



منظمة الأغذية  
والزراعة للأمم  
المتحدة

联合国  
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Food and  
Agriculture  
Organization  
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Продовольственная и  
сельскохозяйственная  
организация  
Объединенных  
Наций

Organización  
de las  
Naciones Unidas  
para la  
Alimentación y la  
Agricultura

## ASIA AND PACIFIC COMMISSION ON AGRICULTURAL STATISTICS

**TWENTY-SEVENTH SESSION**

**Nadi, Fiji, 19 – 23 March 2018**

**Agenda Item 7.3b**

**Cost of Production statistics on livestock products in  
Mongolia (Milk and Meat)**

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# Objectives of CoP

- Explain the production function, the law of diminishing returns and marginalism in simple language.
- Indicate how the most profitable production level (optimum production) can be achieved.
- Explain the optimum combination of inputs.
- Compare various product relationships (complementary, competitive, etc.).
- Describe and explain some cost concepts in agricultural production

# Uses and benefits of CoP

- **For farmers and agricultural markets**
  - analysis of production
  - farm financial picture
  - pricing targets for inputs and outputs
  - the right investments in capital assets

# Uses and benefits of CoP

- **For policy-makers and governments**
  - understand the underlying processes that influence the output and productivity
  - a more precise determination of price formation
  - assist both input and output price setting, such as the level and volume of price subsidies to farmers.
  - data can help in determining income measures and support anti-poverty and food security policies.

# Uses and benefits of CoP

- **For the system of national accounts**
  - improvement in measurement of intermediate consumption and value-added by different agricultural activities
  - construction of proper sequence of economic accounts for agriculture (satellite accounts for agriculture)
  - compilation SUT and IOT

# Actions taken to improve CoP statistics

- Main outputs of FAO consultant Harcharan Singh, who worked in CoP:
  - Outlined the farming systems (nomadic)
  - Defined the production chain
  - Identified the items (meat and milk)
  - Proposed a conceptual framework for CoP
  - Tested the feasibility of data collection in different farming system situations (visited 2 provinces)
  - Prepared draft questionnaire form
  - Agreed next steps

# Comparison between 2 surveys

	Old CoP survey	Planned new CoP pilot survey
1. Purpose	Cost of different type of agricultural activities	Cost of different type of agricultural products
2. Scope and coverage	Herder household Enterprises Farms	Herder household Enterprises Farms
3. Sampling frame	All provinces/aimags, selected sub-provinces/soums	Selected provinces/aimags, selected sub-provinces/soums

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# SURVEY DRAFT QUESTIONNAIRES ON CoP OF MEAT AND MILK IN MONGOLIA

- Identification of the selected household
  - (a) Address
  - (b) Basic information
    - (i) Main Activity of Head of the selected Household
    - (ii) Details about Head and other Household Members (name, gender, age in completed years, education)

# SURVEY DRAFT QUESTIONNAIRES ON CoP OF MEAT AND MILK IN MONGOLIA

- **Animal Farm Inventory**
  - (a) **Animal Inventory** (type of livestock, age group of livestock, number of livestock by sex, purpose of keeping /selling, slaughtering for meat, milk, riding, racing, others/, value by sex /present, on slaughtering/)

# SURVEY DRAFT QUESTIONNAIRES ON CoP OF MEAT AND MILK IN MONGOLIA

## (b) Land and Animal Buildings, Farm Sheds & Fences

- Inventory held
  - land owned for crop production, cultivation of fodder and grass, pasture land/free grazing area, total area)
- Animal Buildings, Farm Sheds and Fences
  - Type of Structure; Area; Service life (useful years); Area in terms of number of and type of animals, number of animal/equivalent to standard set as sheep animal/);

# SURVEY DRAFT QUESTIONNAIRES ON CoP OF MEAT AND MILK IN MONGOLIA

## (c) Inventory of Machinery and other Equipments used for upkeep of Animals

- Name
- Date of purchase
- Value at time of purchase
- Service live/useful years
- Approximate Rental Value, if available

# SURVEY DRAFT QUESTIONNAIRES ON CoP OF MEAT AND MILK IN MONGOLIA

## Details about Expenditure

### (b) Expenditure on Herders / Labourers

#### (i) Expenditure on Herders / Labourers employed on Regular Basis

- Name, gender, age in completed years, period of engagement, wage rate per day and per month, total amount of paid)

# SURVEY DRAFT QUESTIONNAIRES ON CoP OF MEAT AND MILK IN MONGOLIA

(ii) Expenditure on Herders / Labourers employed on Temporary or Adhoc Basis

- Name of herders/ labourers employed on temporary or adhoc basis, gender, age in completed years, period of engagement, wage rate per day and per month, total amount of paid

(iii) Expenditure on account of Family Labour engaged in activities relative to Livestock

- Name, gender, age in completed years, hours spent on daily basis, total hours spent, total expenditure)

# SURVEY DRAFT QUESTIONNAIRES ON CoP OF MEAT AND MILK IN MONGOLIA

(c) Loans taken, interest, insurance costs, taxes / fees etc., paid in relation to livestock

- Amount of Loan
- Interest payments
- Outstanding Loan
- Insurance cost (Premium Amount)
- Amount of taxes and fees paid

# SURVEY DRAFT QUESTIONNAIRES ON CoP OF MEAT AND MILK IN MONGOLIA

(d) Expenditure on Repair and Maintenance of Machinery & other Equipments; Buildings, Animal Sheds and other infrastructures - possessed or hired

- Expenditure on Spare Parts purchased for Machinery and other Equipments; Operating Costs on Machinery and Equipments - electricity, thermal energy, petrol / diesel and hot water / water; Repair and Maintenance of Buildings, Animal Sheds and other Structures; Rental Cost of Machinery and other Equipments; Building, Animal Sheds & other Structures and Animals; Other Costs



# SURVEY DRAFT QUESTIONNAIRES ON CoP OF MEAT AND MILK IN MONGOLIA

- **Details about income**
  - Selling of Animals
  - Receipts and disposal of meat production
  - Receipts and Disposal of products and by-products taken prior to slaughtering of Animals Meat Production
  - Receipts and disposal of residual skin, bones etc., of the animals after being slaughtered
  - Other benefits in cash and kind received relative to animals, if any

# SURVEY DRAFT QUESTIONNAIRES ON CoP OF MEAT AND MILK IN MONGOLIA

- **Milk Production**

- Receipts and Disposal of Milk Production
  - Name of milking cattle, number of milking animals, Number of days milk was received during the period, home consumption, Used preparation of milk products, Sold (quantity, price, value)
- Expenditure on Milking Cattles during Gestation Period
- Expenditure on Milking Cattles during non-milking Period

## Challenges and future consideration

- Nomadic lifestyle
- Land not privatized
- Pasture land/grazing land is can be changed from season to season
- Identification of cost of production of livestock yield products (meat, milk, wool and cashmere and etc.)
- Seasonal income some cases

## Future plan

- Conduct survey of CoP
- Analyse results
- Study surveys of CoP for different type of agricultural products
- Improve agricultural economic accounts
- Improve national accounts
- Need amendment in Law on Statistics to conduct surveys of CoP

**Thank you**