

Mozambican Experience with Agricultural Market Information Systems

**By
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Presentation Outline

- Why SIMA in Mozambique?
- Evolution of SIMA
- Successes of SIMA
- Challenges

Why SIMA in Mozambique?

- One of the main objectives of economic reforms introduced by GOM in early 1990s:
 - Promote efficient national and regional agricultural trade
 - Decimated by 16 years of civil war
 - How: through better private and public decision making

Why SIMA in Mozambique? (2)

- Establishment of SIMA may contribute to achieve these goals
 - Improved price and marketing information for farmers and traders
 - Analysis and perspective for policy makers
 - Country coming out of long history of state control of markets
 - Great need for understanding how private markets could be expected to meet needs of farmers and consumers in absence of central decision making

Evolution of SIMA

- 1991: Started with a monthly publication
- 1994: Introduction of a weekly publication
 - Since then, published every Wednesday, 52 weeks a year, every year - total of 449 to date
- 1995: Started the establishment of provincial SIMAs
 - At present, two quite active, three others trying to become established
- 1998: Regional and international price information incorporated, using web access

11 de Setembro de 2003

Quente-Quente

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www.aec.msu.edu/agecon/fs2/mozambique

Preço de Amendoim Sobe em Alguns Mercados

National weekly bulletin - "hot off the press". Hard and soft copy distribution, also by radio and newspaper

Provincial market bulletin -- "listen-up". Hard copy distribution, but radio in local language is key

ESISAPO

BOLETIM SEMANAL DO SISTEMA DE INFORMAÇÃO DE MERCADOS AGRÍCOLAS DA PROVÍNCIA DE NAMPULA

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Examples of policy outreach - research reports and policy briefs. Key to influencing attitudes and understanding of policy makers

30 de Agosto de 2003

Flash

Nº 36P

Resultados das Investigações do SIMA-Dest e Departamento de Análise de Políticas
MADER-Direcção de Economia

*Produção e Comercialização de Culturas Alimentares: Que Expectativas para o Presente Ano? O Ponto de Vista dos Comerciantes Rurais de Pequena Escala no Norte e Centro de Moçambique*¹

Por: Equipa Técnica do SIMA

Evolution of SIMA (2)

- User Needs Assessment in 2001
 - Nationwide assessment of information needs throughout chain -- farmers, traders, processors, NGOs, others
- Changing from Market Information System to Market Information Service:
 - Become more demand driven
 - Work in collaboration with private sector, NGOs, and local public sector

Evolution of SIMA (3)

- Establishment of a pilot Strategic Marketing Information Service in 2001
- Nampula province
 - More dynamic area in terms of production and agricultural marketing
 - Large number of producer associations
 - Strong links with commercial sector and NGOs
 - Provincial SIMA already established
 - Information already disseminated through local radio in local language

Number and % of Households Receiving Market Information Through Electronic or Print Media

Province	# of households	% within province/country
Nampula	442,668	66
Manica	127,040	59
Rest of country	510,045	23
TOTAL	1,079,753	35

Nearly 450,000 households reached in Nampula at average annual cost per household of US\$0.07

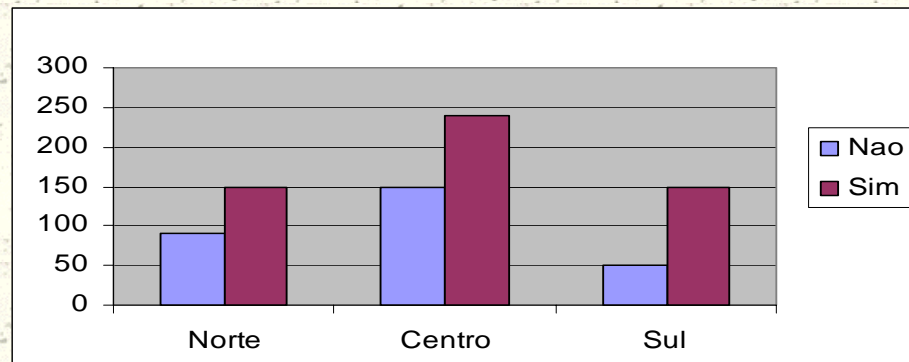
Successes of SIMA

- Institutionalization
 - Reliable market information unit established in Ministry of Agriculture
 - Paid for fully through Ministry financial mechanisms
 - Day-to-day operations conducted entirely by Mozambican staff
- Much greater dissemination
 - Radio programs in local languages are key

Successes of SIMA (2)

- Commercially oriented farmers use the information

Total Cereals Sales Value, by Household Access to Market Information ('000 meticaís)



Successes of SIMA (3)

- Improved Policy
 - Avoiding bad decisions
 - Regional maize crisis of 2002/03 became opportunity to reaffirm commitment to free trade, rather than to step away from it
 - Very positive impacts of maize trade with neighboring countries on producer prices
 - Little impact on consumer prices in main consumption zones

Future Challenges

- # How to ensure sustainability and continuing relevance of the system
 - Sustainability requires "investment" from both public and private sectors
 - Public good nature of information means basic budget will need to come from public sector
 - But private sector demand for the service helps ensure this funding → lobbying
 - # And can provide complementary funding of its own

Future Challenges (2)

- # Continuing relevance helps ensure sustainability
 - Private sector will not demand the service if it is not relevant to their needs
 - Public sector will lose interest if system is not used to inform policy decisions

Future Challenges (3)

- # Continuing relevance requires:
 - Efficient management and decision-making
 - A practical analytical mentality as opposed to a purely reporting mentality
 - Needs to constantly assess market performance and modify the collection and reporting system to remain relevant

Future Challenges (4)

- Sustainability and continuing relevance both require constant investment in human capacity
 - Formal short-course training
 - In-service training
 - Selected long-term training