The Renewal of Agricultural Market Information Systems in Developing Countries

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Agricultural market information systems (MIS) are designed to collect, process, and disseminate information on the situation and dynamics of agricultural markets. MIS may have two objectives: improve public policies by helping policymakers to take better account of market realities, and to render markets more transparent such that resources may be better allocated (more efficiency, greater equity).

Market information systems (MIS) are developed in two steps in developing countries. A first generation of MIS emerged in the 1980s when most developing countries liberalized their agriculture, and a second generation followed in the 2000s driven by various factors such as the difficulties faced by the MIS of the first generation to reach their objectives, the new opportunities offered by the development of ICT – Internet and cell phones – and the increasing organization of market players (farmer organizations, inter-professional organizations). Contrary to the first generation of MIS (1GMIS), which were almost all built on the same model, 2GMIS developed many technical and organizational innovations, giving birth to a great diversity of models. What are the main innovations developed by 2GMIS? What are currently the main MIS models? To what extent can these new models allow MIS to overcome the limitations of 1GMIS to reach their objectives? What do we know on MIS impacts? The special issue of this Cahiers Agricultures journal addresses these questions.

It kicks off with an article by Galtier and Clément that places the recent changes in MIS in a historical perspective. The authors begin by retracing the steps that led to the emergence in the 19th century of the first MIS intended to guarantee market transparency. Then, they analyze the factors that shaped MIS changes from the 19th century till today.

This is followed by six articles, each presenting a particular MIS: its operation, the difficulties it has faced, and the solutions implemented to overcome them.

Ngombalu and Massila present the case of the Regional Agricultural Trade Intelligence Network (RATIN). This MIS developed by the Eastern Africa Grain Council is a typical example of a 2GMIS supported by a professional organization.

Mukhebi and Kundu analyze the case of the Kenya Agricultural Commodity Exchange (KACE). This is a typical example of an MIS managed by a private company and based on a business model focused on the supply of invoiced services.

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Egg, Dembele and Diarra analyze the transformation of a 1GMIS (Market Information System for cereals in Mali or SIM) into a 2GMIS (Agricultural Market Watch or OMA).

David-Benz, Rasolofo and Andriamparany focus on one of the rare cases of a public MIS that has developed an innovative approach to providing support for policy-making. This MIS is called *Observatoire du Riz* (Rice Market Watch). It was founded in Madagascar in 2005.

Moustier, Nguyen Thi and Hoang also address the question of combining an MIS with an institution for multi-stakeholder dialog, in this case on a local scale. They describe the MICS (Market Information and Consultation System) established in Hanoi in 2002 as part of a development project in response to marketing constraints expressed by vegetable growers.

Unlike the above, the article by Vergara, Wang and Zuba does not describe a MIS that exists today. It is a reflection on the opportunity for MIS in developing countries to incorporate a module to model agricultural risk.

The last three articles in this issue deal with the impact of MIS.

Staatz, Kizito, Weber and Dembélé list the methodological challenges of assessing the different potential impacts of MIS on the balance of power between farmers and traders, on the ability of market players to seize the best trading opportunities, and on the design and implementation of public policies.

Kizito and Staatz propose a method for discussing the potential effects of price information on welfare (defined in their article as the sum of farmer and consumer surpluses).

Finally, Ferris reports the main results of a qualitative survey on the use of information provided by the Ugandan public MIS.

Reference

Galtier F., Subervie J., David-Benz H., Egg J. (eds), 2014. The renewal of Agricultural Market Information Systems in developing countries. *Cahiers Agricultures* special issue, 23 (4/5): 225-344. http://www.jle.com/en/revues/agr/sommaire.phtml?cle_parution=4046