

## **ROOM DOCUMENT FOR THE POLICY DEBATE SESSION OF THE 11TH MEETING OF THE AGRICULTURE WORKING GROUP**

The COMCEC Agriculture Working Group (AWG) has successfully held its 11th Meeting on February 22nd, 2018 in Ankara, Turkey with the theme of *“Improving Agricultural Market Performance: Developing Agricultural Market Information Systems”*. During the Meeting, Agriculture Working Group, made deliberations on improving agricultural Market Information Systems. Accordingly, the participants have come up with the following policy recommendations.

### **Policy Advice I: Designing Market Information Systems (MIS) through assessing and reviewing targeted stakeholders with a sustained budget support and an effective monitoring and evaluation framework**

#### **Rationale:**

A well-functioning agricultural Market Information System (MIS) requires a careful design which aligns information provided to the identified needs of targeted stakeholders, especially farmers, traders, financial intermediaries and other private actors in the agricultural value chains through regular assessments and reviews. Because of the “public good” characteristics of the market information, sustainability of the MIS implementations can be achieved by governments’ budget support. Furthermore, a well-established monitoring and evaluation framework at the beginning is of utmost importance for the efficiency and sustainability of an MIS and ensuring that the target audience gains the anticipated benefits.

### **Policy Advice II: Building sufficient capacity for stock monitoring, trend analysis and forecasting as well as other relevant subjects beyond providing price information for a better functioning MIS**

#### **Rationale:**

Based on evidence found with regards to the expectations of market players, it is clear that the content of MIS should go beyond price information and include reporting trend analysis which can signal supply and demand conditions and allow market players to take positions regarding immediate and future price levels. To achieve this, there is a need to make necessary investments in building output forecasting capacity, which is becoming increasingly more feasible with the advances in ICT.

### **Policy Advice III: Linking MIS to other market-supporting institutions and/or other risk-management tools to increase the mutual benefits.**

#### **Rationale:**

Linking the development of MIS to that of other market-supporting institutions such as line ministries, producer unions, farmer and traders’ cooperatives, marketing boards, state-owned economic enterprises and other institutions on the supply chain and/or other risk-management tools such as warehousing receipt systems, agricultural commodity exchanges as well as agricultural insurance programs can lead to mutual benefits. On the one hand, such institutional innovations will ensure that price discovery is more transparent and therefore worth accessing. On the other hand, effective and reliable MIS is an important prerequisite for developing these market institutions successfully.

**Policy Advice IV: Forming the necessary mechanisms/platforms for an improved coordination among the key stakeholders and ensuring the effective review of the quality of information provided.**

**Rationale:**

The needs of the relevant stakeholders along the agricultural value chains could be mediated by setting up necessary mechanisms/platforms such as specific working groups with representation from government, providers, key stakeholders and donors. These mechanisms facilitate coordination and rationalization of the information collection and dissemination process and thereby contribute to the efficiency. Furthermore, the quality of information provided and its relevance to target users could also be regularly reviewed through these mechanisms/platforms.

**Instruments to Realize the Policy Advices:**

**COMCEC Agriculture Working Group:** In its subsequent meetings, the Working Group may elaborate on the above-mentioned policy areas in a more detailed manner.

**COMCEC Project Funding:** Under the COMCEC Project Funding, the COMCEC Coordination Office calls for projects each year. With the COMCEC Project Funding, the member countries participating in the Working Groups can submit multilateral cooperation projects to be financed through grants by the COMCEC Coordination Office. For the above- mentioned policy areas, the member countries can utilize the COMCEC Project Funding and the COMCEC Coordination Office may finance the successful projects in this regard. These projects may include organization of seminars, training programs, study visits, exchange of experts, workshops and preparing of analytical studies, needs assessments and training materials/documents, etc.