Market Transparency Tools for Economic Development

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Market Transparency

• …is a key component to traceability of products
• …reduces transaction costs for business and government
• …reduces the impact of food prices shocks and panicks
• …improves the supply chain governance
• …allows for analysis and forecasts
• …
• And more.
Market Information System (MIS)

• … is a repository of strategic market information
  – By different level in the production chain
  – Coverage can include prices, costs, stocks, quantitates
  – Can cover all inputs
• … contains information on the key players (stakeholders) that participate
• … produces reports and analytics for different purposes
International Experience on MIS

- EU sets up [Market Observatories](#) on the basis of their market monitoring system
- [Infotrade](#) Market Information Services (Uganda)
- [AMITSA](#) (Agricultural Input Marker Information and Transparency System) has been developed into the regional network in East Africa
- Jamaican [Jamis](#) produces weekly reports to all subscribers
Challenges and Benefits of MIS

Short-Term

- System design to market’s needs
- Time and information needs set-up
- Training in usage
- Current Information Sharing

Long Term

- Decrease in transaction costs for participants
- Large-scale MIS provides full benefit of an information system
- Coherence of business/policy nexus
Timeline for setting up MIS

Scoping
- Sector or region detection
- Key players

Pilot phase
- System design
- Place in existent information
- Identify gaps in the information
- Programming
- System delegation & trial

Rolling out

Adoption

Scaling up (other products/regions)
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Inception phase: UNCTAD pilot MIS

“[Overall there are]…as many marketing systems as there are countries and it is therefore not possible to specify a “model” MIS”

- Research on the setting of MIS is needed:
  - Specificity of the country’s needs
  - Specificity of links and information

- Ultimate result:
  - More sustainable system
  - Higher efficiency for the end-users
  - Easier to “explain” to the end users (->higher coverage)

FAO, MIS Guidelines
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Implementation phase:
Keeping MIS in action

- Timely feeding in of the new information
- Staying up to date technologically
- Adjustment to market changes
- Clear administration structure of data inputs (roles)

In practice, the most successful cases are in public-private (or NGO) combinations
Tomorrow

- **Introduction and Guide to Market Directory**
  - Based on cocoa and coconut sectors
  - Can be easily replicated in other sectors

- **Scoping the Market Repository**
  - Functionality of the shell
  - Data needs/benefits
  - Model cases for further implementation
Open discussion