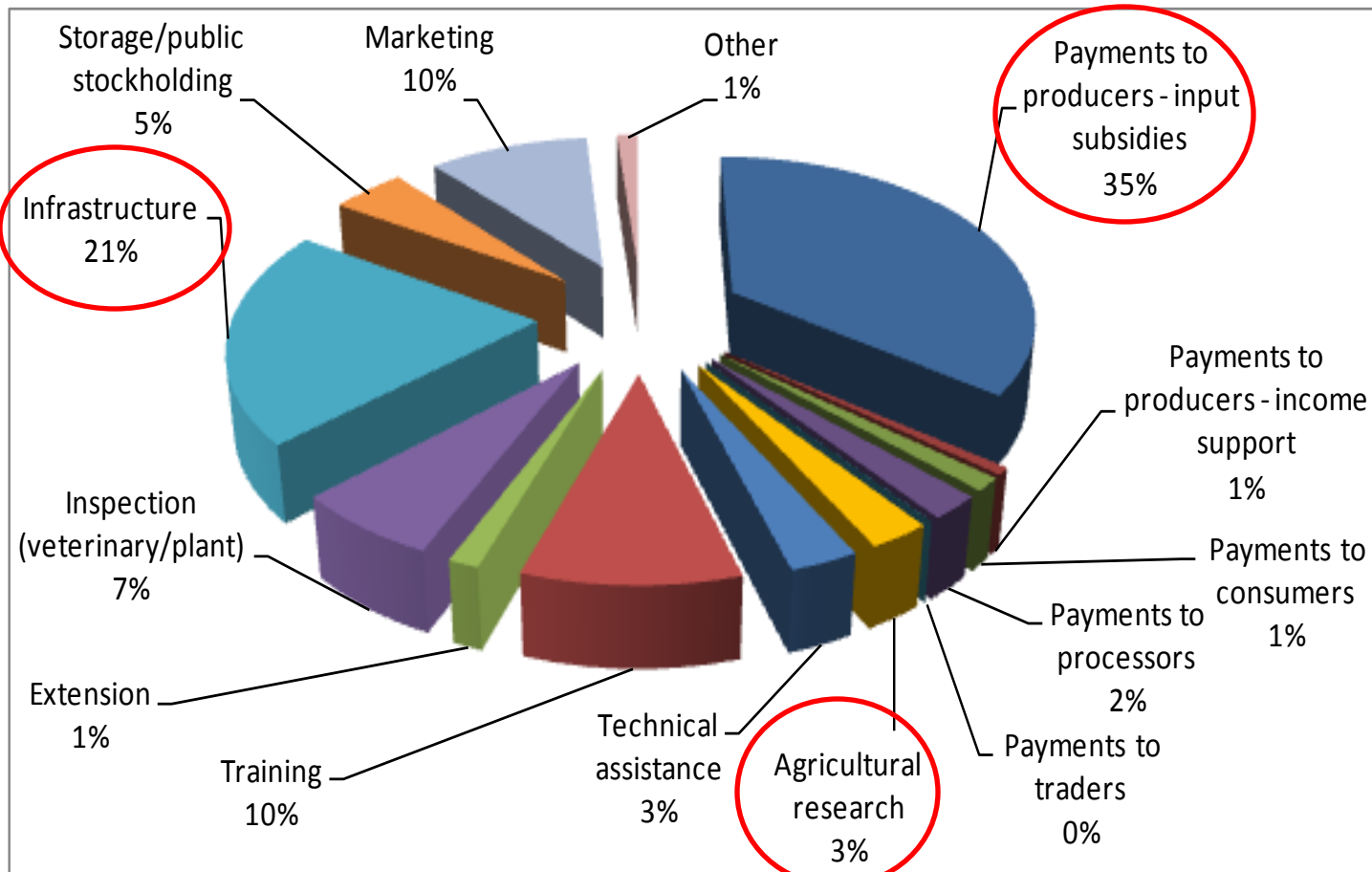
Roads and irrigation. Mainly for rice-promotion projects

Storage/public stockholding 5%

Marketing 10%

Other 1%

Payments to producers - input subsidies 35%

Infrastructure 21%

Inspection (veterinary/plant) 7%

Extension 1%

Training 10%

Technical assistance 3%

Agricultural research 3%

Payments to traders 0%

Payments to processors 2%

Payments to consumers 1%

Payments to producers - income support 1%

Source : MAFAP, FAO

Yet Ag.research very high return on ag prod / poverty reduction

Rural education
10%

Rural health
12%

Other
36%

Rural infrastructure - other
0%

Rural infrastructure - energy
1%

Rural infrastructure - water and sanitation
2%

Rural infrastructure - roads
39%

Lowering access costs (transport)

Source : MAFAP, FAO

rice
63%

fish
20%

cattle
9%

cotton
4%

shea
1%

milk
1%

poultry
1%

wood
1%

wheat
0%

shallot
0%

sesame
0%

jatropha
0%
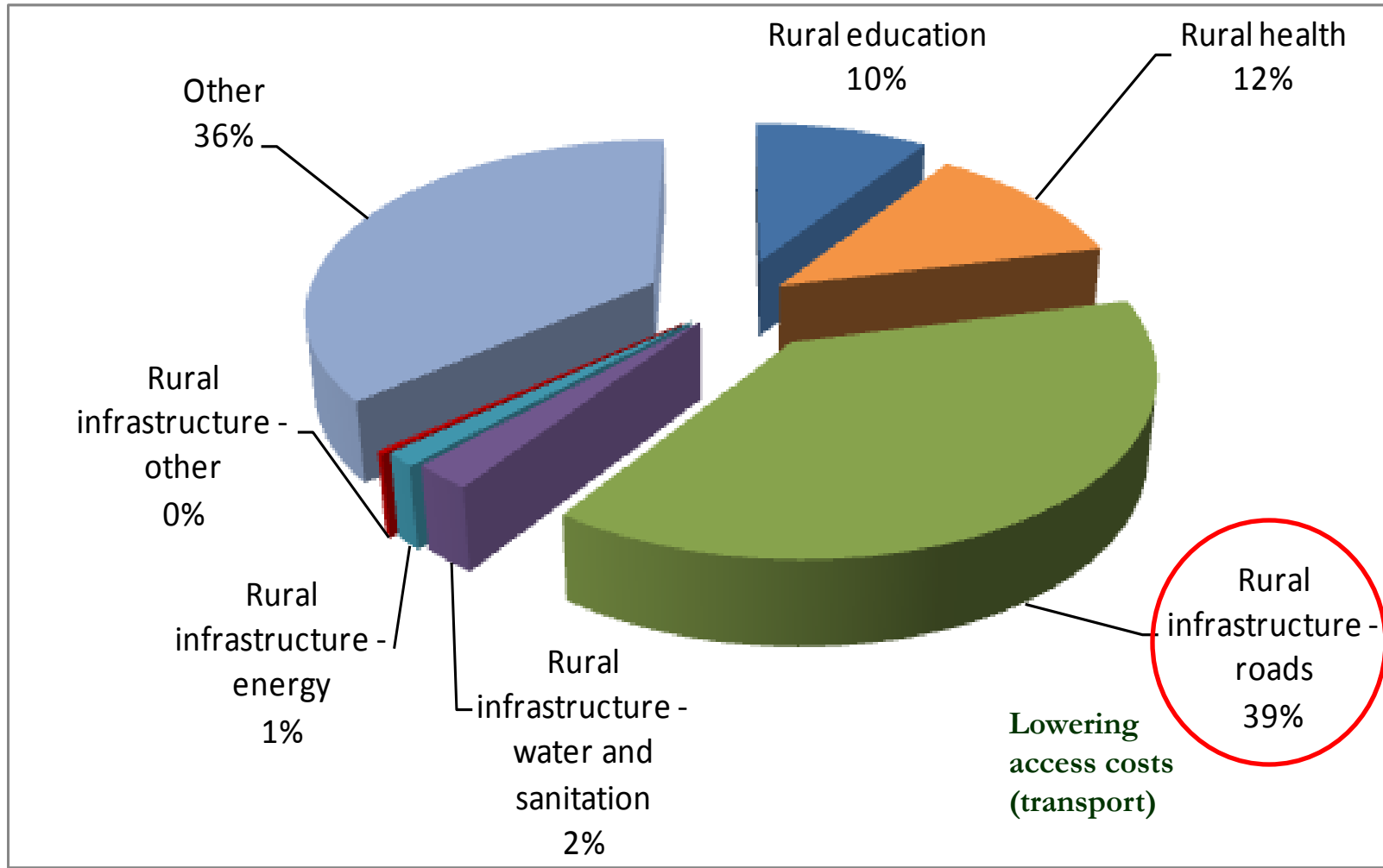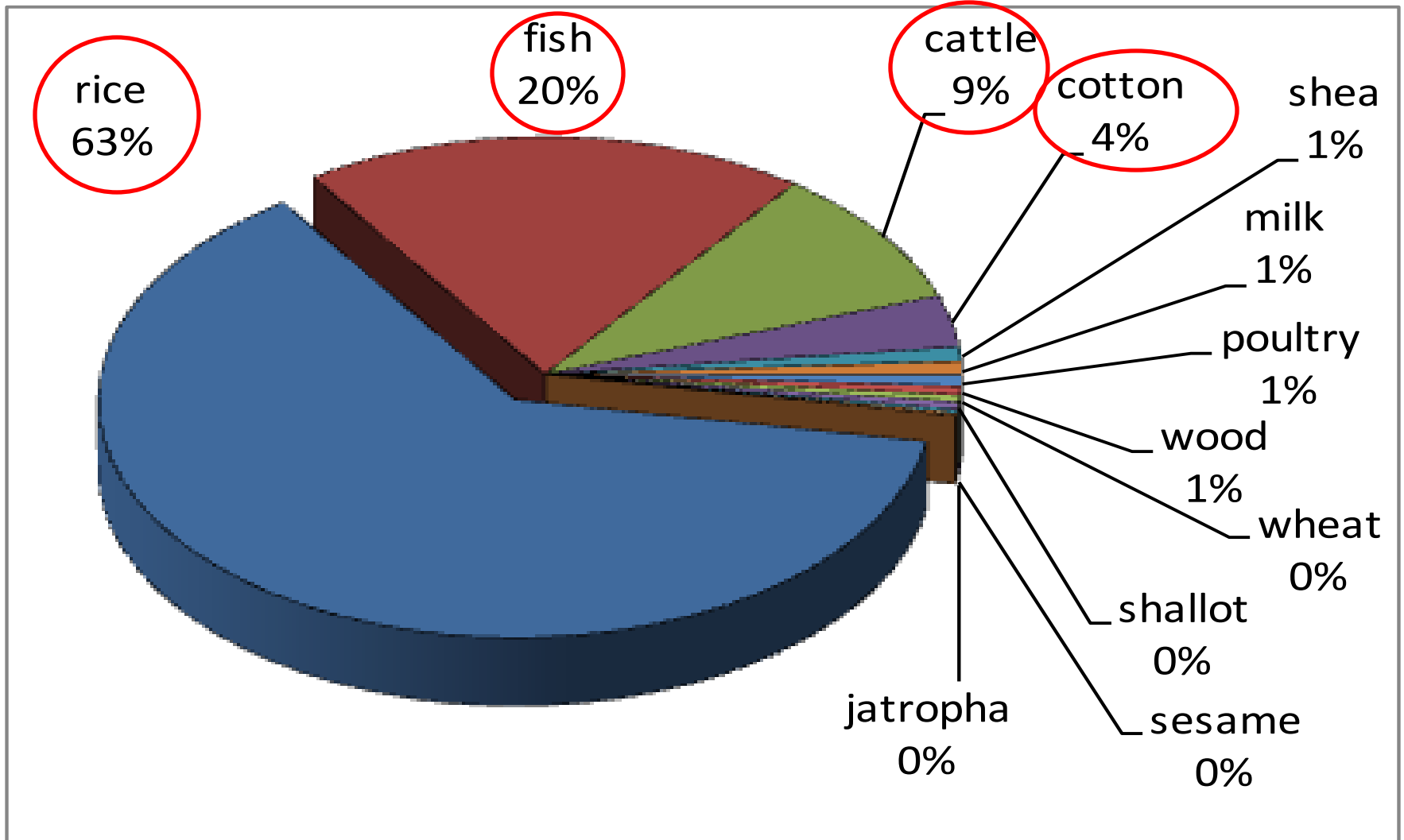
Source : MAFAP, FAO

MAFAP analysis of policy coherence:
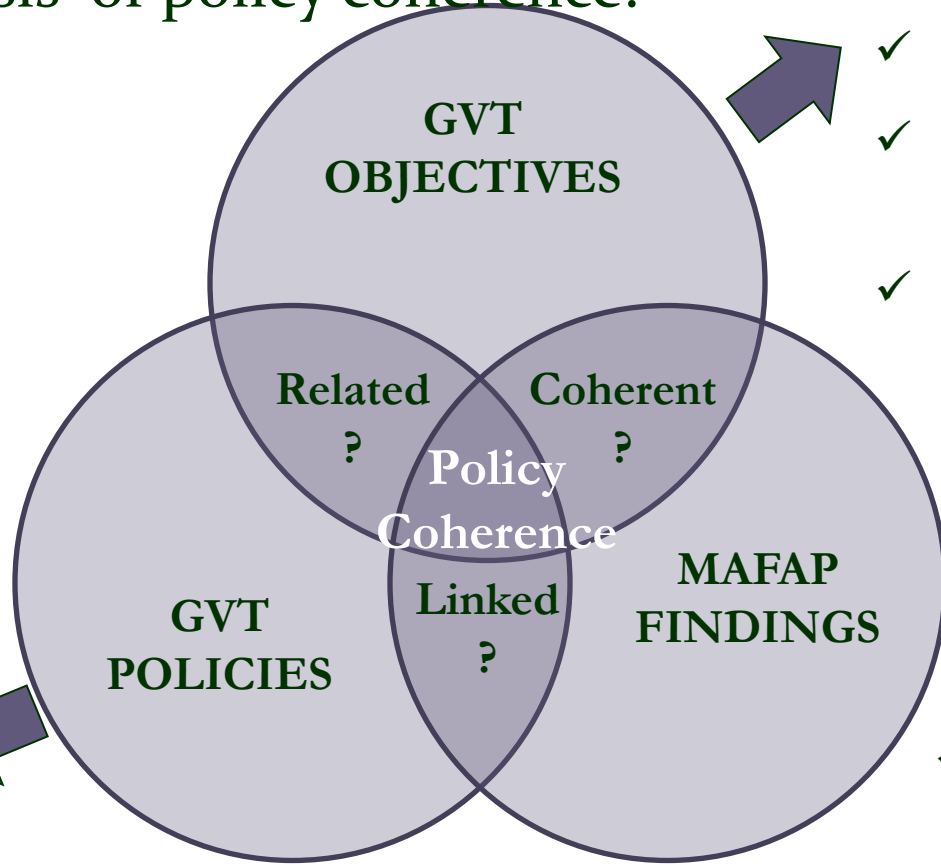
- ✓ Net exporter of rice
- ✓ Boosting production
- ✓ Improving producers' revenue
- ✓ Food security

GVT OBJECTIVES

Related ?

Coherent ?

Policy Coherence

Linked ?

GVT POLICIES

MAFAP FINDINGS

- ✓ Tax exoneration on imports : 08-09
- ✓ Price ceilings: 08-09
- ✓ Input subsidies : 08-ongoing…

- ✓ Incentives or disincentives and for whom ?
- ✓ Public expenditures: going to rice ?
- ✓ Irrigation infrastructures ?
- ✓ Input subsidies ?

Main messages

- Objective (*Mali as a net exporter*) not supported by effects of measures

- Implicit objective to support consumers outweigh support to producers (lowest prices in West Africa)

- Unfavorable environment for investments by farmers

- Exchange rate misalignment increases competitiveness of imports

- MAFAP does not capture all forms of incentives as shown by sustained production growth

MAFAP allows for cross countries and cross sectors comparisons

Mali, Ghana, Burkina Faso and Tanzania, 2005-2010

Commodity level analysis: Rice example

MALI

Observed nominal rate of protection at farm gate — Adjusted nominal rate of protection at farm gate

BURKINA FASO

Observed nominal rate of protection at farm gate — Adjusted nominal rate of protection at farm gate

TANZANIA

Observed nominal rate of protection at farm gate — Adjusted nominal rate of protection at farm gate

GHANA

Observed NRP at farm gate — Adjusted NRP at farm gate
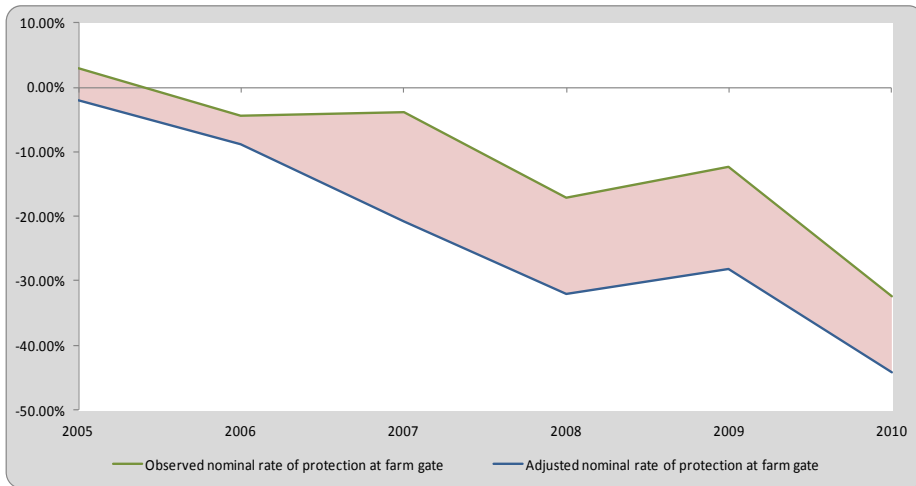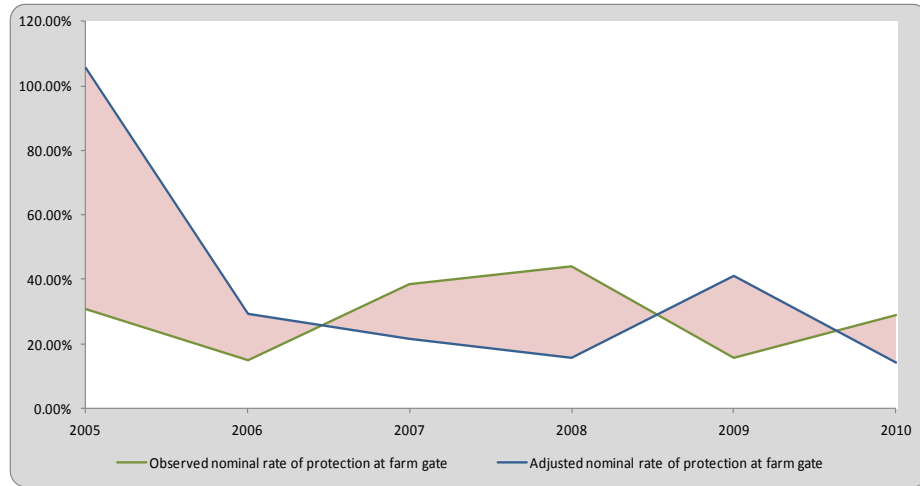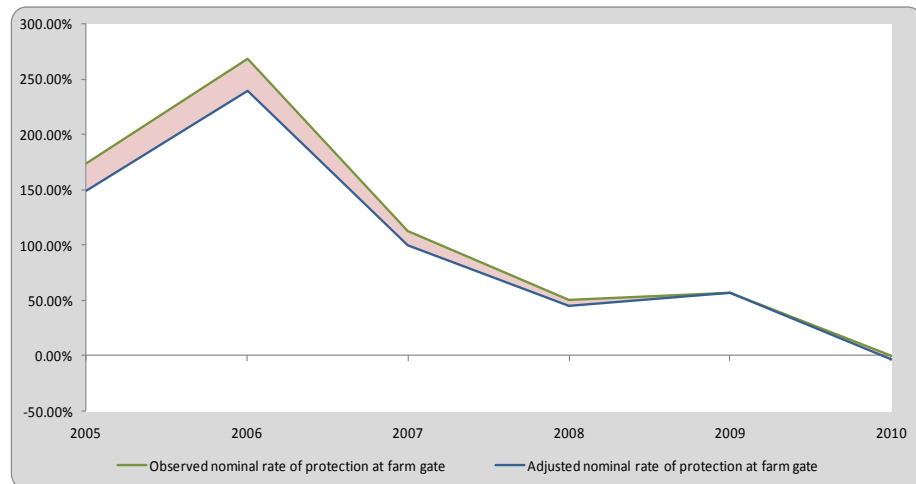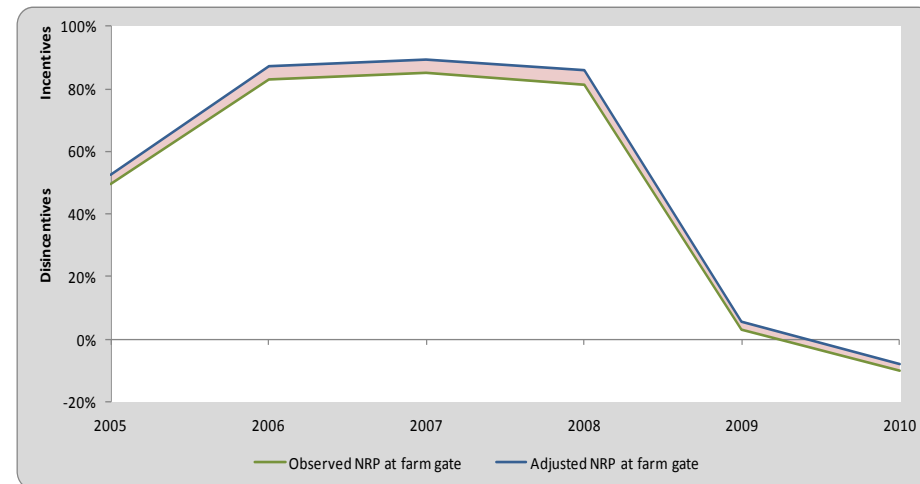
Commodity group level: Imports

MALI (Rice, Milk)

EDM
NRP OBSERVÉ MOYEN POUR LES PRODUITS IMPORTÉS
NRP AJUSTÉ MOYEN POUR LES PRODUITS IMPORTÉS
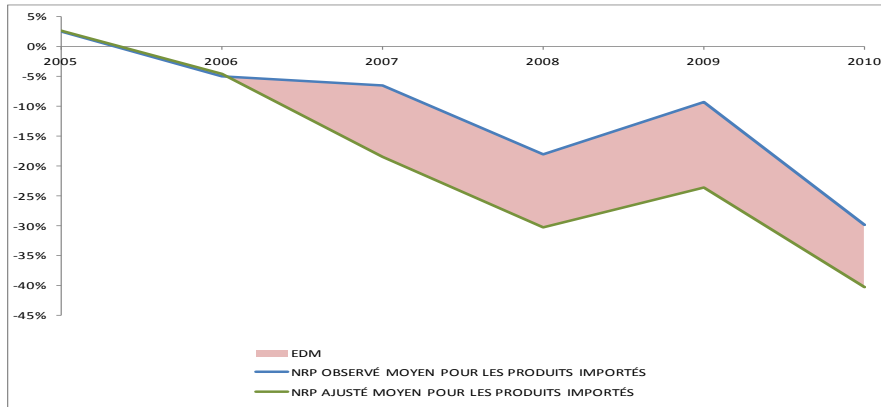
BURKINA FASO (Rice, cottonseed oil)

EDM (MDG)
AVERAGE OBSERVED NRP FOR IMPORTED PRODUCTS
AVERAGE ADJUSTED NRP FOR IMPORTED PRODUCTS
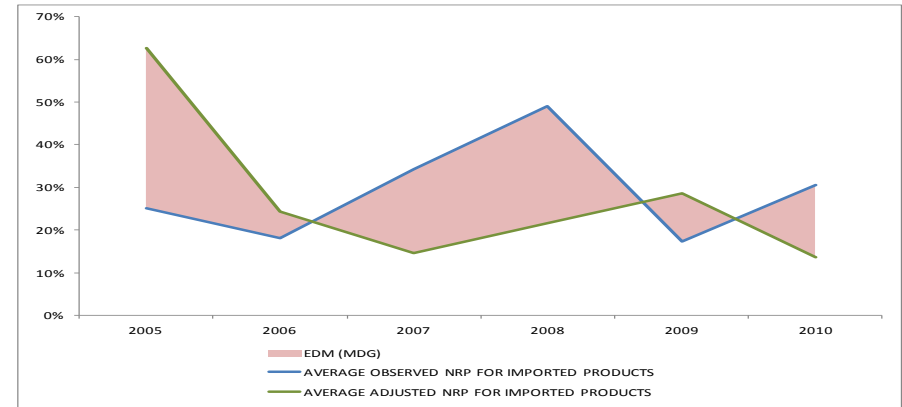
TANZANIA (Sugar, Wheat, Rice, Milk)

Rice 80% of indicator

Inclusion of Milk

EDM (MDG)
AVERAGE OBSERVED NRP FOR IMPORTED PRODUCTS
AVERAGE ADJUSTED NRP FOR IMPORTED PRODUCTS
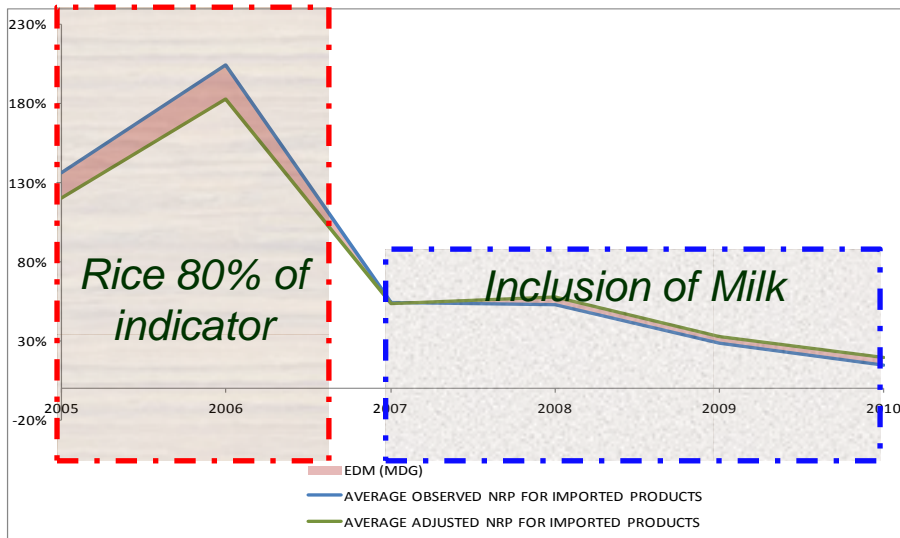
GHANA (Palm oil, Maize, Rice)

EDM (MDG)
AVERAGE OBSERVED NRP FOR IMPORTED PRODUCTS
AVERAGE ADJUSTED NRP FOR IMPORTED PRODUCTS
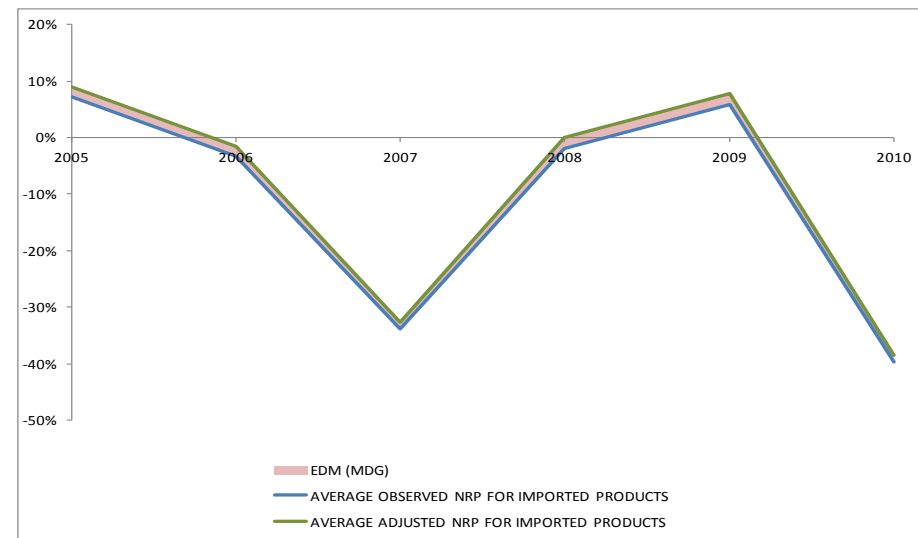
Agricultural sector level

MALI (8 commodities)
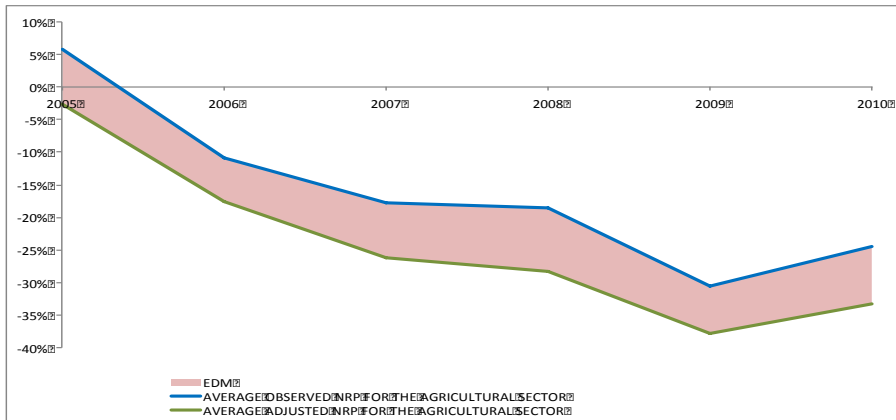
BURKINA FASO (11 commodities)
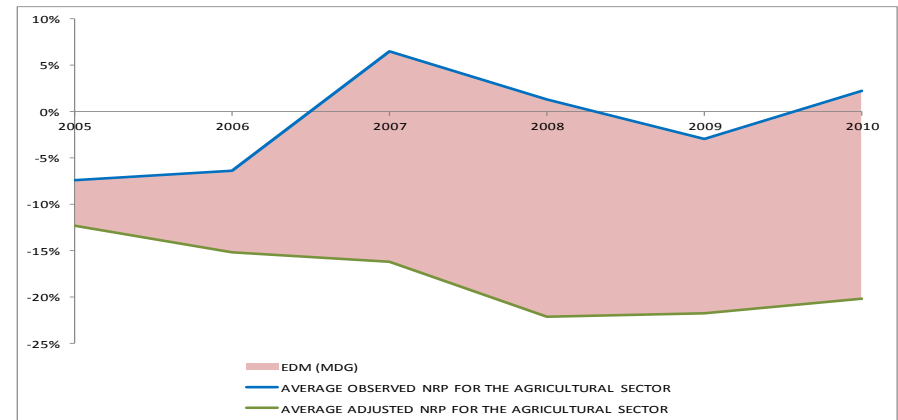
TANZANIA (8 commodities)
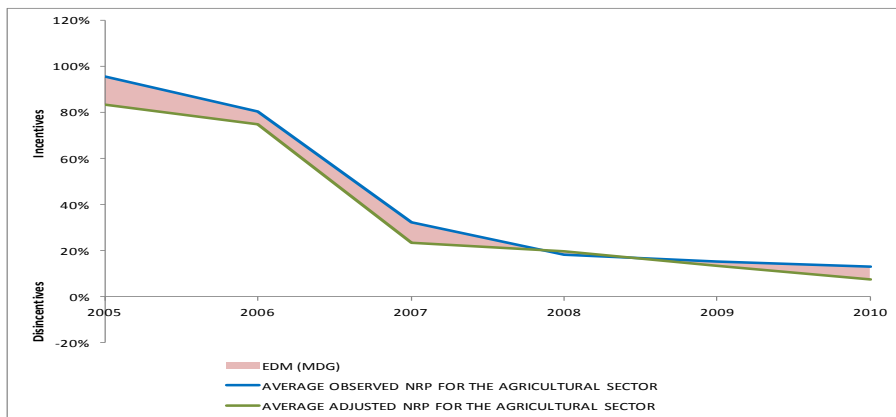
GHANA (8 commodities)
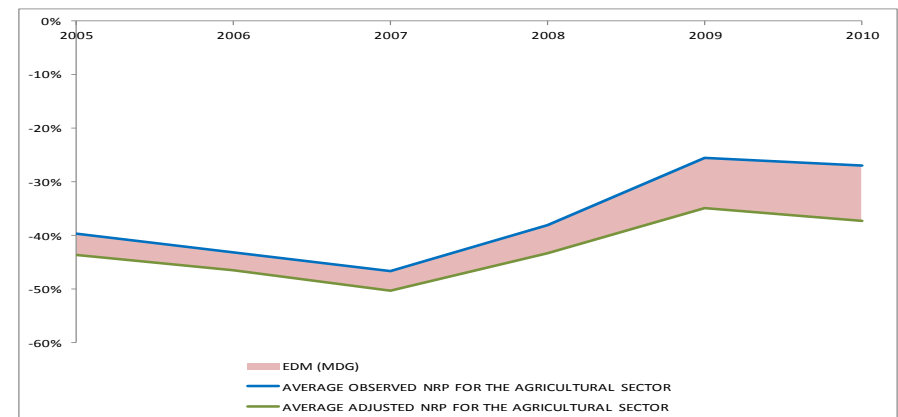
Public expenditure level

MALI
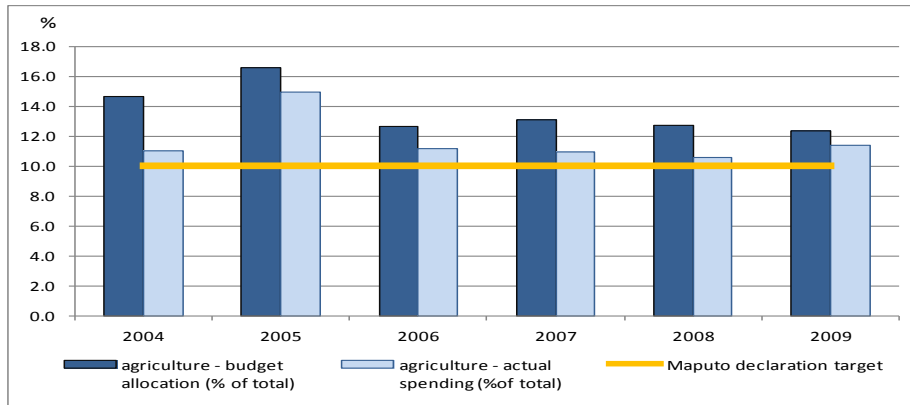
BURKINA FASO
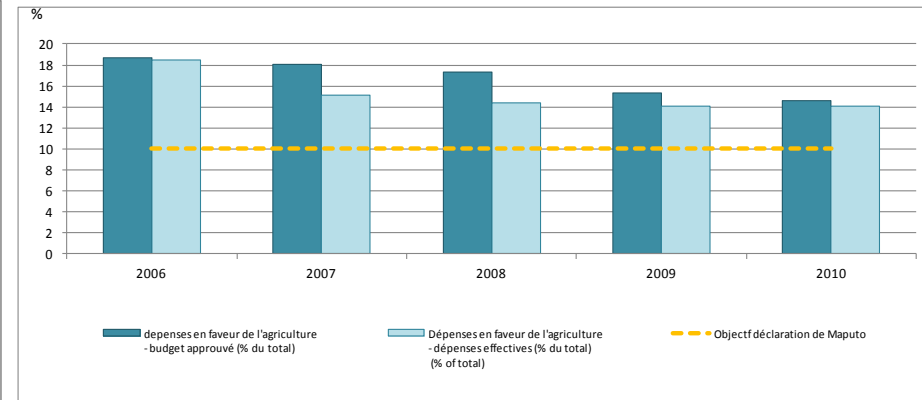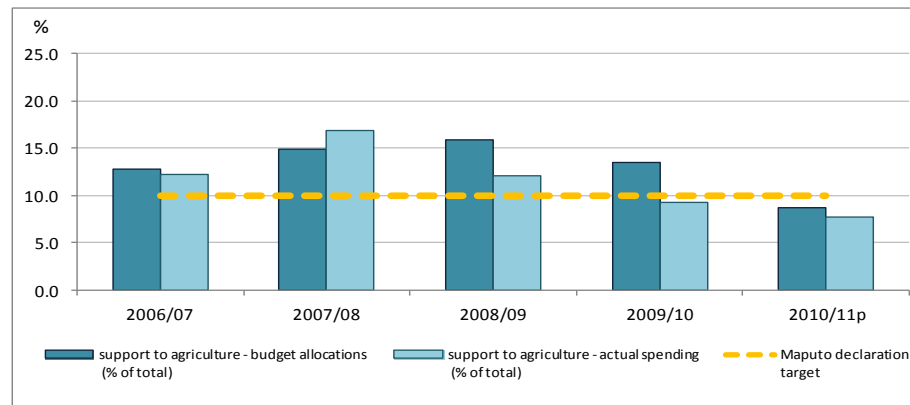
TANZANIA

Public expenditure composition

MALI
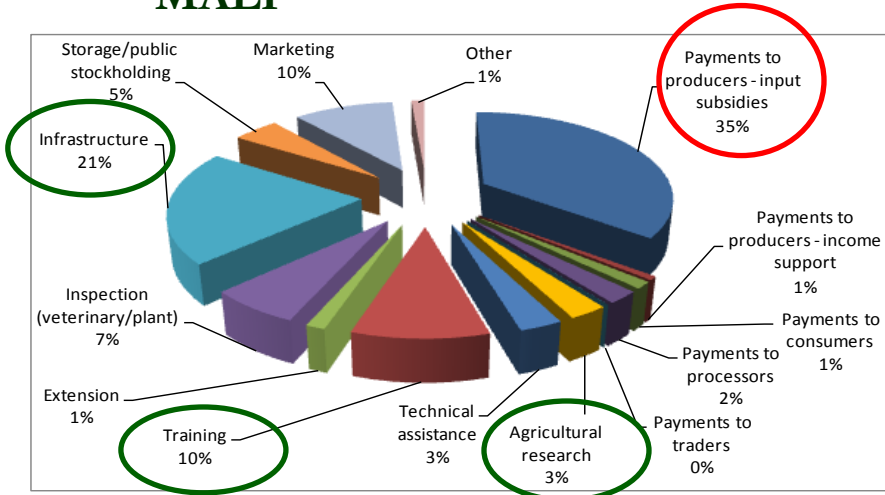
BURKINA FASO
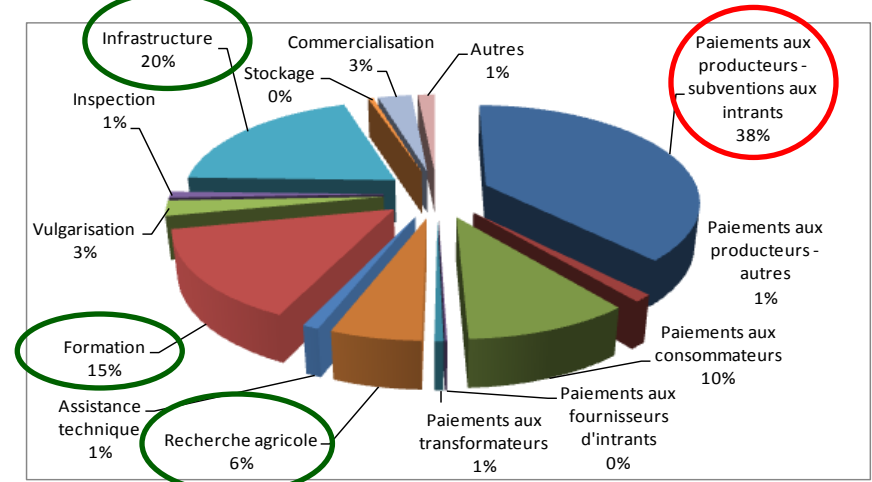
TANZANIA
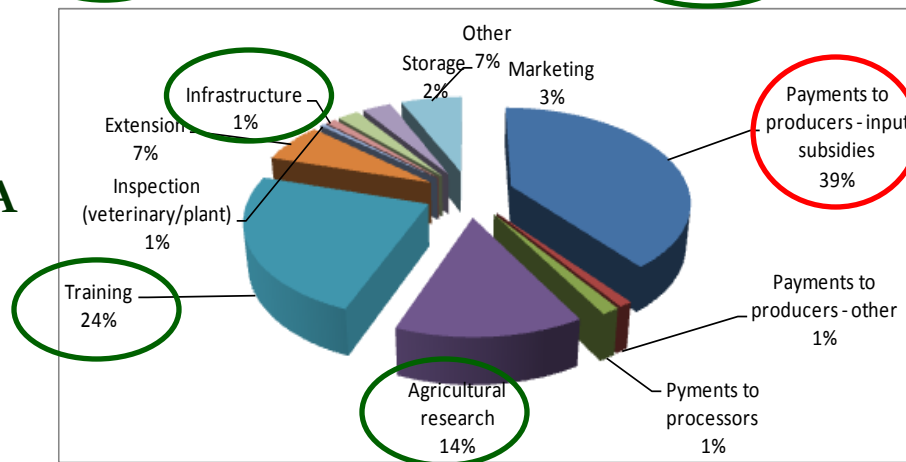
Conclusions

- MAFAP a tool for evidence based policy making

- Useful to compare countries & commodities (Quantitative indicators)

- Useful to identify investment gaps/ priorities

- Policy impacts

- Data intensive (quality + availability)

Thank you!

Visit www.fao.org/mafap
Ask questions at Mafap@fao.org