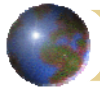


The Use of Market Information in Food Security Analysis

Anabela Mabota

**Presentation to the Regional Market Workshop
Organized by FEWSNET in Partnership with WFP
28th November– 1st December 2006**

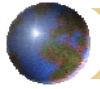
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The Presentation

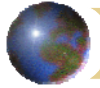
- Source of Information
 - SIMA (QQ)
 - SIMAP
 - INFOCOM
- Use of Information
 - Questions to be answered
 - Analysis (Type of analysis)
 - Limitations
- Perspectives

2



Source of Information

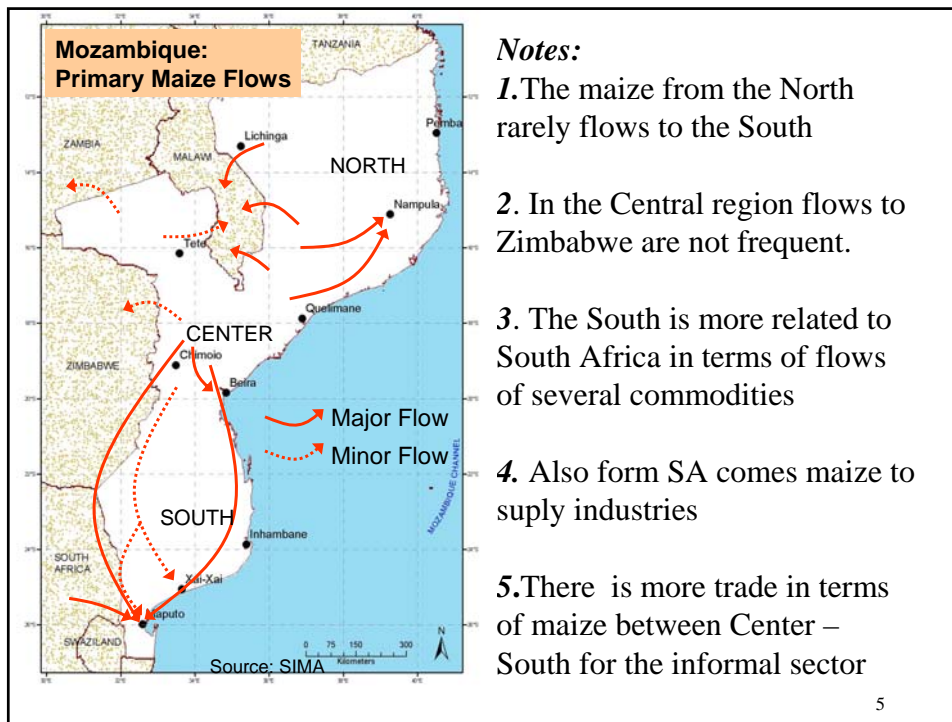
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Information Systems: SIMA

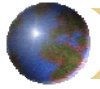
- The Ministry of Agriculture in its effort to better understand the food crisis since earlier 90's has been developing instruments to capture the dynamics of markets such as the **SIMA**.
- Main Activities by SIMA

4



Information System: SIMAP

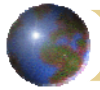
- **What SIMAP Is:** It is an adapted instrument that help to monitor the agriculture market price and other relevant information at provincial level.
- **The objective of a decentralizing marketing information:** Is to adapted information systems into the local needs in terms of coverage of markets and products monitored in order to support better policy intervention to problems locally detected. We have now 4 systems that are working in 4 provinces: In Nampula, Manica, Cabo Delgado and Tete.



Why Is Important to Understand The provincial Context: (1)

- It is important to understand each market context through market profiles which
- Its important to understand the role of each player at local level: I
- Market opportunities:

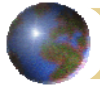
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Why Is Important to Understand The provincial Context: (2)

- **There is some local markets characteristics that need to be understood with respect to:**
 - location of markets: Remotness it is a problem (local policy)
 - Also there are comparative advantages with respect to: Production vs. Deficit areas (the role of market integration).(local policy)
 - Natural disasters: which is commum characteristics that may need a comprehensive approach (National Policy)
- **There is need to undertand the role of “Cross Border Trade” in context food access.**(Regional policy)

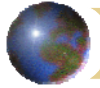
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Information System: Infocom

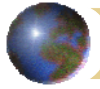
- Ministry of Industry and Commerce
- Objective:
 - Provide information:
 - to small traders within the big cities (supermarkets with some strategic goods) and
 - Big traders (Regional and international perspective) for importation purpose

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Use of Information

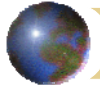
10



Main questions to be answered

- What are the current commodity prices?
Imported product prices? Origin of the commodities?
- How the prices looks compared to average or previous year?
- How the prices are compared spatially across different regions?
What are the trends (outlook)?
- What are the possible implications
- Are there changes in the market structures

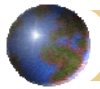
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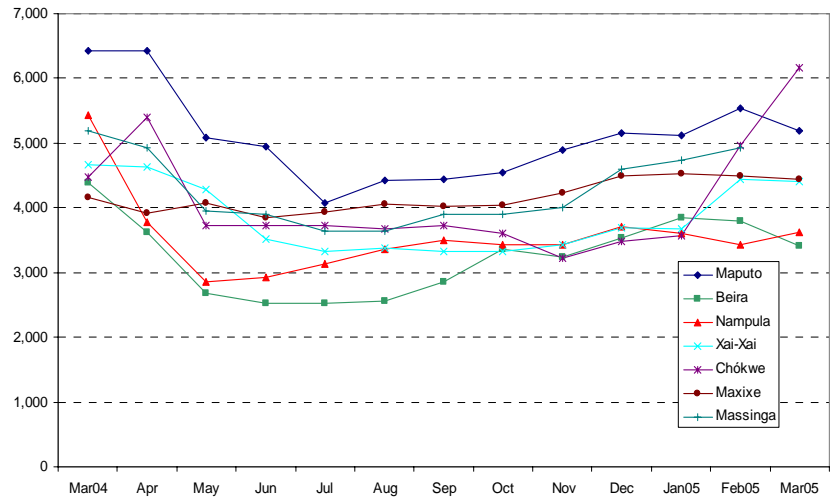
FEWS NET Analysis

- Analyses data collected by the Agricultural Market Information Systems (SIMA) on retail, farm gate, wholesale, imported goods, prices, trade flows and seasonality, transportation cost, availability of goods
- Household Food access
- Market prices and trends
- Flows and seasonality

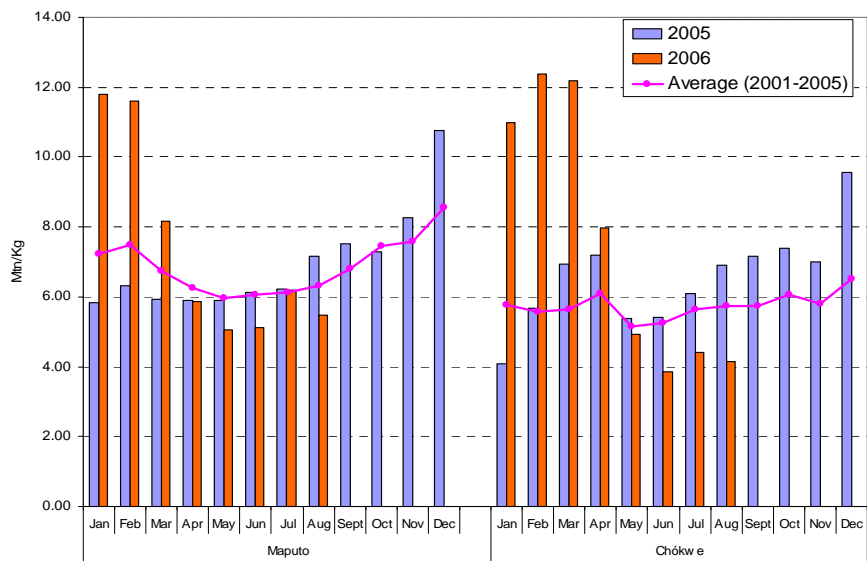
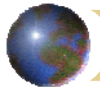
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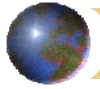
Examples



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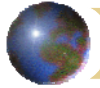
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Limitations

- Limited coverage
- Baseline information
- Data of Imports and exports (formal);
- livestock prices, input prices, labor markets. The market information system (MIS) does not collect this information. This information is not readily available, but collected in ad-hoc basis. Price information on cash crops, vegetables/fruits would also be important.
- Overlook policy implication

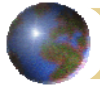
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Perspectives

- FEWS NET and partners intend to develop market baselines (or market categorization), which will provide essential information on key markets aspects.
- Revitalize the SETSAN Market Working Group to strengthen market analysis. this group should be proactive and compelled to address emerging market issues.
- Specific studies to better understand the role of market and its impact on the livelihood

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What is Needed

- There is need for:
 - Baseline information
 - better monitoring instruments, in order to ensure reliable information for the intervention
 - Human resources and capacity
 - Better policy design
 - Better coordination at national and regional levels (integrated approach)