

Informing Policy (& Investment) Decisions: Data Requirements

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A Living from Livestock
Pro-Poor Livestock Policy Initiative



Overview

- Background
- Data / information domains & relevant questions
- An example – the case of Vietnam
- Summary & Conclusions

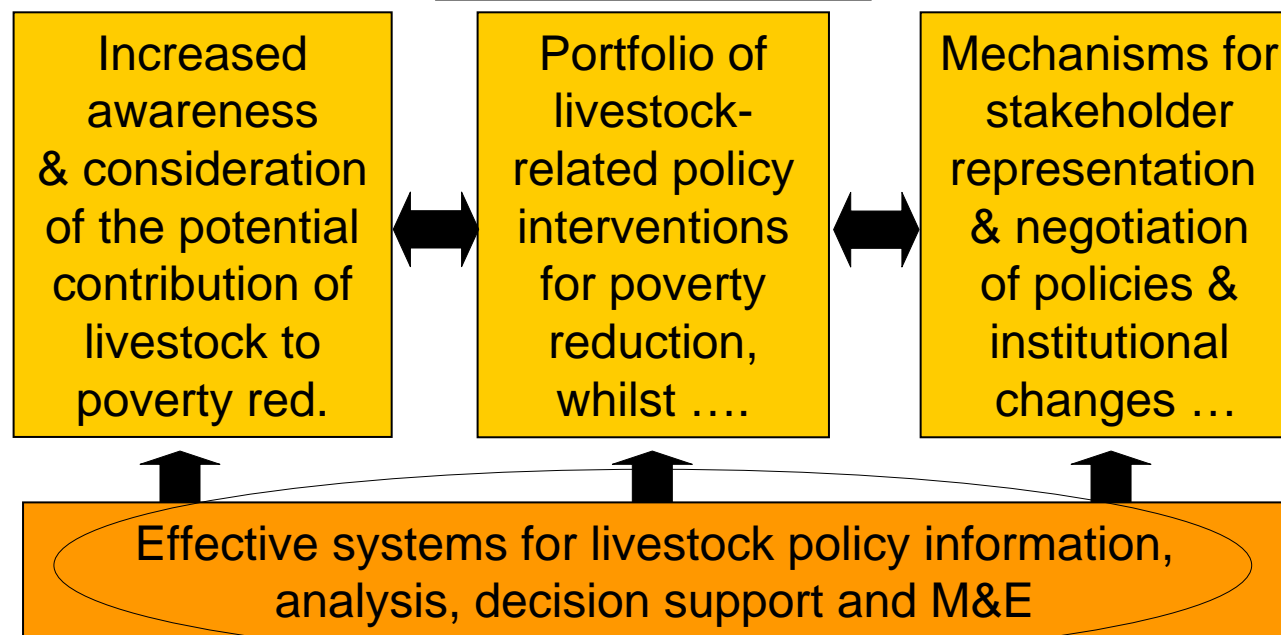


PPLPI Purpose & Outputs

Purpose

Strengthened capacity of FAO, Member Nations & international organizations to formulate [livestock] sector policies & implementation plans that reduce poverty whilst managing environmental and public health risks

Outputs



Information Domains & Questions

- Livestock as a livelihood priority
 - Who and where are livestock dependant poor?
 - What are species, products, functions of major importance?
 - What are the sector trends?
- The policy context
 - What is the macro-policy context?
 - What are the relevant policy (sub-)sectors for the priorities of the poor?
 - What **is** the policy in those sectors?
 - Who makes it and how?



Information Domains & Questions

- Policy measures / implementation
 - What measures are in place (**not in place**) to implement specific policies?
 - Through which institutions and organizations are these measures implemented?
 - What other measures and institutions are in place that affect poor livestock keepers?
- Policy influence
 - What and where are the opportunities to influence the described processes, what are the entry points?



Informing Policy: PPLPI Experience

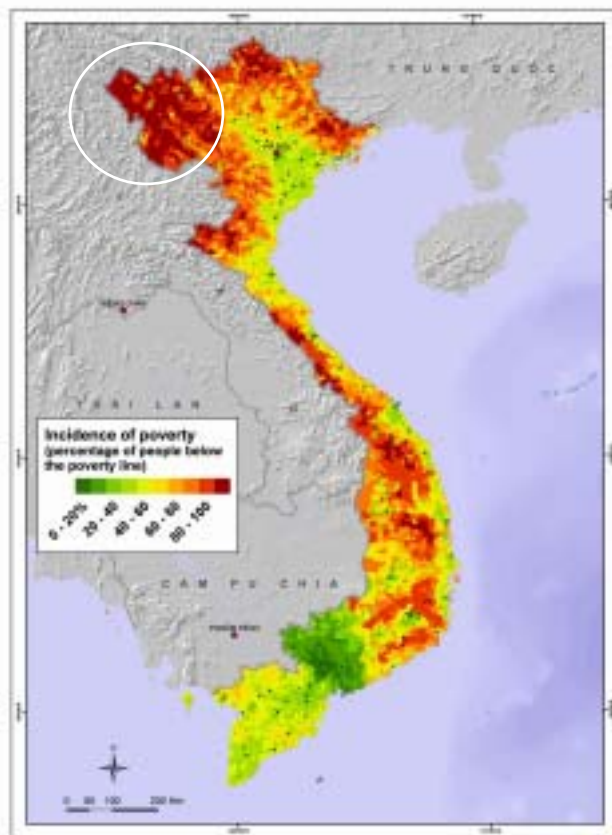


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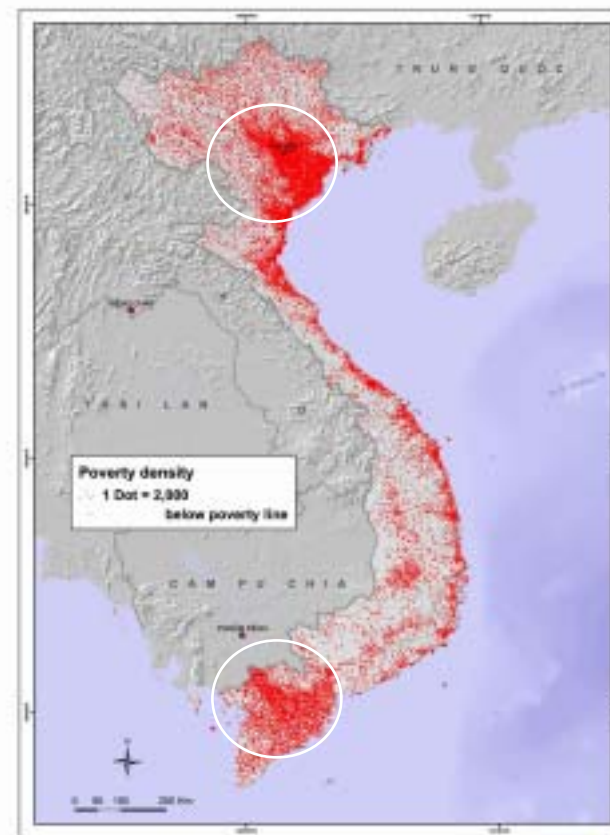


Vietnam: Where are the Poor?

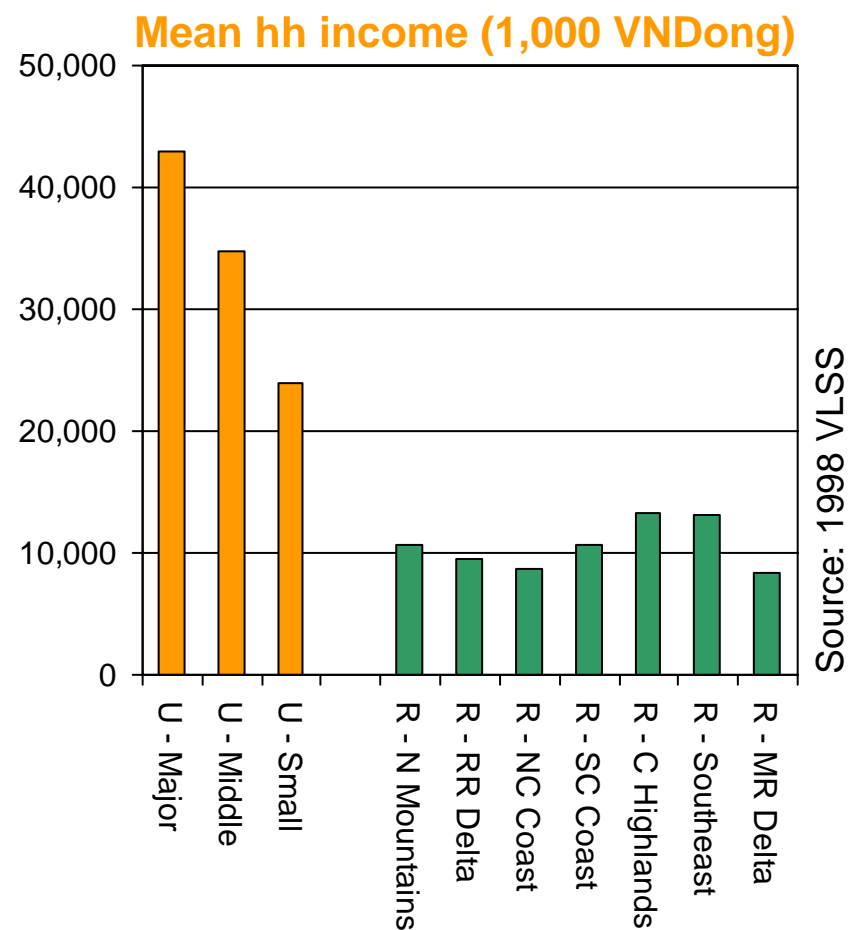
Poverty incidence



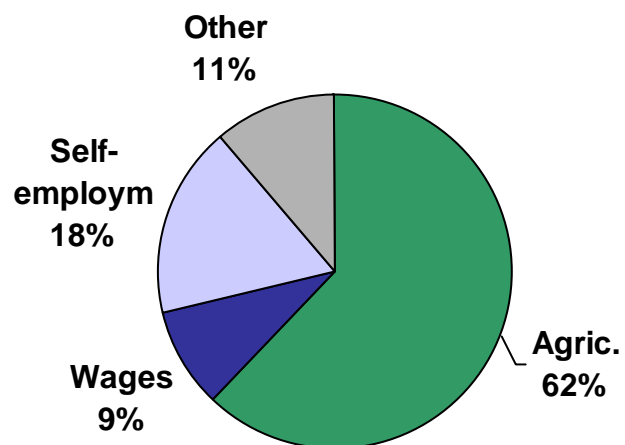
Poverty density



Urban vs Rural Poverty



Rural Income Sources



Average: USD750/household/year
Poverty line: app USD650/hh/year
Source: 1998 VLSS



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Rural Heterogeneity

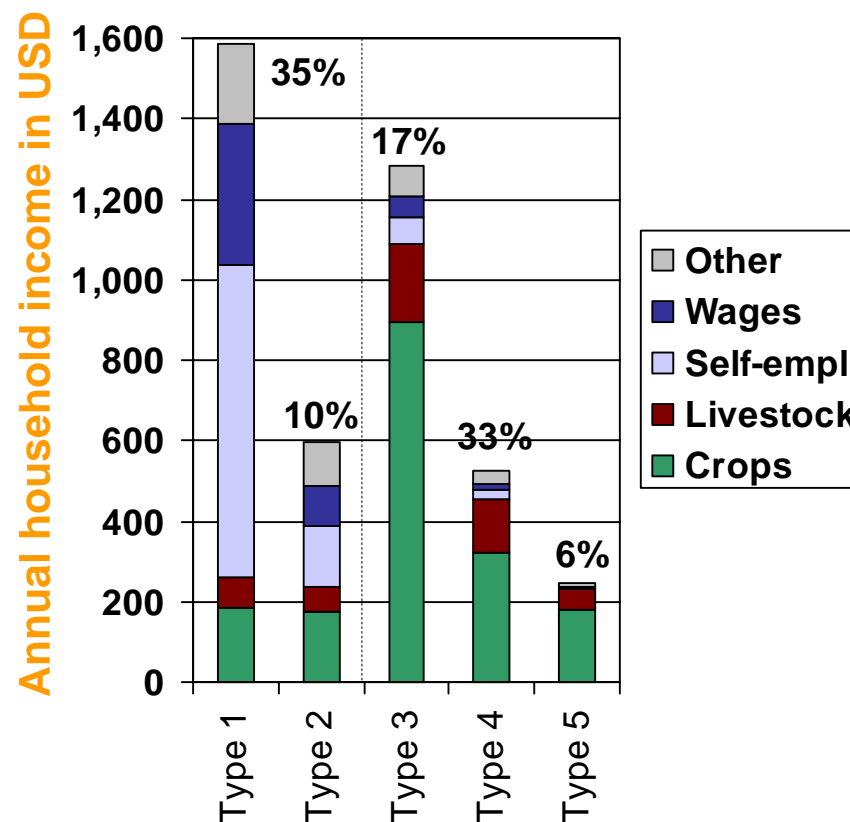
Rural household 'types'

'Diversified',

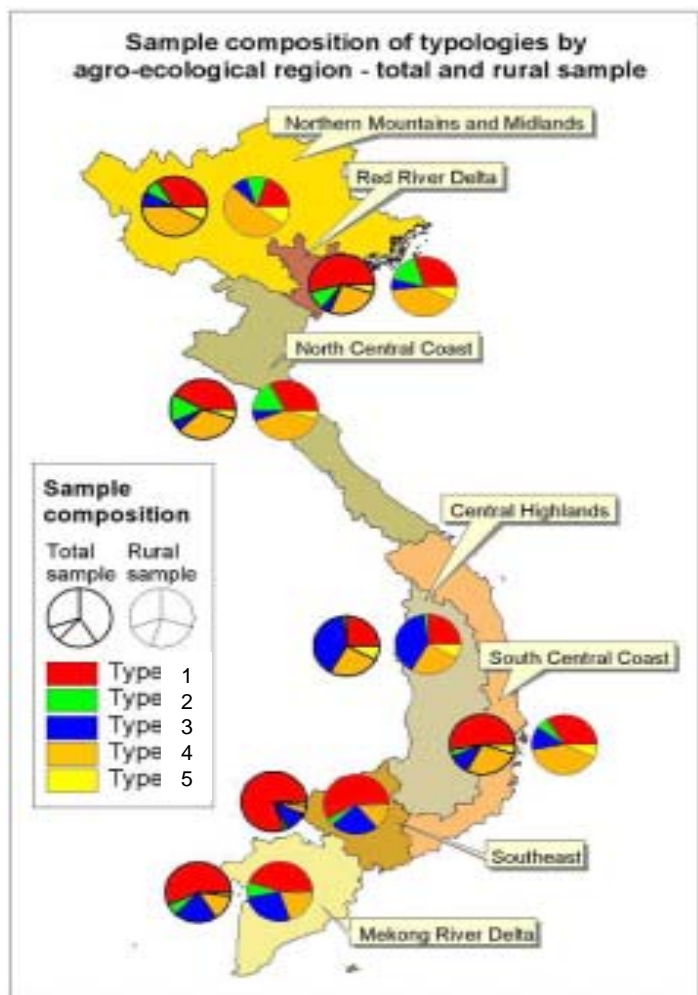
1. with market-oriented agriculture
2. with agriculture for home consumption

'Agriculture',

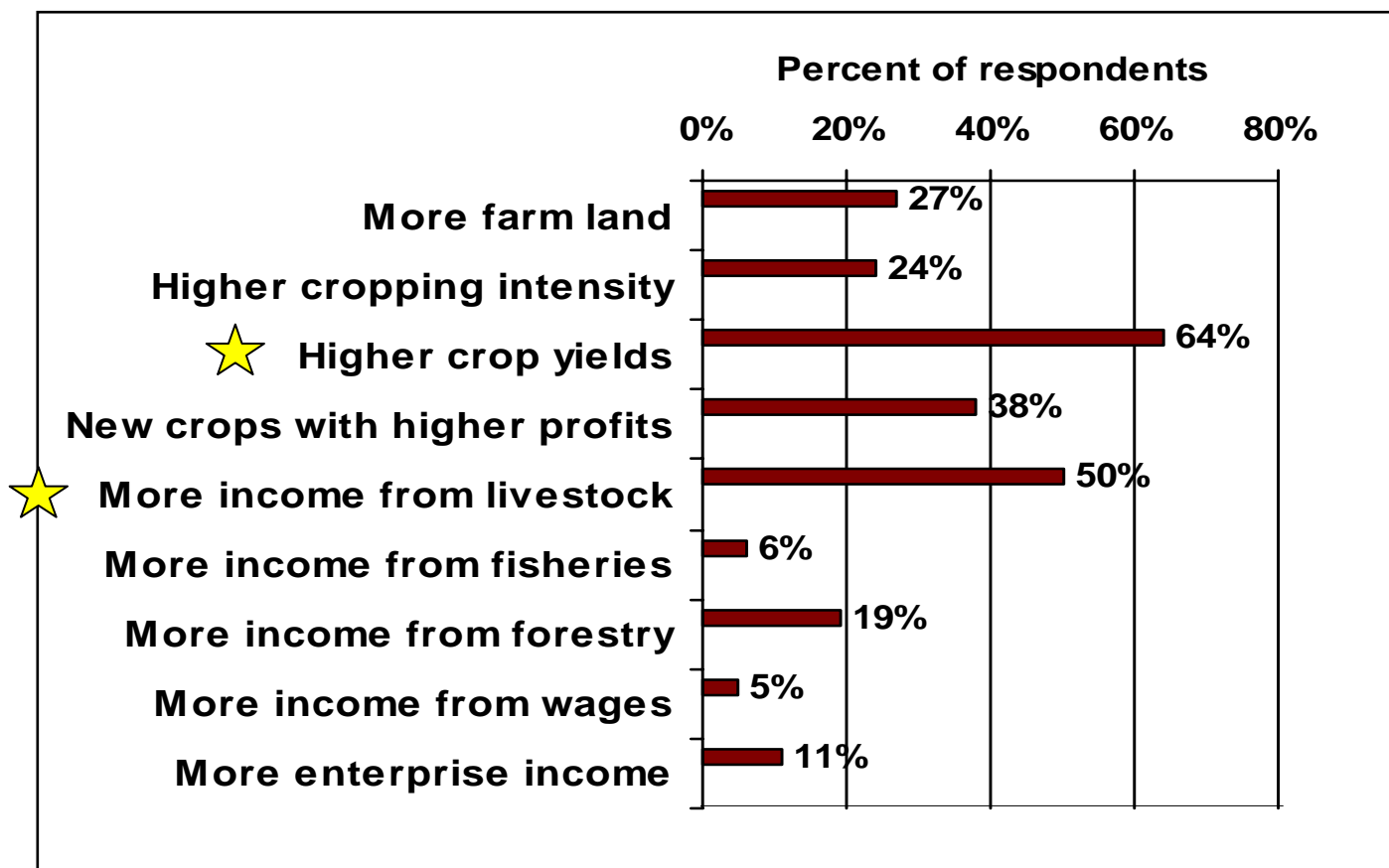
3. market-oriented
4. semi-market-oriented
5. subsistence



Spatial Heterogeneity



Reasons for Improved Welfare



Source: IFPRI

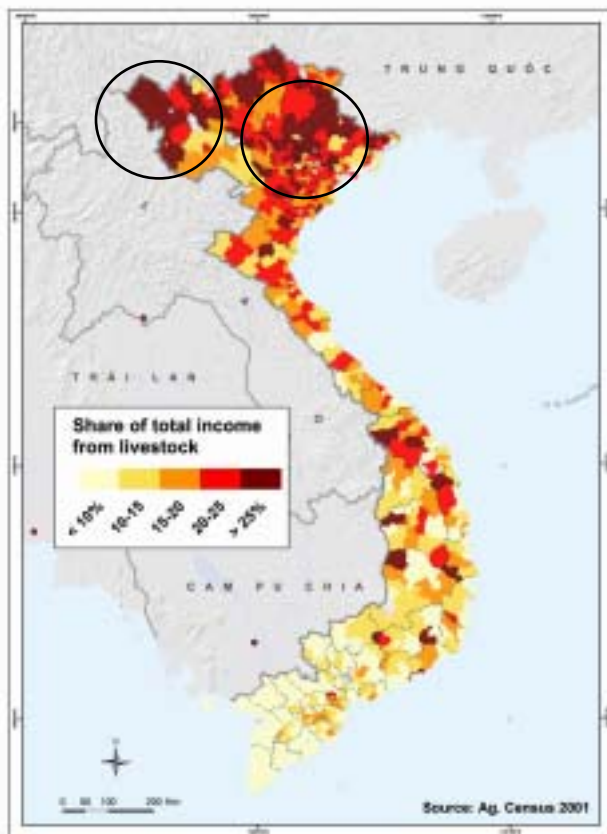


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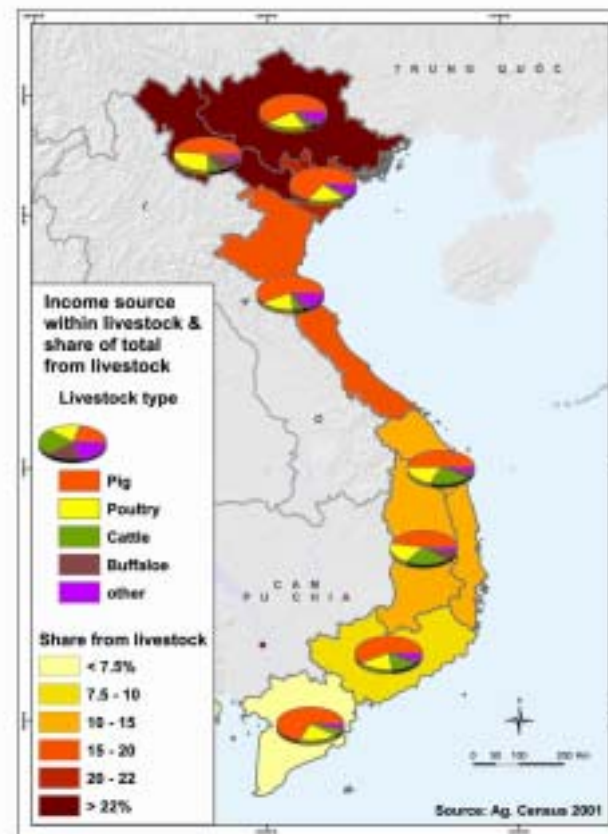


The Livestock Dependent

Livestock dependency



Livestock species



Pigs Dominate

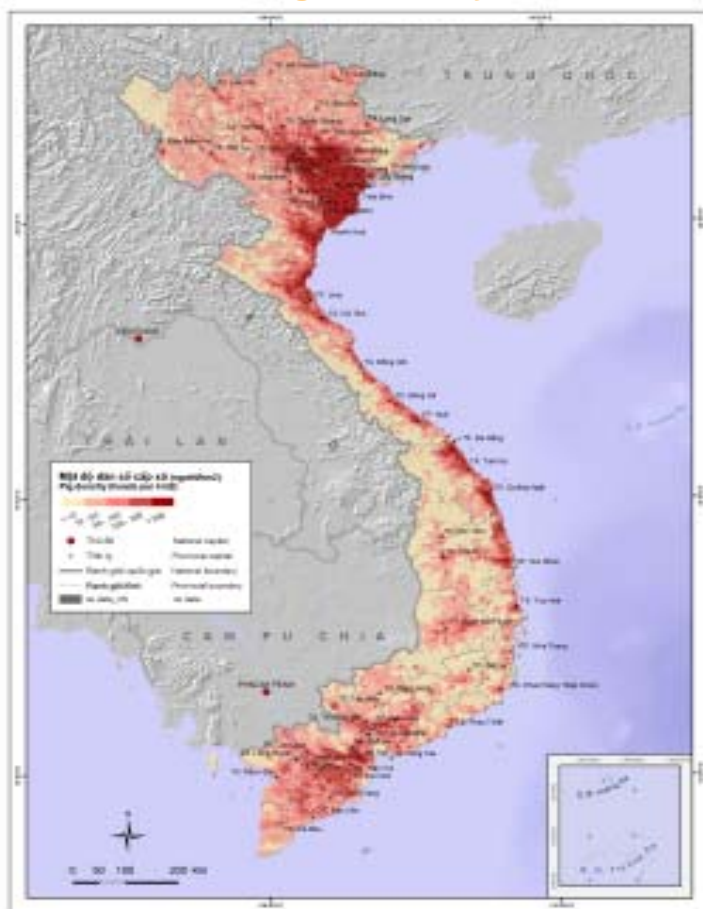


- they provide **60 to 80%** of **total** livestock income,
- more than **90%** of which is in the form of **cash** from sales
- while chicken only provide around 10% of livestock income (>60% home consumption)

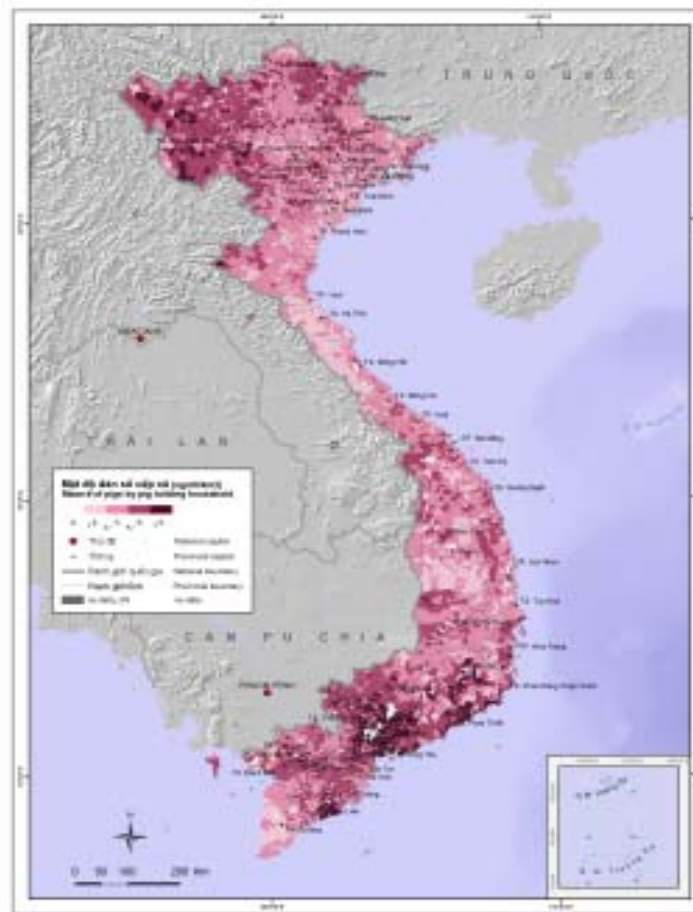


The Pig Sector

Raw pig density



Mean pig holding size

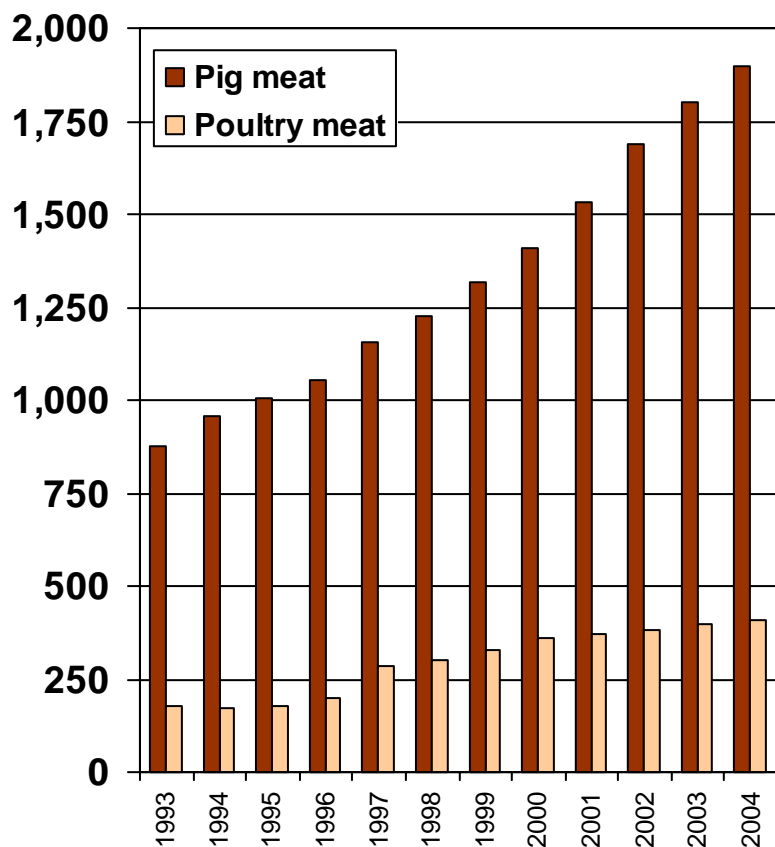


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Sector Trends

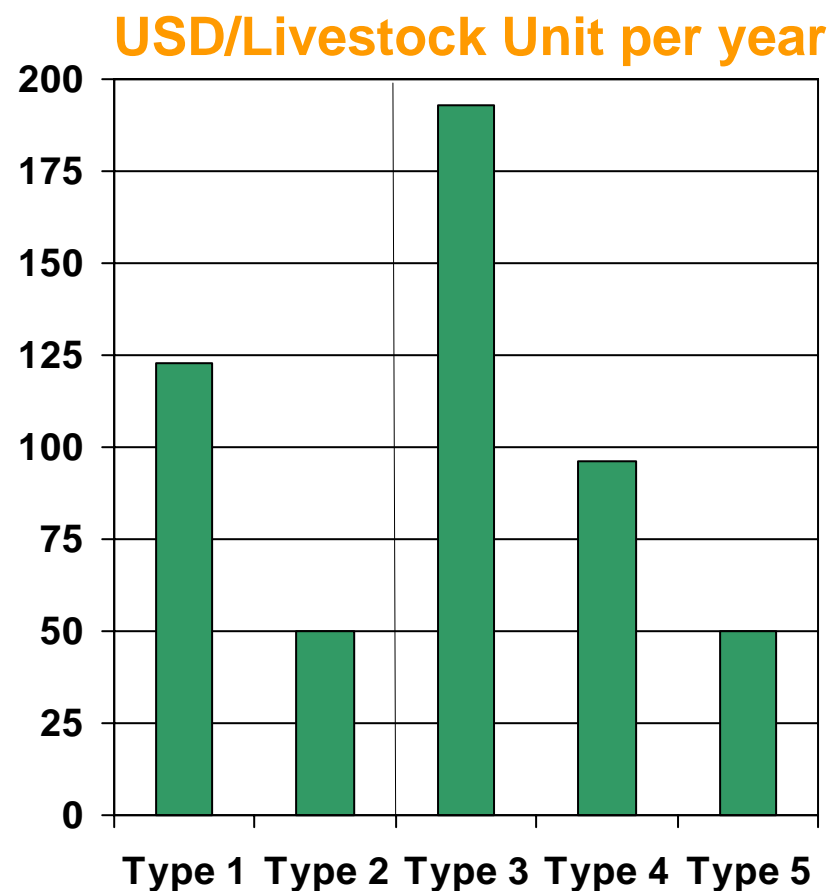
Growth in meat production



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Elements of a Pro-poor Policy



- Focus on asset classes that the poor have, and
- increase the returns that they can obtain from these assets, ie
 - increase their productivity, and
 - link output to demand



Constraints & Policies

Constraints

- Access to credit
- Access to livestock (health) services
- Access to production inputs
- Market information and access

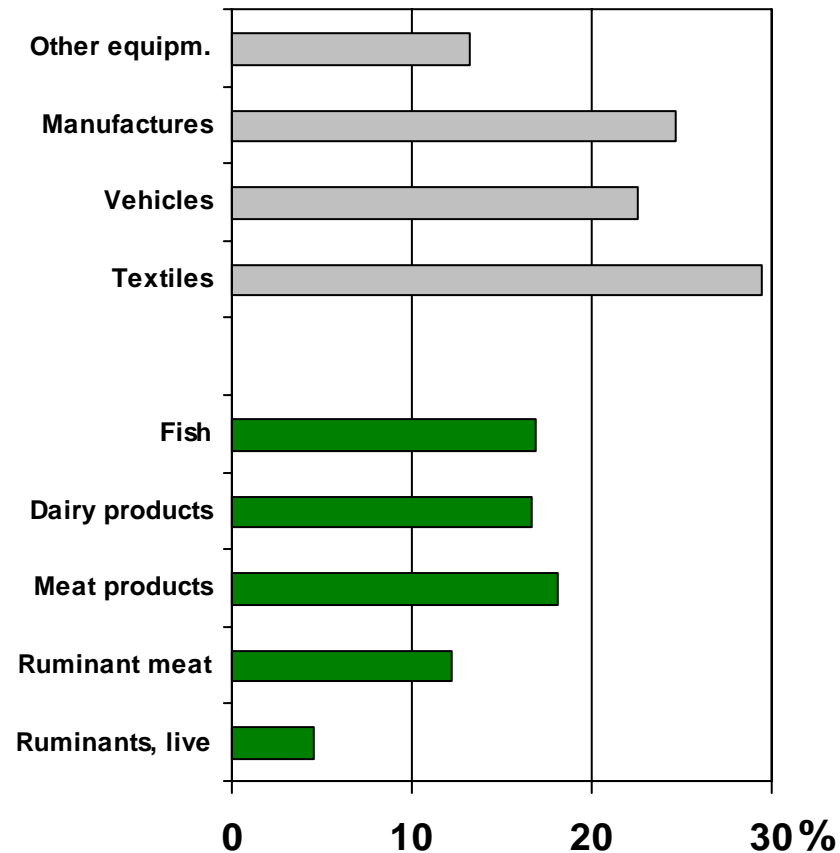
Current policy measures

- No legal basis for micro-credit, currently only provided by NGOs
- Decentralized and poorly coordinated
- Inputs available but no / little quality control
- High taxation of transactions and transport costs

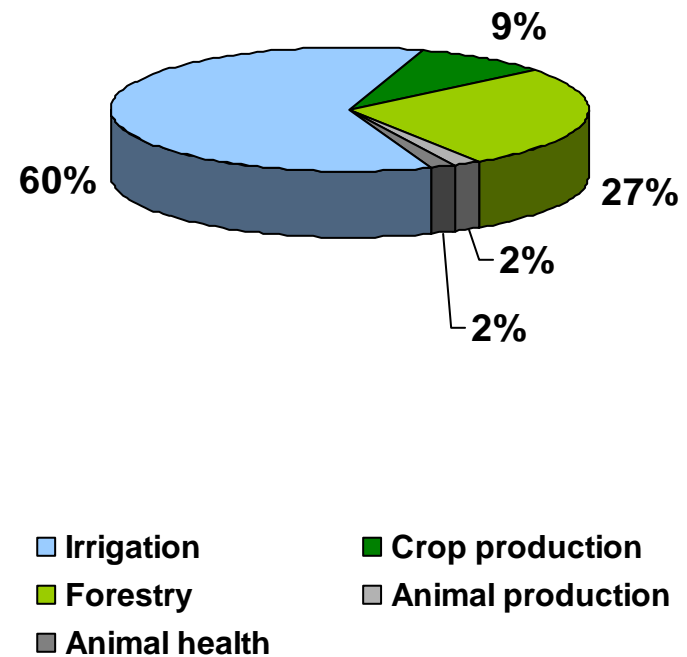


Macro-Policy

Nominal Tariff Protection 1998



Public Expenditure on Agriculture, 1998 (6.3% of public budget)



The Policymaking Context

- Policy Process
 - Very much top-down
 - National Planning (Ministries) with local implementation (People's Committees: Provincial – District – Commune)
- Shaping Forces
 - Party line
 - Bureaucratic rationale
 - Provincial Chiefs' agenda
- Agriculture Policy Goal
 - 'Rural Industrialization and Modernization'
- Strategy
 - Promotion of export-earning sectors (rice, coffee, fisheries)
 - Promotion of commercial scale estate farms (with tax exemption and subsidy privileges)



Summary

Information requirements

- 'Macro' information on sector and market trends
- 'Micro-' / household level information
- Policies and institutions (stated & actual)
- Stakeholders (interests & attitudes)
- Policymaking processes

Information sources

- National statistics & surveys
- Surveys (LSMS and others)
- 'Literature' review & key informant interviews
- Consultations & key informant interviews
- Key informant interviews



Conclusions

- Multiple data sources, which need to be reconciled
 - ‘One-stop-shop’ not realistic
 - Need for a network of data providers
 - Respect own needs, but provide meta-data!!!!
- Same source can serve multiple needs – true public good if made widely available!
- Data & strategic analysis necessary but not sufficient ingredient for improved policy-making
 - Targeting, timing & packaging



References & Further Reading

Links to PPLPI Working Papers

#5 The Political Economy of Pro-Poor Livestock Policy-making in Vietnam

#21 The Contribution of Livestock to Household Income in Vietnam: A Household Typology Based Analysis

#24 Geographical Dimensions of Livestock Holdings in Vietnam: Spatial Relationships among Poverty, Infrastructure and the Environment



For more information please visit the PPLPI website:

<http://www.fao.org/ag/ppipi.html>

<http://www.fao.org/ag/againfo/projects/en/ppipi/publications.html>



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