The Regulation of Agricultural Inputs in Asia
Evidence from the EBA database

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Benchmarking AG Regulation

- **Regulation matters**
  - Needed to correct market failures (externalities, economies of scale, information asymmetry)
  - Imposes costs on economic agents (restrictions, fees etc.)
  - Complex political economy (interest groups, politicians)

- **Enabling the Business of Agriculture (EBA) database**
  - Identifies regulatory good practices and transaction costs
  - Is a benchmarking tool to inform government policies
  - Informed by academia, private sector, CSOs, technicians
EBA input indicators are broad

- **Seed**
  - Plant Breeding
  - Registration
  - Quality Control

- **Fertilizer**
  - Registration
  - Import and distribution
  - Quality control

- **Machinery**
  - Operation
  - Import
  - Quality Control
EBA Seed indicators

• Plant breeders’ rights are non-discriminatory and may be licensed.

• Registering a new variety is efficient and affordable, and testing results from foreign authorities are accepted.

• Official fee schedules for public certification activities are available and the private sector may become accredited.

• Annual, pest-control tests are required.

• Labeling requirements and penalties apply.
Seed regulation in Asia – good practices

Seed - Regulatory Good Practices

- Philippines
- Malaysia
- Cambodia
- India
- Thailand
- Myanmar
- Bangladesh
- Vietnam
- Lao PDR
- Nepal
- Sri Lanka
Seed regulation in Asia – transaction costs

**Days to register a new variety**

- Sri Lanka: 298
- Myanmar: 306
- Thailand: 327
- India: 397
- Cambodia: 407
- World: 554
- Malaysia: 561
- Philippines: 570
- Nepal: 611
- Vietnam: 901

**Cost to register a new variety (% of GNI per capita)**

- Nepal: 0.0
- Sri Lanka: 0.0
- Philippines: 1.5
- Malaysia: 7.0
- Thailand: 7.3
- Cambodia: 17.3
- Myanmar: 26.6
- India: 98.7
- World: 153.8
- Vietnam: 406.2
Asia can improve on input regulation

Seed

- OECD: 79.1
- MNA: 62.3
- ECA: 58.6
- LAC: 57.9
- World: 56.2
- EAP: 50.4
- SAS: 48.8
- SSA: 47.9

Fertilizer

- OECD: 78.5
- ECA: 65.4
- EAP: 63.0
- LAC: 58.0
- World: 55.8
- SAS: 55.8
- MNA: 53.2
- SSA: 38.9

Machinery

- OECD: 75.9
- ECA: 68.3
- MNA: 55.7
- World: 50.3
- SAS: 45.8
- EAP: 45.2
- SSA: 41.5
- LAC: 27.9

0 (worst) to 100 (best)
Conclusions

• “What gets measured gets done”
• Big differences within Asia → Peer learning
• Like all indexes, handle with care!
Thank you for your attention!

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