agri benchmark

"YOU CAN ONLY MANAGE WHAT YOU CAN MEASURE"

Why we need farm level data and what we do with them

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THE CONTEXT

1 Farms as focal points for intervention in the agri-food value chain

agri-food AVAILABILITIES
adequacy, affordability, reliability

DISTRIBUTION

agri-food PRODUCTS
food, feed, fibre & fuel

HANDLING / PROCESSING

crops & livestock

FARMING

INPUT ACQUISITION &
RESOURCE USE

agricultural RESOURCE BASE
quantity, quality, accessibility

key agri-food sector outcomes

2 What does 'intervention' in agriculture involve ...?

- **Execution of <u>POLICIES</u>**
  - in order to influence the functioning of agri-food value chains (structure and behaviour)
  - done by ***governments***

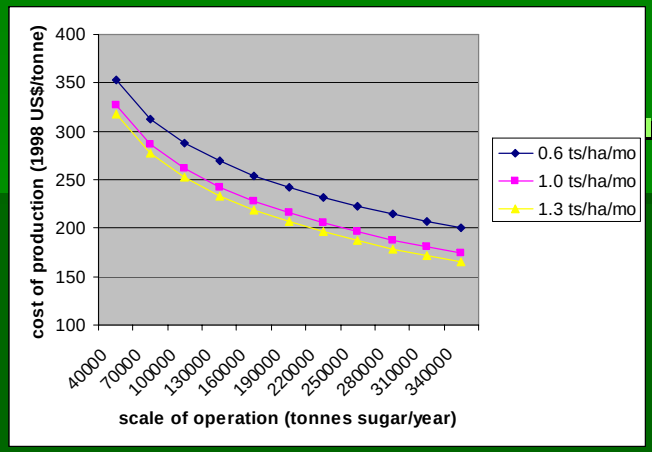
- **Implementation of <u>PROJECTS</u>**
  - to create additional value in agri-food value chains by investing in increased efficiency &/or capacity
  - done by ***value chain participants*** or in support of them (***governments***, ***NGOs***)

… and how can we try to ensure interventions are the right ones?

- By understanding how farms work and then correctly predicting their responses to, and the impact of, proposed interventions (and 'exogenous' influences such as environmental changes). To be most useful, we need to predict both the direction and magnitude of response
- Which requires:
  - Finding out how farmers make decisions by studying their past / present behaviour and then extrapolating from this; i.e., modelling *(reliable to the extent that (i) the cause-and-effect explanation is correct and (ii) the past / present is a good guide to the future)*

    AND/OR
  - Asking farmers how they think they would respond to an intervention or change in their environment *(difficult to establish reliability)*

USES OF FARM LEVEL DATA



POLICIES:

- situation assessment
- 'before & after' depictions of farm sector for impact evaluation *(ex-post)*
- simulation model parameters *(ex-ante)*
- cost of production (competitiveness & comparative advantage analysis)
- early warning indicators of impending food insecurity

PROJECTS:

- situation assessment
- 'with & without' depictions of farm sector for investment appraisal *(ex-ante)*
- 'before & after' depictions of farm sector for impact evaluation *(ex-post)*

WHAT ARE THE ESSENTIAL FEATURES OF A GOOD FARM DATA SYSTEM?

3 tests:

- Is it easy to assess how *representative* the data are of the population of interest?
- Does the system provide data that capture the *dynamics* of both 'induced' change (policies and projects) and general trends in the environment (climate, demography, technology)?
- It the system *sustainable* – good value for money, incentivises willing participation, easily updatable, adaptable to changing circumstances and policy/project priorities?


Thank You