Enhancing Market Transparency and Policy Coordination

By
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The views expressed are those of the author and do not necessarily reflect the views of UNCTAD.
The Agricultural Market Information System (AMIS) was launched in 2011 by the G20 Ministers of Agriculture to enhance transparency in international food commodity markets.

Bringing together the principal trading countries of staple food crops (wheat, maize, rice and soybeans), AMIS offers a platform for constructive market dialogue.

The initiative also promotes policy coordination in international commodity markets in order to prevent unexpected price hikes and to strengthen global food security.
Food markets in 2007-2011

- Shrinking food reserves & increased dependence on imports
- Erratic supplies from new production zones
- Growing links with “outside markets”
- Restrictive trade measures
- Unfavourable climatic conditions
Key problems for AMIS to address

• Lack of reliable and up-to-date information regarding the world supply and demand conditions

• Weaknesses at national level to produce consistent, accurate and timely forecasts

• Inadequate information on stocks

• Inappropriate and/or uncoordinated national policy responses to global market developments
AMIS setup

**AMIS Secretariat**
FAO, GEOGLAM, IFAD, IFPRI, IGC, OECD, UNCTAD, WFP, World Bank Group, WTO

**AMIS Participants**
G20: Argentina, Australia, Brazil, Canada, China, European Union, France, Germany, India, Indonesia, Italy, Japan, Korea, Mexico, Russian Federation, Saudi Arabia, Spain (permanent guest member of G20), South Africa, Turkey, United Kingdom and the United States.

Non-G20: Egypt, Kazakhstan, Nigeria, Philippines, Thailand, Ukraine and Viet Nam.

**Secretary**
Steering Committee of the AMIS Secretariat
One representative from each member organization

**Chair Country**
Information Group
Market and policy information
Technical representatives

Rapid Response Forum
Dialogue and policy coordination
Composed of senior officials
Meaningful global coverage

- G20 Members & Spain
- Other EU Members *
- Invited countries

* Not participating in AMIS as individual countries, but collectively represented by the European Union
What has been achieved so far?
Overcoming the lack of information

UPDATED AND RELEASED MONTHLY
## World - Production

**Current forecast and change to previous year**

### Million tonnes

<table>
<thead>
<tr>
<th>Commodity</th>
<th>2018/19 Forecast</th>
<th>Change</th>
<th>Percentage Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>WHEAT</td>
<td>731</td>
<td>-29</td>
<td>(-3.82%)</td>
</tr>
<tr>
<td>MAIZE</td>
<td>1,117</td>
<td>-20</td>
<td>(-1.79%)</td>
</tr>
<tr>
<td>RICE</td>
<td>516</td>
<td>7</td>
<td>(1.34%)</td>
</tr>
<tr>
<td>SOYBEAN</td>
<td>361</td>
<td>19</td>
<td>(5.52%)</td>
</tr>
</tbody>
</table>

### World - Production for the four commodities

Source: Agricultural Market Information System (AMIS)
Wheat Yield in AMIS countries - 3-year-average: (2016/17 - 2018/19)

Top 5 AMIS countries for Wheat Production

Source: Agricultural Market Information System (AMIS)
Addressing weaknesses at national level

- **Capacity development projects** in Bangladesh, India, Nigeria, Philippines, Thailand
- **Training** of focal points from China, India, Indonesia, Kazakhstan, South Africa, Thailand and Viet Nam
- Release of **reference materials** on international best practices
- **Workshops and seminars** on selected topics
Improving knowledge on stocks

- Two international experts meetings on stocks measurement (London, Nov 2014 and Beijing, Jul 2015)
- Stocks measurement a main component in the India project (workshop in Nov 2016)
- Release of a database on international best practices
- Publication of guidelines for stocks measurement
Coordinating policy responses

- Relatively **calm international markets** since 2011
- No need for an extraordinary session of the AMIS Rapid Response Forum
- Regular meetings with focal points to **build a strong network**
- Establish the necessary structures to **effectively address future crises**
But most importantly, what do stakeholders think?
AMIS is a “particularly successful initiative” (G20 Ministers of Agriculture)

Participating in AMIS helps finding solutions at global scale (Olena Kovalova, Deputy Minister of Agriculture, Ukraine)

AMIS has proved to be “an effective new weapon in the arsenal to fight against excessive price volatility” (FAO Director General Graziano da Silva)

Thanks to AMIS, “the outlook for global agriculture is calmer than it has been in recent years” (OECD Secretariat General Angel Gurría)
To summarize

• Food prices and food price volatility much **lower** than in 2007-2011

• AMIS contributed to enhancing **market transparency** and global early-warning capacity

• Future crises can now be addressed by a **strong network** of main market stakeholders

• Maintaining **political support** and **country ownership** will be key
71st Session of the Committee on Commodity Problems
Side Event: Rome, 6 October 2016