



The Regulation of Agricultural Inputs in Asia

Evidence from the EBA database



WORLD BANK GROUP

Raian Divanbeigi
Bangkok, Thailand
March 22, 2017

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



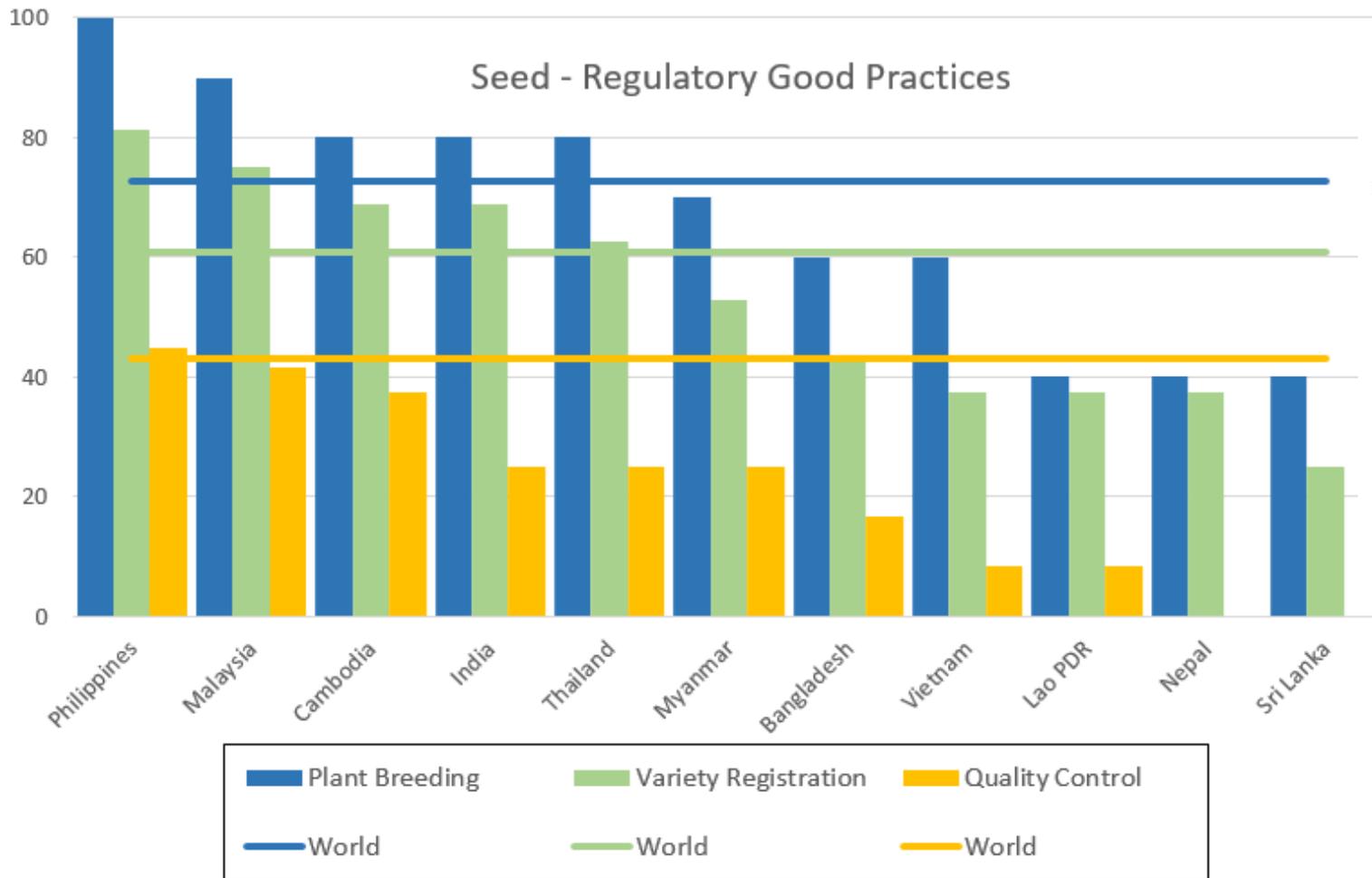
Machinery

- Operation
- Import
- Quality Control

EBA Seed indicators

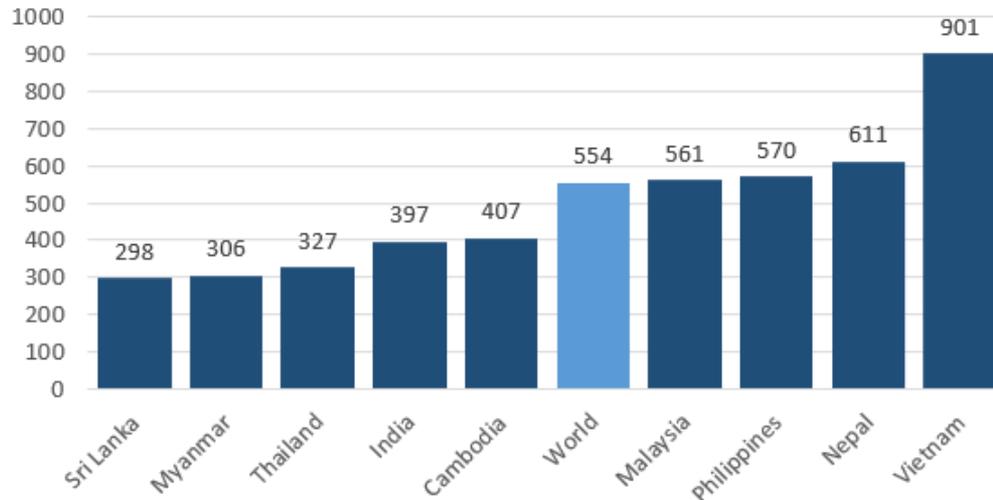
- Plant breeders' rights are non-discriminatory and may be licensed.
- Registering a new variety is efficient and affordable, and testing results from foreign authorities are accepted.
- Official fee schedules for public certification activities are available and the private sector may become accredited.
- Annual, pest-control tests are required.
- Labeling requirements and penalties apply.

Seed regulation in Asia – good practices

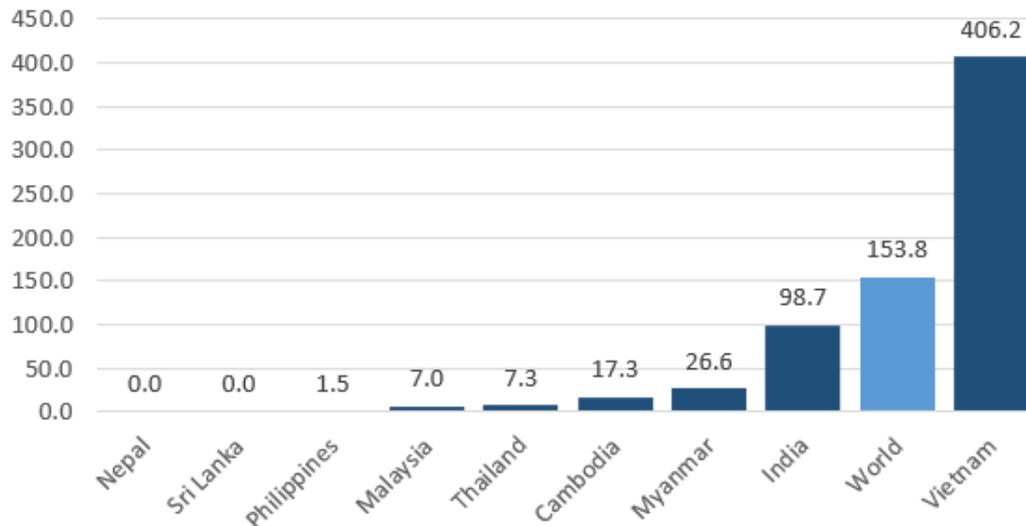


Seed regulation in Asia – transaction costs

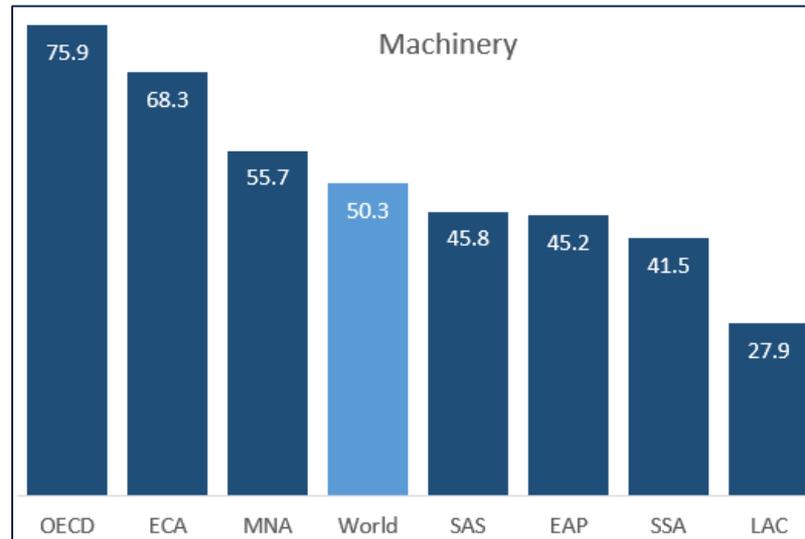
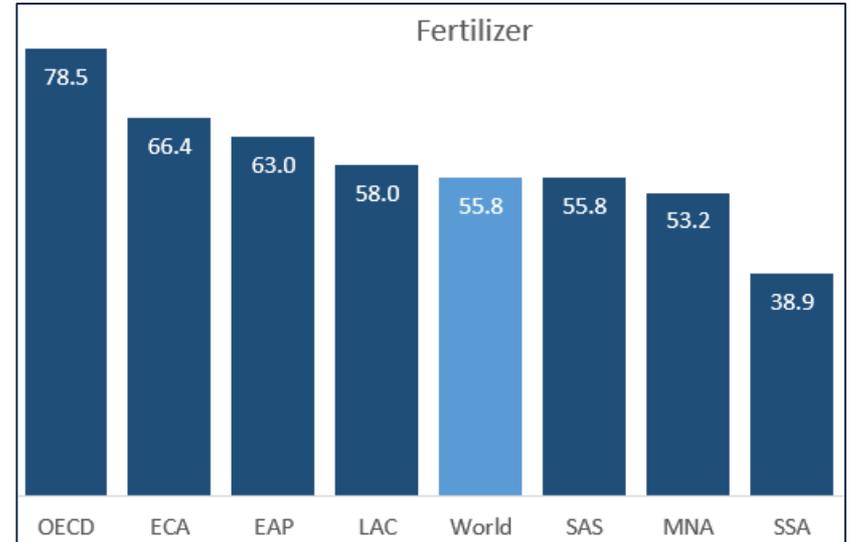
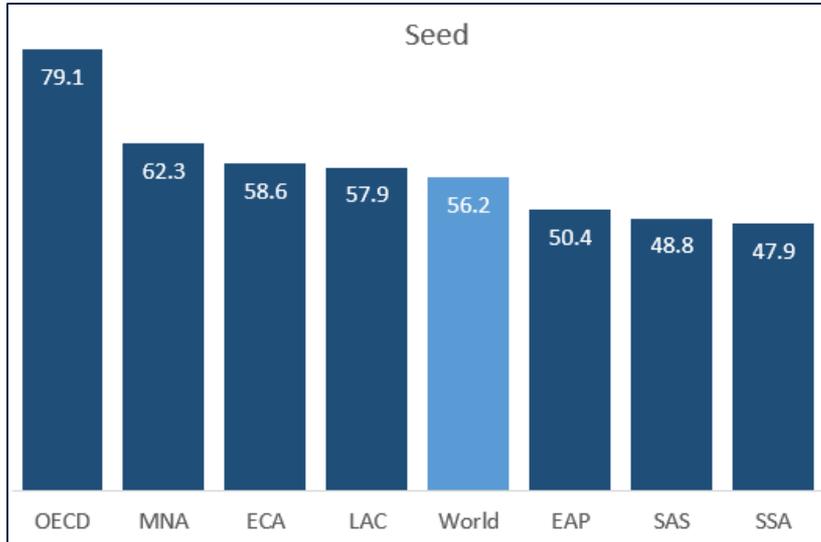
Days to register a new variety



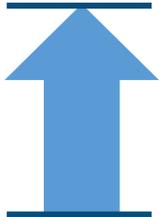
Cost to register a new variety (% of GNI per capita)



Asia can improve on input regulation



100 (best)



0 (worst)

Conclusions

- “What gets measured gets done”
- Big differences within Asia → Peer learning
- Like all indexes, handle with care!

Thank you for your attention!

Check out the new EBA report @ eba.worldbank.org



**ENABLING THE BUSINESS
OF AGRICULTURE 2017**