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The Importance of Agricultural Statistics for Trade Policy and Food Security

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THE IMPORTANCE OF AGRICULTURAL STATISTICS FOR TRADE POLICY AND FOOD SECURITY

by:

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I. INTRODUCTION

- Trade statistics

How successful trade policies designed to alleviate hunger:

- a. whether food security has increased through trade activity
- b. whether more people are food secure through increases export,
- c. whether fewer people are starving through the implementation of focused agricultural project

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I. INTRODUCTION

- Food security statistics
 - a. how many people hunger in the developing economies,
 - b. how social, economist and environmental conditions differ throughout regions are lacking across the world.

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I. PENDAHULUAN ...

- **Importance of good data for Trade Policy**
 1. Analyzing ex-ante and ex-post Trade policy,
 2. Short Term and Long Term Forecast
 3. Input for decision maker in the process of international, regional and bilateral negotiation

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- **Internasional negotiation (ex. WTO)**

Agreement of Agriculture (AoA) covers three main pillars of issues, namely: (1) domestic support, (2) export subsidy, and (3) market access.

Domestic Support programmes:

- (1) Amber Box subsidies are those which distort production and trade, such as measures that support prices or subsidies related to production quantities;
- (2) Blue Box subsidies are those that require farmers to limit production; Blue Box measures are less trade-distorting than those in the Amber Box;
- (3) Green Box measures are meant not to distort trade or at most cause minimal distortion.

Reductions in Overall Trade-Distorting Domestic Support

1. The Final Bound Total Aggregate Measures Support (AMS) that specified, in Member's Schedule, plus
2. 10% of the average total value of agricultural production for developed country or 20% of the average total value of agricultural production for developing country, plus
3. the higher of average Blue Box payments as notified to Committee on Agriculture (CoA) or 5% of average total value of agricultural production.

Program Market Access: Tariff Reduction

- Member designate : Sensitive Products that may deviate from the otherwise applicable tiered reduction formula. The deviation may one-third, one-half or two-third of the reduction that would otherwise have been required by the tiered reduction formula.
- Developing countries (special and different treatment)
 - Special Products (SP) based on: food security, livelihood security and rural development.
There shall be 10-18 per cent of tariff lines available for self-designation as Special Products. Up to 6 per cent may have no cut. The overall average cut shall be 10-14 percent.
 - Special Safeguard Mechanism (SSM): have no *a priori* product limitations as to its availability.

Modalities in Export Subsidy:

- Developed economy Members shall eliminate their remaining scheduled export subsidy entitlements by the end of 2013. This shall be effected on the basis of :budgetary outlay commitments being reduced by 50 per cent by the end of 2010.
- Developing economy Members shall eliminate their export subsidy entitlements by reducing to zero their scheduled export subsidy budgetary outlay and quantity commitment levels in equal annual installments by the end of 2016.

Importance of good data for food security

- The 2007-2008 food price crisis and the current excess price volatility: ———> weaknesses in market information at the global level and the coordination
- G-20 support establishment of Rapid Response Forum (RRF) : monitoring the implementation of the recommendation in promoting policy coherence and coordination in times of crisis
- The RRF actions would be as follows:
 - (1) Monitor the implementation of the recommendations;
 - (2) Receive and assess information and analyses from Joint Organization Data Initiative (JODI-food security);
 - (3) Provide appropriate policy guidance and promote policy coordination when the market situation and outlook as evaluated by JODI-food security indicates a high food security risk.

Conclusions

- It is important to anticipate and analyze each of proposals by other economies.
- Qualified data are needed for preparing position on the negotiations and anticipate the impact of various international and multilateral policies and agreements into its own domestic agricultural commodities and resources.
- A collaborative effort will improve agricultural market outlook and forecast at both national and international levels.
- Strengthen both global and national early warning capacities that will enhancing food security

