

ROLE OF AMIS IN RESOLVING INFORMATION ASYMMETRIES IN AGRICULTURAL MARKETS: GUIDELINES FOR AMIS DESIGN

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Introduction

- Agricultural Markets – Trading of agricultural products
- Information Asymmetry – Some market participants have preferential information over others
- Traditional agricultural markets – Imperfect information
- AMIS – Link and provide information on various important agricultural markets – current and historic information

Findings from literature

- Information and Arbitrage
 - Current information for spatial arbitrage and historic information for temporal arbitrage
- Staples Vs Perishable
 - Information for staples can be used for both temporal and spatial arbitrage
 - Perishables do not gain much
- Benefits to farmers, traders, government, policy makers, customers

Background and Methodology

- Success rate of AMIS is poor
- Problems of ineffective implementation and economic unsustainability
- Provision of AMIS – coordination of data collection and information dissemination
- Design of AMIS is important
- Methodology - Analysis of prior research and case studies of AMIS implementation – design guidelines

Case Studies of Agricultural Market Information Systems

- India – eChoupal
- Indonesia
- South Korea
- Zambia
- Srilanka and Nepal
- Thailand and Vietnam

Design Guidelines - Data Collection and Analysis

- Process of data collection must be funded by Government
- Private agencies to provide skilled resources for data collection and analysis
- Full-time sufficiently trained data collectors
- Design to identify markets for survey, prime time for data collection
- Standardized measures for data

Design Guidelines - Dissemination

- Public-private partnerships for information dissemination
- Local availability of technology
- Accessibility to target audience
- Consider community radio
- Consider possible sponsors for the broadcast

Design Guidelines - Revenue Model

- Basic information must be free to the target audience
- Extension services must be provided on pay-per-use basis
- Design must target increasing the perceived value of these services
- Usage of mobile phones for specific information

Conclusions – Success of AMIS

- Literature review on AMIS implementations – findings and design guidelines for data collection and Analysis, information dissemination and revenue model
- Wider policy environment – policies on credit, financial inclusion, public distribution, direct-to-market
- Major role of community informatics in information dissemination – community radio and mobile telephony

Thank you