



AGRICULTURAL POLICY MONITORING AND EVALUATION 2012 OECD COUNTRIES

Trade and Agriculture Directorate

Agricultural Policy Monitoring and Evaluation –
Launch of the 2012 OECD Report

19 September 2012

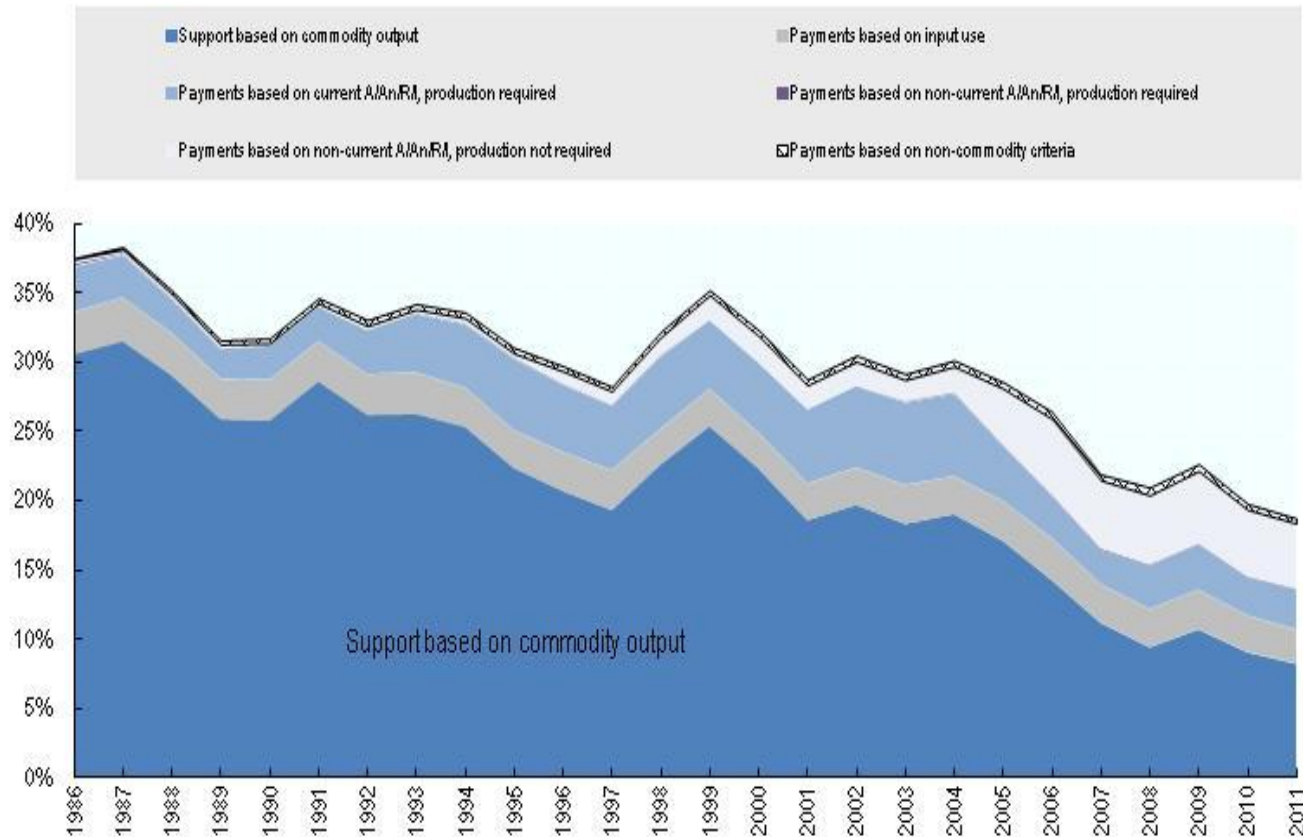


Annual OECD Monitoring and Evaluation of Agricultural Policies

- Includes comparable measurement of support to agriculture (PSE)
- Consistent over time and across countries
- Covers OECD countries and every second year an increasing number of emerging economies (this year only OECD countries)
- Includes a chapter on fostering innovation and productivity growth in agriculture



Continued reduction of support in OECD area



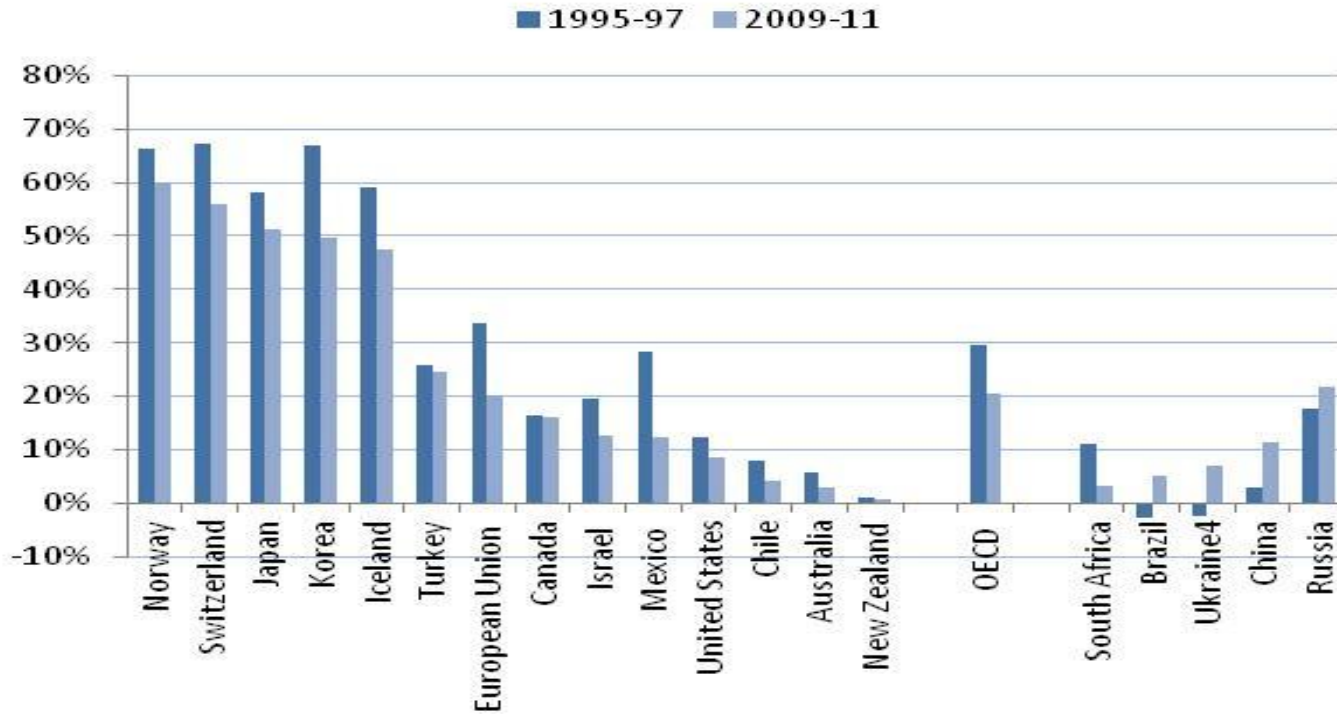
2011
 Producer support
 estimate:
 USD 252 billion;
 EUR 182 billion

Or

19% of farm
 receipts



Support to agriculture varies across countries



For emerging economies 2008-10

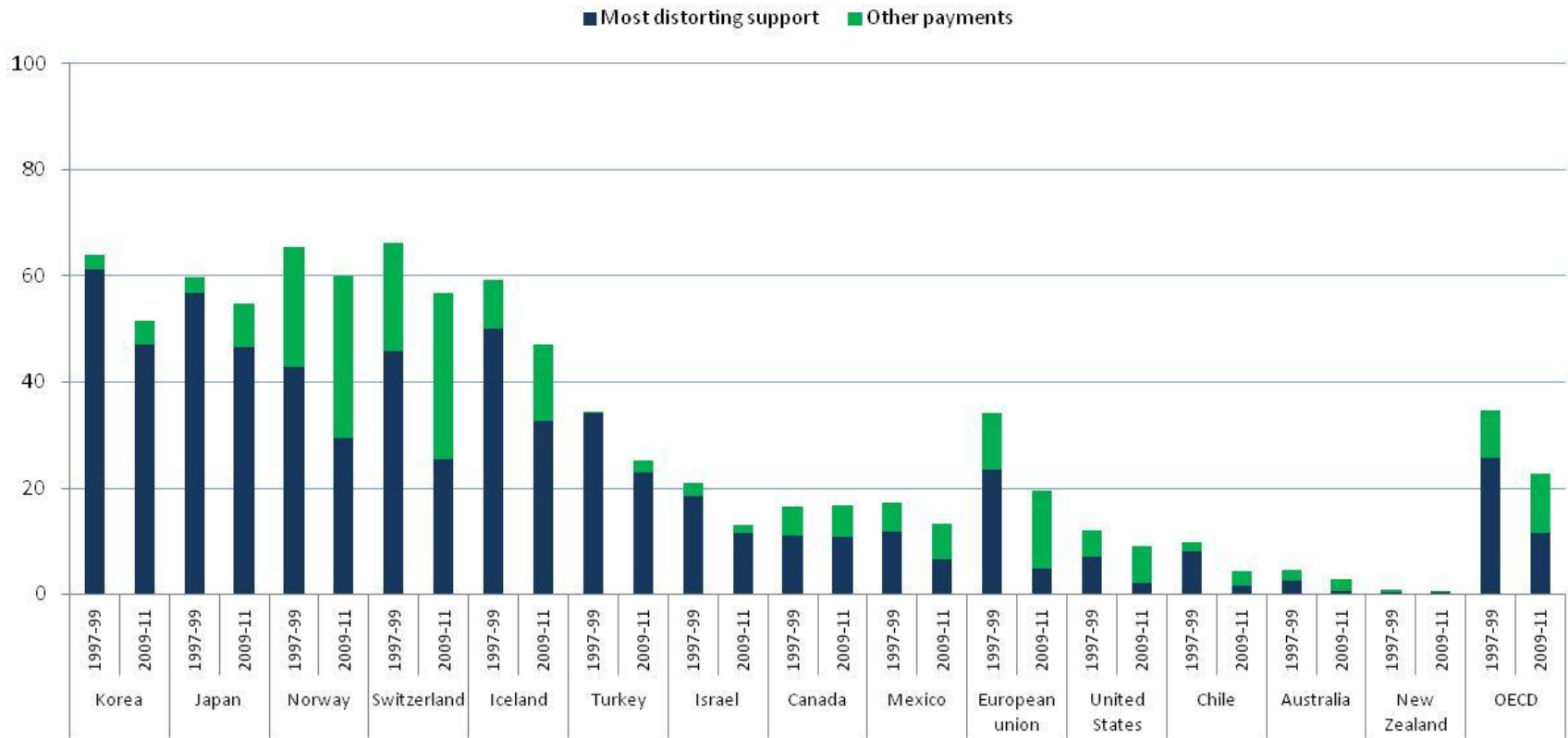


Policy developments

- Changes in support mostly driven by developments on international markets – not by explicit policy change in OECD countries
- With higher world prices policies to support domestic prices generate smaller transfers
- OECD countries are moving at different speeds away from supporting farmers through policies that raises domestic prices. Heavy market intervention (still) dominates in some countries
- No budget austerity (yet)



Most production and trade distorting forms of remain important in some countries



Most distorting: support: Price- and output linked support and payments based on (unconstrained) input use



High prices provide opportunity for further reform

- Reduce price- and output linked policies
- Remove border policies that contribute to international price volatility, by trying to isolate domestic markets
- Increase investments in public goods with long-term benefits; innovation and productivity growth, sustainability
- Develop risk management tools for farmers that do not interfere with normal business risk and marketable risk tools
- Increase policy coherence: agriculture, trade, (rural) development, as discussed in G20
- Fiscal consolidation across many OECD countries may strengthen the need to improve cost effectiveness of agricultural policies



For more information

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