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