



# ENABLING THE BUSINESS OF AGRICULTURE



**WORLD BANK GROUP**

Federica Saliola  
ICABR Conference  
Ravello, June 27, 2016

# Global focus on agriculture

## ENABLING ENVIRONMENT FOR BUSINESS IN AGRICULTURE



# WBG Doing Business report

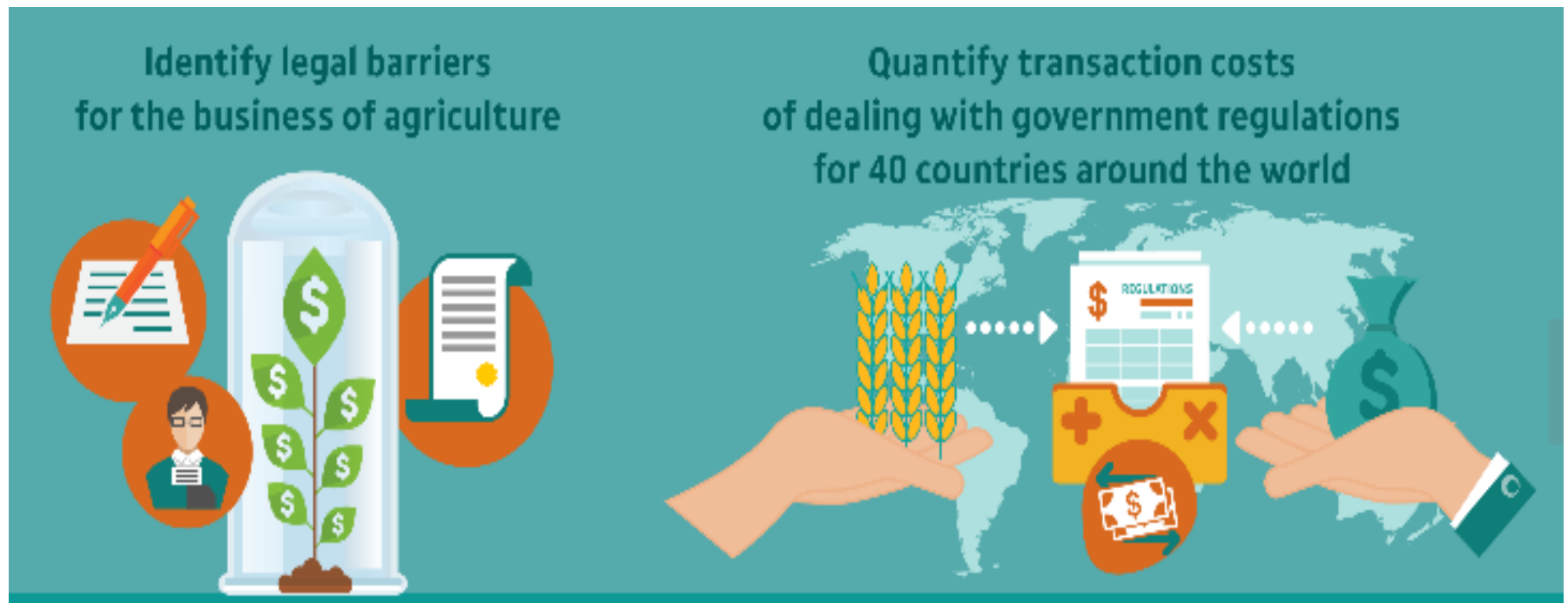
*Enabling the Business of Agriculture* has been inspired by the WBG *Doing Business* report, which has a recognized track record in measuring laws and regulations in 189 economies and leveraging reforms.



# Genesis and timeline of EBA



# A tool for improved policymaking



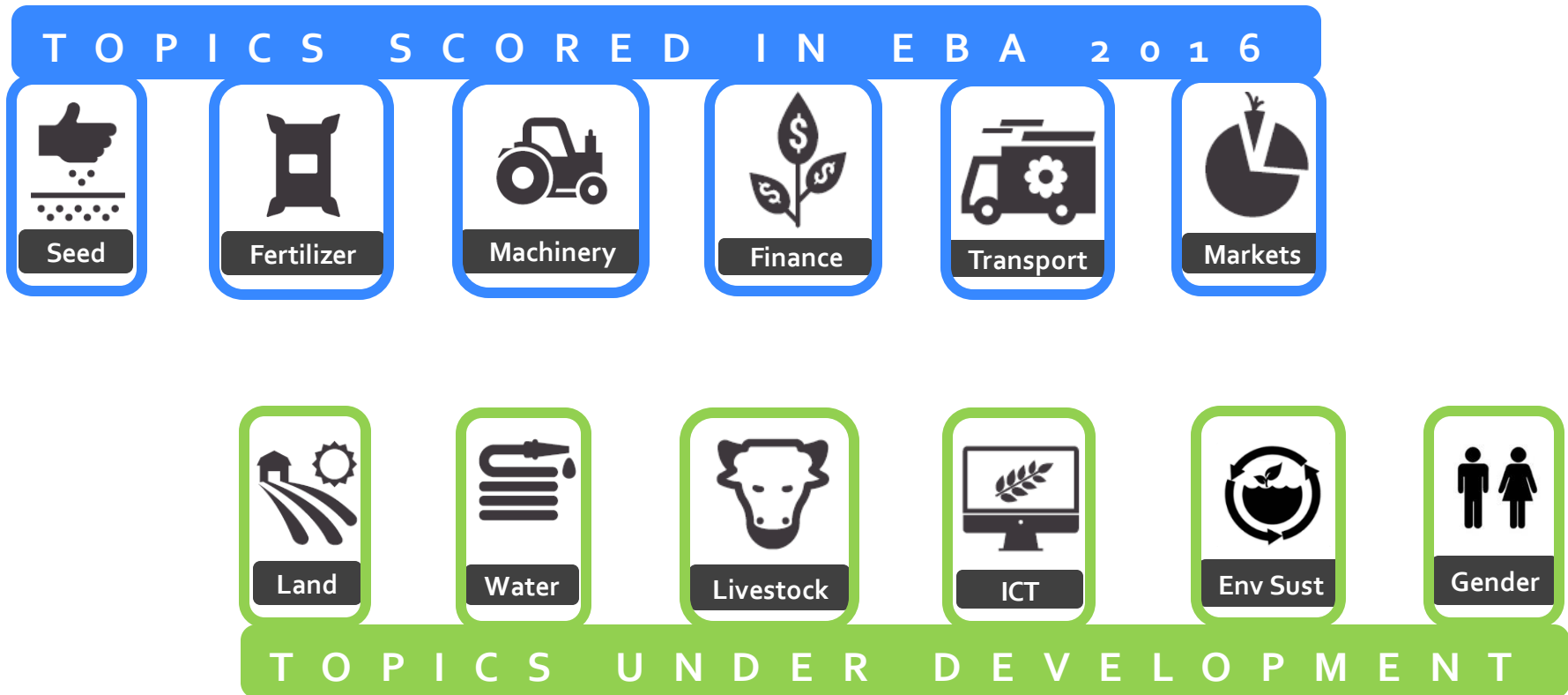
EBA can inform policymaking and **trigger reforms** based on cross-country benchmarking

# Type of indicators



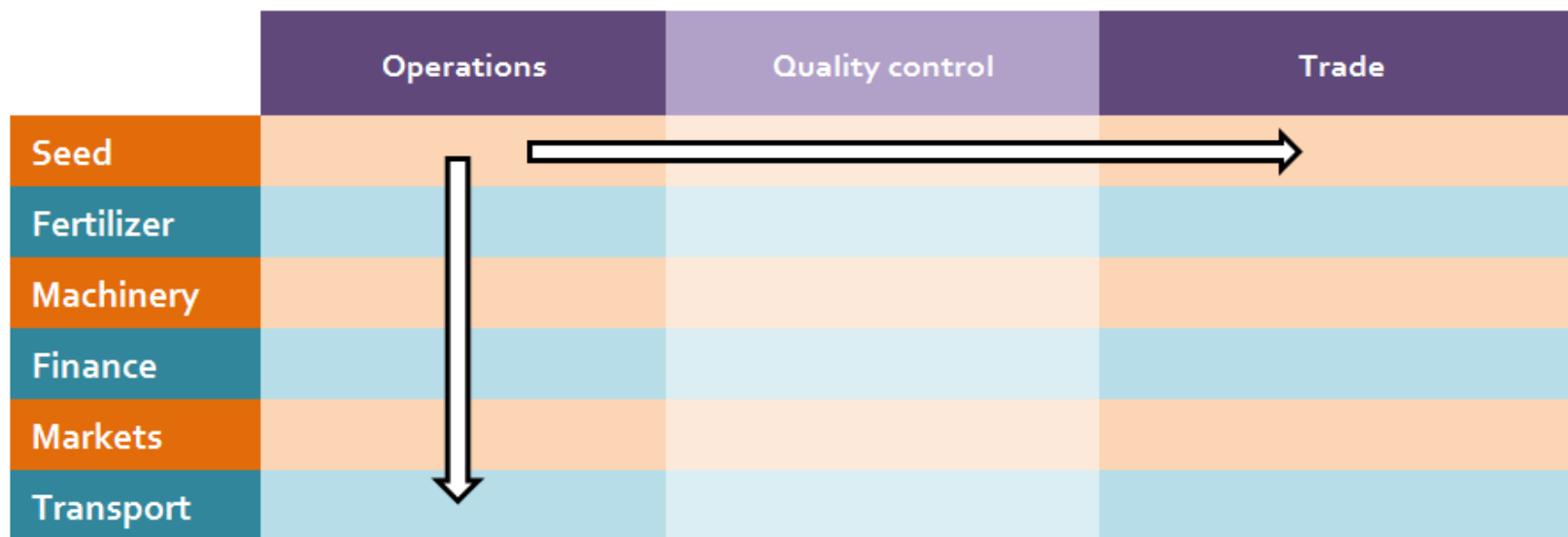


# Thematic coverage



**EBA benchmarks markets associated to activities along the agribusiness value chain**

# EBA: regulatory areas benchmarked (1)





# EBA: regulatory areas benchmarked (2)

	Operations	Quality control	Trade
Seed	Seed registration (0-100) <i>Procedures, time &amp; cost</i> Seed certification (0-100)		
Fertilizer	Fertilizer registration (0-100) <i>Procedures, time &amp; cost</i>	Fertilizer quality control (0-100)	Fertilizer import requirements (0-100) <i>Cost of import permit and importer registration</i>
Machinery	Tractor dealer requirements	Tractor standards & safety (0-100)	Tractor import requirements (0-100) <i>Cost of import permit and importer registration</i>
Finance	Microfinance institutions (0-100) Credit unions (0-100) Agent banking (0-100) E-money (0-100) Warehouse receipts (0-100)		
Markets	Production & sales (0-100)	Plant protection (0-100)	<i>Agricultural exports</i> <i>Documents, time &amp; cost</i>
Transport	Truck licenses (0-100) <i>Time, cost &amp; validity of company licenses, truck permits and vehicle inspections</i>		Cross-border transportation (0-100)

# EBA: regulatory areas benchmarked (3)



EBA indicators are based on identified **good practices** and are **actionable**

## Fertilizer score 53

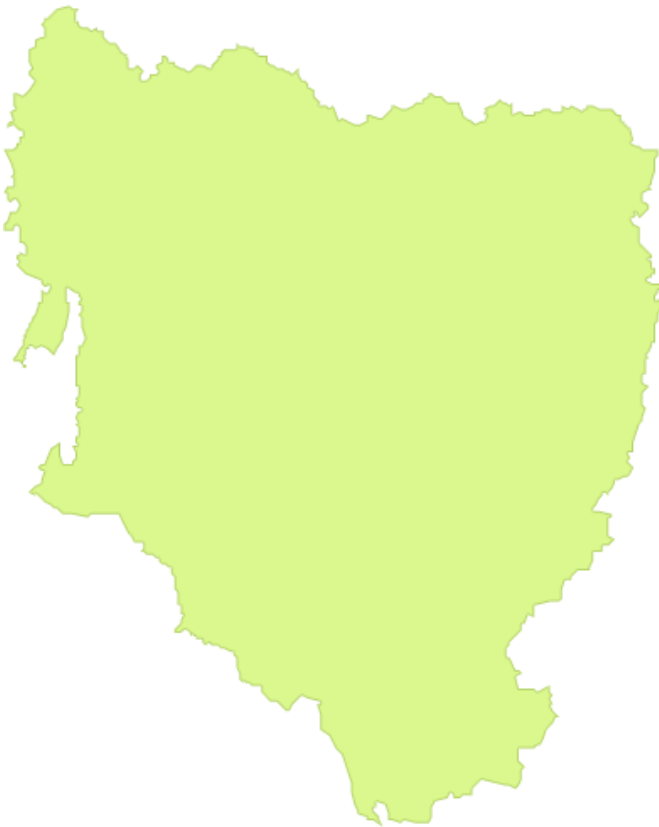
Adopting good-practices already in place in other countries:

Catalogue online **+6 points**

Import permit 12 months **+3 points**

Penalties mislabeled bags **+5 points**

Fertilizer score 67



# Country coverage

## SUB-SAH AFRICA

Burkina Faso  
Burundi  
Cote D'Ivoire  
Ethiopia  
Ghana  
Kenya  
Mali  
Mozambique  
Niger  
Rwanda  
Sudan  
Tanzania  
Uganda  
Zambia

**Liberia**  
**Benin**  
**Malawi**  
**Cameroon**  
**Senegal**  
**Zimbabwe**  
**Nigeria**

## ECA

Bosnia-Herzegovina  
Georgia  
Kyrgyzstan  
Russia  
Tajikistan  
Turkey  
Ukraine

**Armenia**  
**Romania**  
**Serbia**

## EAP

Cambodia  
Laos  
Myanmar  
Philippines  
Vietnam

**Malaysia**  
**Thailand**

## OECD

Chile  
Denmark  
Greece  
Poland  
Spain

**Italy**  
**Korea**  
**Netherlands**

## SA

Bangladesh  
Nepal  
Sri Lanka

**India**  
**(subnational)**

## LAC

Bolivia  
Colombia  
Guatemala  
Nicaragua

**Haiti**  
**Mexico**  
**Peru**  
**Uruguay**

## MENA

Jordan  
Morocco

**Egypt**

# Data collection

## Public Sector

- Ministries of Agriculture, Transport, Environment, Trade and Commerce, Information and Technology
- Central Bank, Financial Supervisory Authorities
- Customs, State Inspectors, Land Registries, Cadasters, Agricultural Research Institutes and others

## Private Sector

- Agricultural Input Companies (Fertilizer, Machinery, Seed, Irrigation)
- Trucking companies
- Freight forwarders
- Cooperatives and Farmers' associations
- Agricultural Holdings
- Mobile Network Operators
- Lawyers
- Commercial Bankers and Microfinance Institutions



# EBA 2016 Report

Indicator Data - Enabling t... x +

eba.worldbank.org/data/exploretopics/fertilizer

TOPICS

Research / EBA Home / Topic

## Enabling the Business of Agriculture

EBA Home

Data by Country >

Data by Indicator >

Methodology

Reports

About Us

### Fertilizer

The *Enabling the Business of Agriculture* fertilizer indicators measure laws and regulations related to registration, import, and quality control of fertilizer products. They address factors important to countries importing and selling fertilizer products, farmers using quality fertilizer products to increase their productivity, and governments pursuing regulations that ensure the quality of products and effectiveness of fertilizer.

Search records

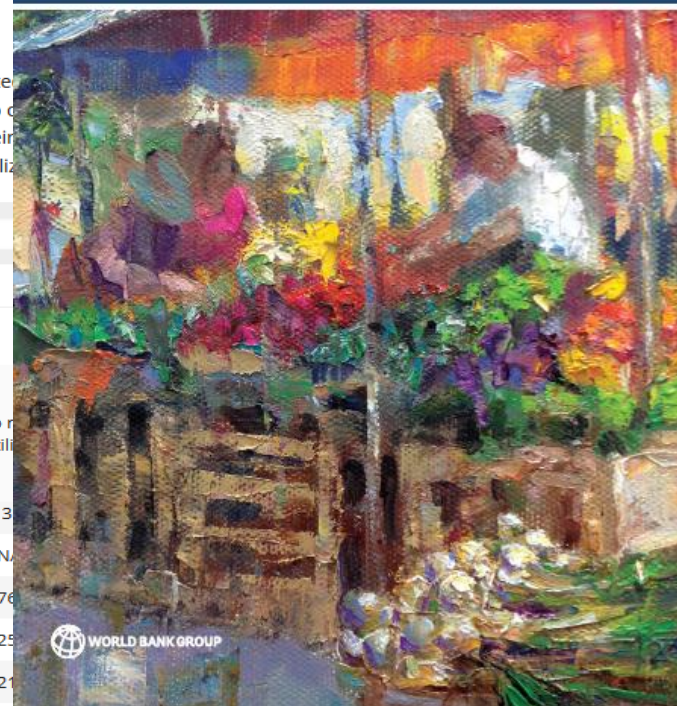
Showing 1 to 40 of 40 results

Show entries 40 ▾

Economy	Topic Score	Fertilizer registration (0-100)	Number of procedures to register a new fertilizer	Time to register a new fertilizer
<a href="#">Denmark</a>	82.2	80	2	3
<a href="#">Ethiopia</a>	34.4	20	N/A	N/A
<a href="#">Georgia</a>	68.9	90	5	76
			4	25
			7	21
			2	105
<a href="#">Jordan</a>	67.8	70	3	36
<a href="#">Kenya</a>	50.0	0	N/A	N/A
<a href="#">Kyrgyz Republic</a>	63.9	75	5	730
<a href="#">Lao PDR</a>	60.6	45	4	No data

## ENABLING THE BUSINESS OF AGRICULTURE 2016






COMPARING REGULATORY GOOD PRACTICES



eba.worldbank.org

# EBA 2016 Report

## Country scores

						
COUNTRY	SEEDS	FERTILIZER	MACHINERY	FINANCE	MARKETS	TRANSPORT
BANGLADESH	●	●	●	●	●	●
BOLIVIA	●	●	●	●	●	●
BOSNIA AND HERZEGOVINA	●	●	●	●	●	●
BURKINA FASO	●	●	●	●	●	●
BURUNDI	●	●	●	●	●	●
CAMBODIA	●	●	●	●	●	●
CHILE	●	●	●	N/A	●	●
COLOMBIA	●	●	●	●	●	●
CÔTE D'IVOIRE	●	●	●	●	●	●
DENMARK	●	●	●	N/A	●	●
ETHIOPIA	●	●	●	●	●	●
GEORGIA	●	●	●	●	●	●
GHANA	●	●	●	●	●	●
GREECE	●	●	●	N/A	●	●
GUATEMALA	●	●	●	●	●	●
JORDAN	●	●	●	●	●	●
KENYA	●	●	●	●	●	●
KYRGYZ REPUBLIC	●	●	●	●	●	●
LAO PDR	●	●	●	●	●	●
MALI	●	●	●	●	●	●
MOROCCO	●	●	●	●	●	●
MOZAMBIQUE	●	●	●	●	●	●
MYANMAR	●	●	●	●	●	●
NEPAL	●	●	●	●	●	●
NICARAGUA	●	●	●	●	●	●
NIGER	●	●	●	●	●	●
PHILIPPINES	●	●	●	●	●	●
POLAND	●	●	●	N/A	●	●
RUSSIAN FEDERATION	●	●	●	N/A	●	●
RWANDA	●	●	●	●	●	●
SPAIN	●	●	●	N/A	●	●
SRI LANKA	●	●	●	●	●	●
SUDAN	●	●	●	●	●	●
TAJIKISTAN	●	●	●	●	●	●
TANZANIA	●	●	●	●	●	●
TURKEY	●	●	●	●	●	●
UGANDA	●	●	●	●	●	●
UKRAINE	●	●	●	●	●	●
VIETNAM	●	●	●	●	●	●
ZAMBIA	●	●	●	●	●	●

Topic score > 85

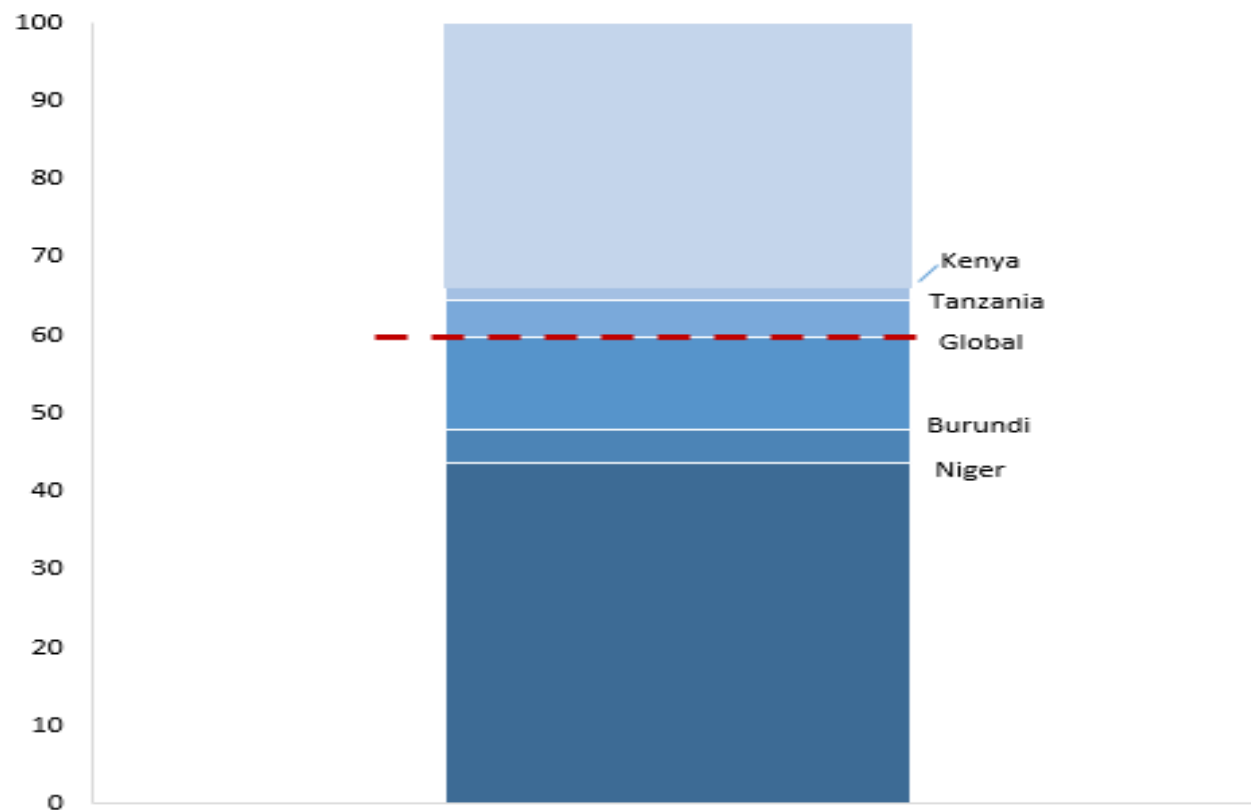
Topic score > EBA average

Topic score < EBA average

Topic score < 30

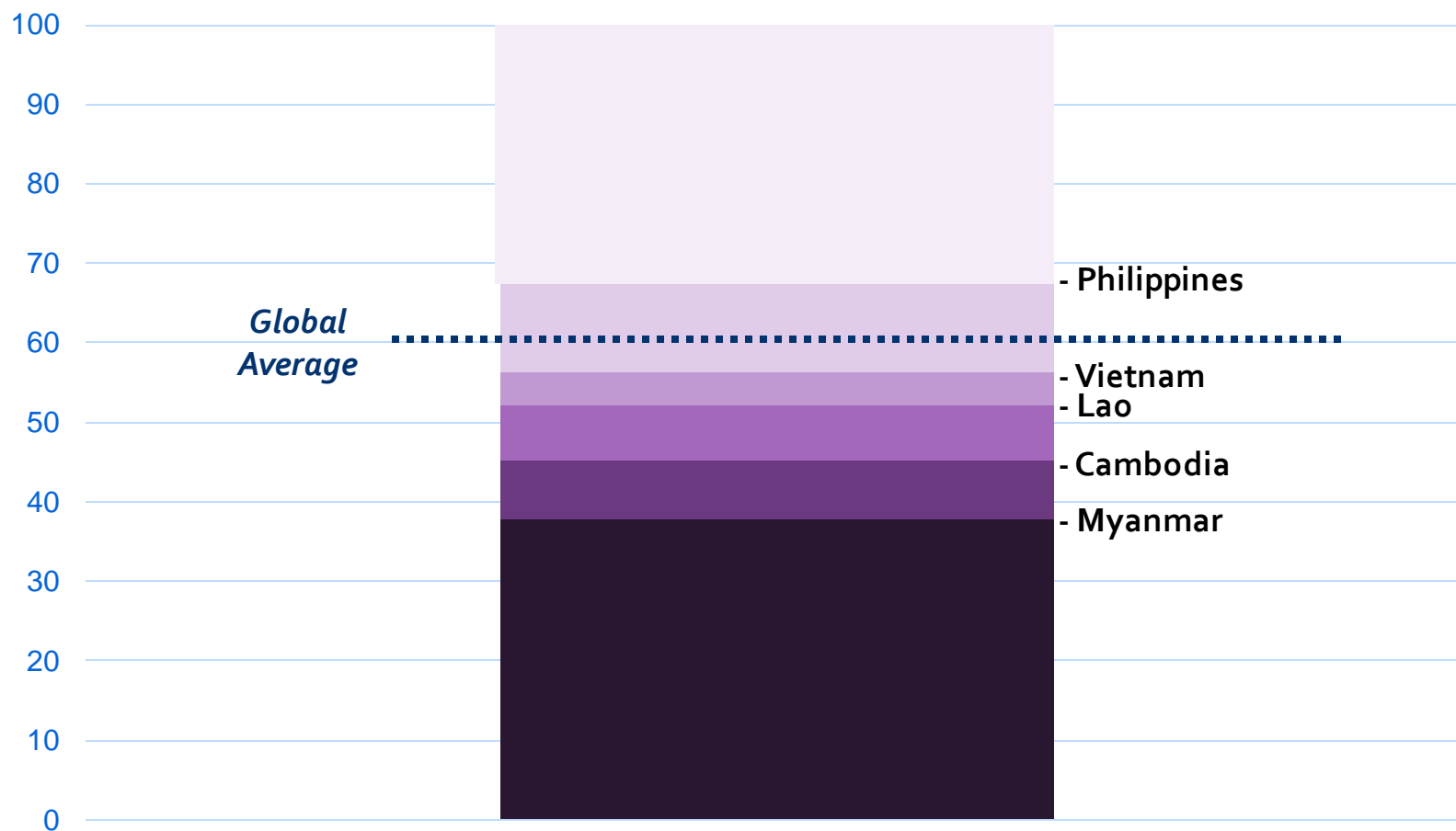


### Average score of EBA topics (0-100)



The score averages the scores of Fertilizer, Sees, Mechanization, Finance, Markets and Transport.

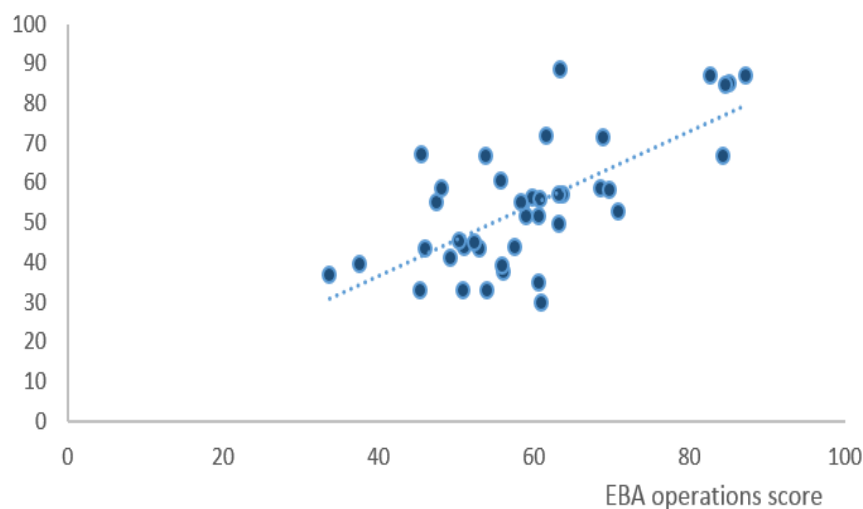
### Average score of EBA topics (0-100)



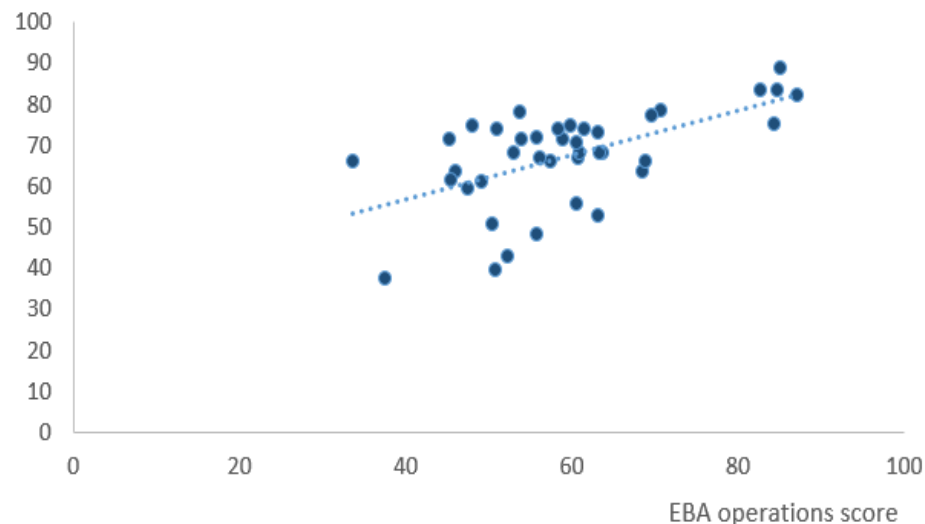
# EBA 2016 Report

## Regulatory synergies

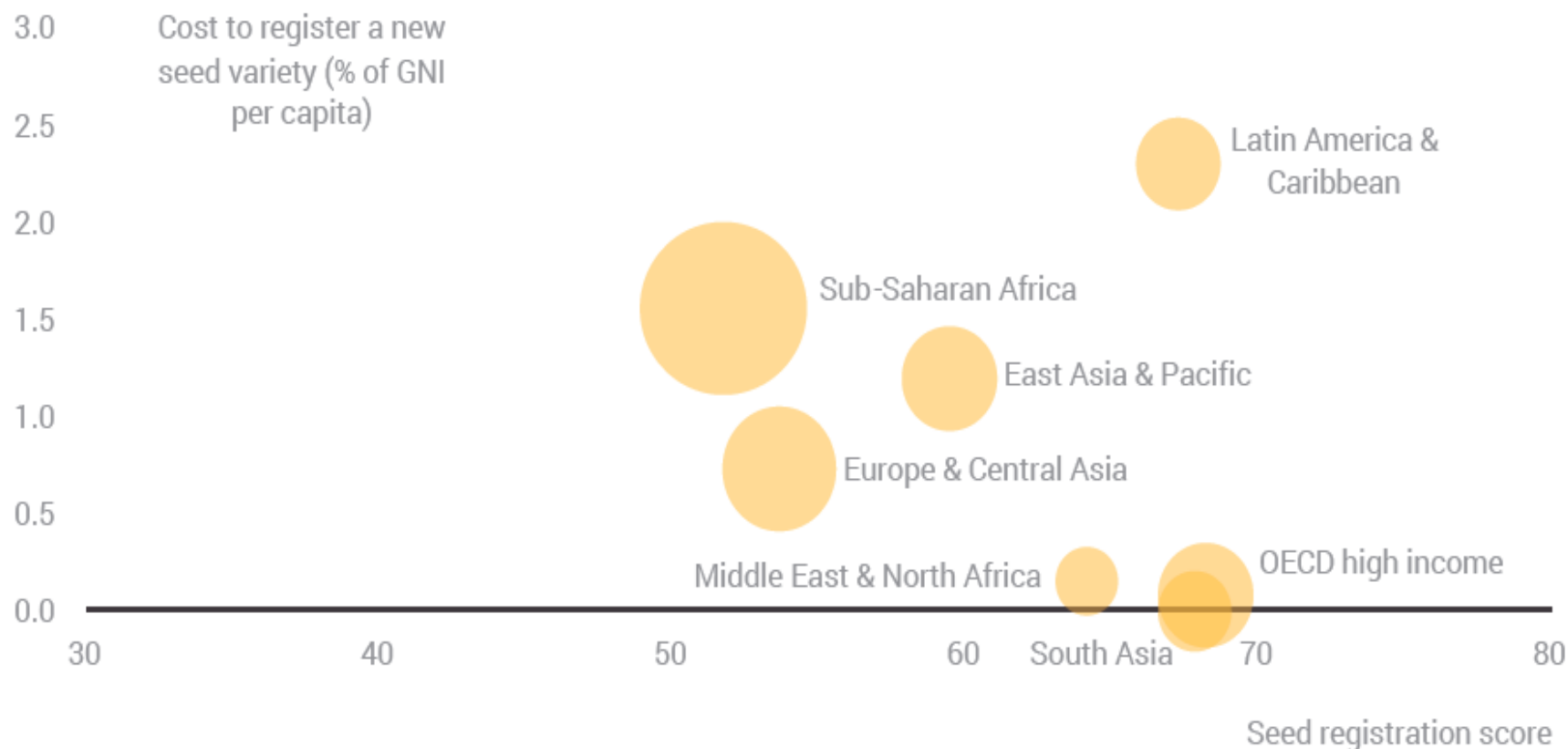
EBA quality control score



EBA trade score

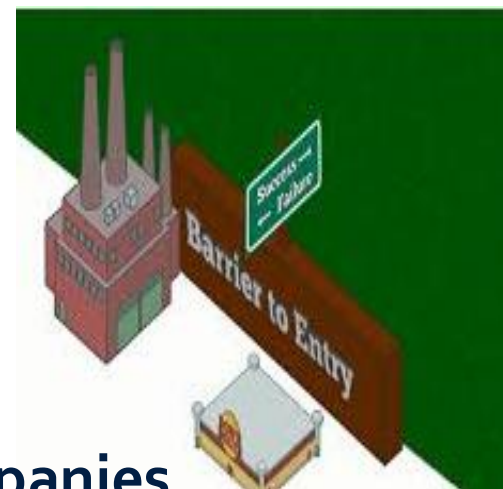


Countries with smarter regulations on operations  
also promote quality control and trade



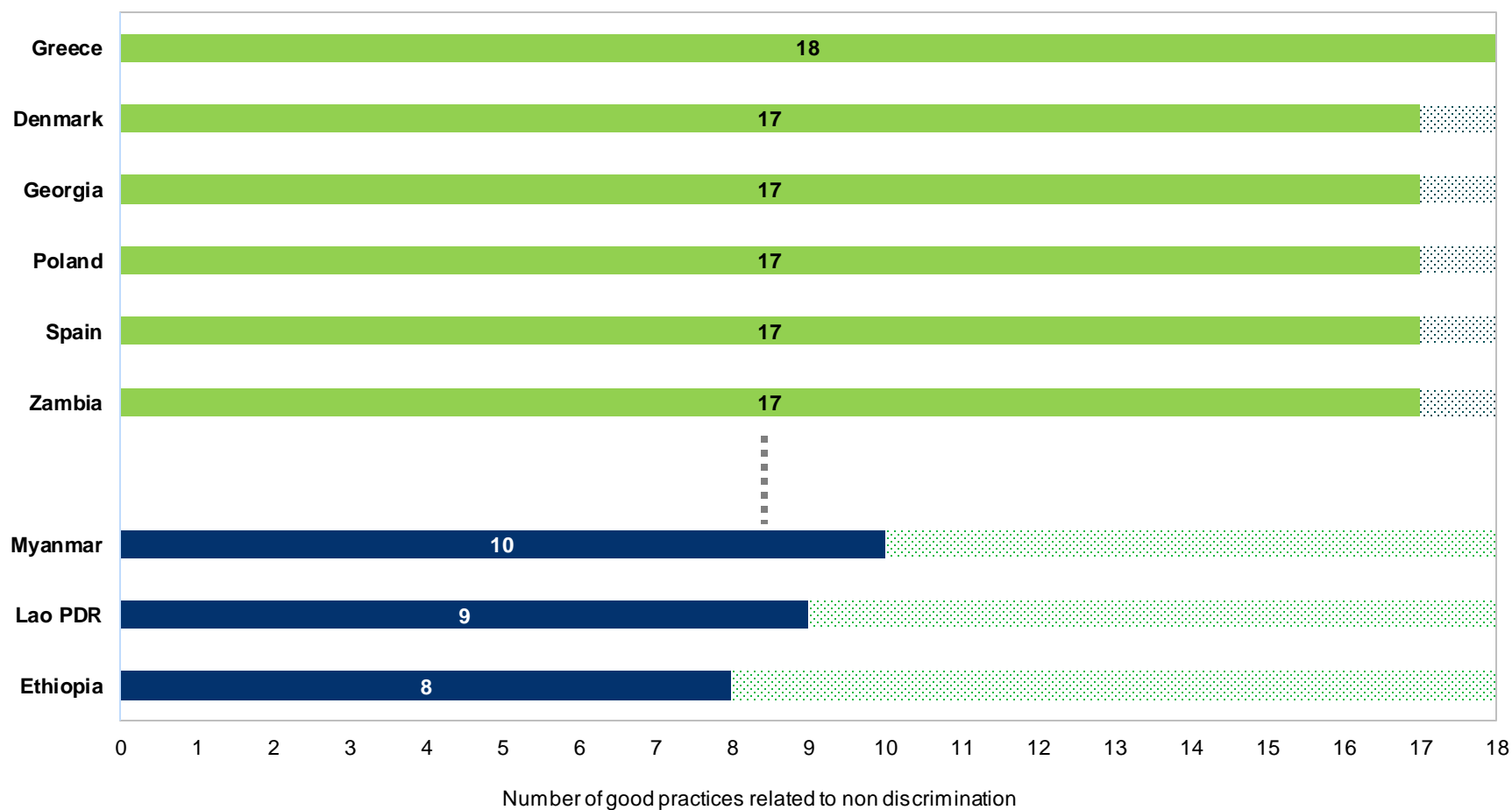
Regions with similar rules show different costs for registering a new seed variety

- Regulatory discrimination **against the private sector** (e.g. eligibility of private companies to import machinery, register fertilizer, produce breeder or foundation seeds and be accredited in seed certification).
- Regulatory discrimination **against foreign companies** (e.g. the possibility for foreign companies to import fertilizers or perform transport activities in the country)
- Regulatory obstacles for **small players** (e.g. minimum capital requirement to start a farmers' cooperative or a minimum number of trucks to establish a trucking company).



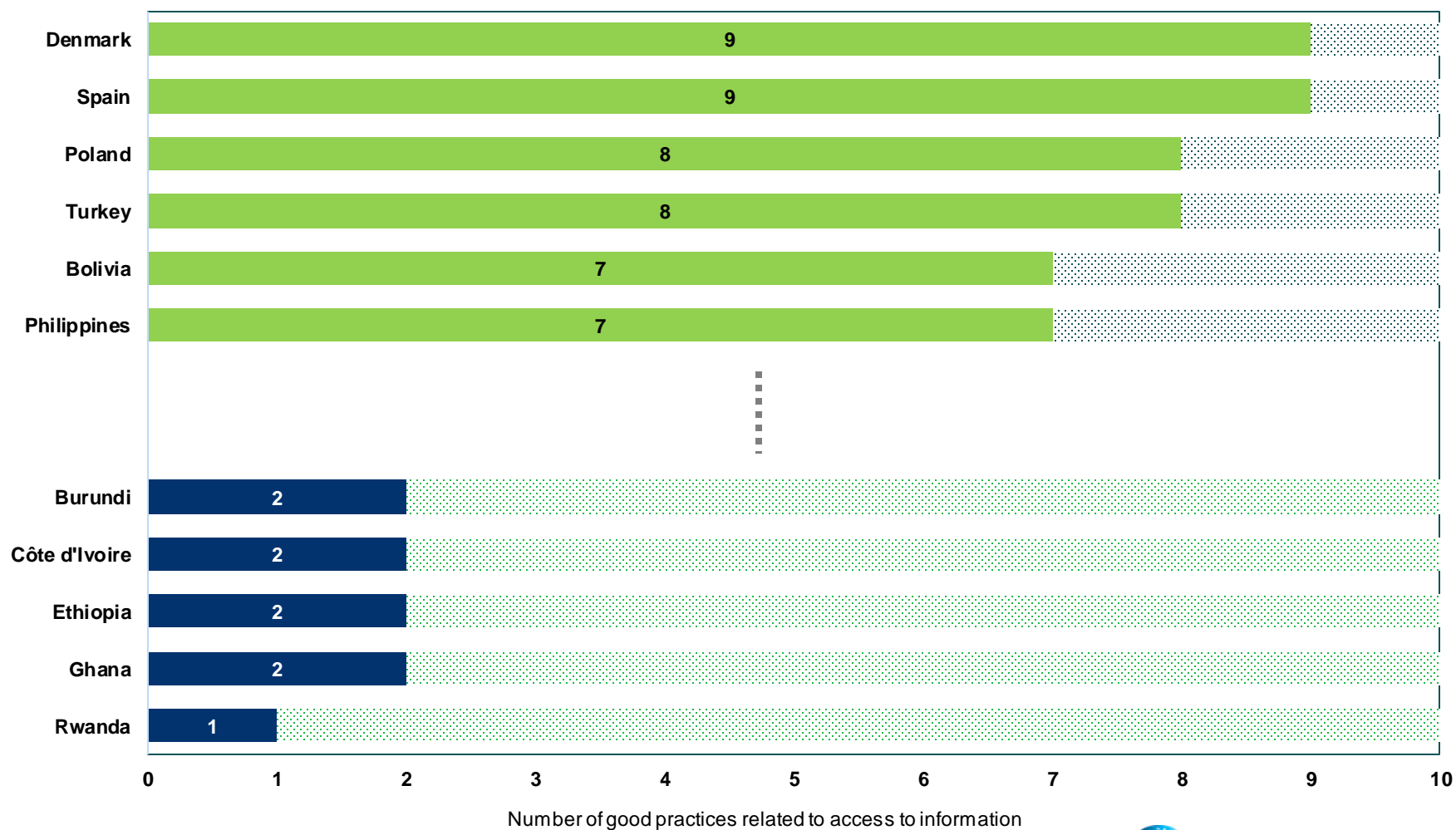
# EBA 2016 Report

## Discrimination



# EBA 2016 Report

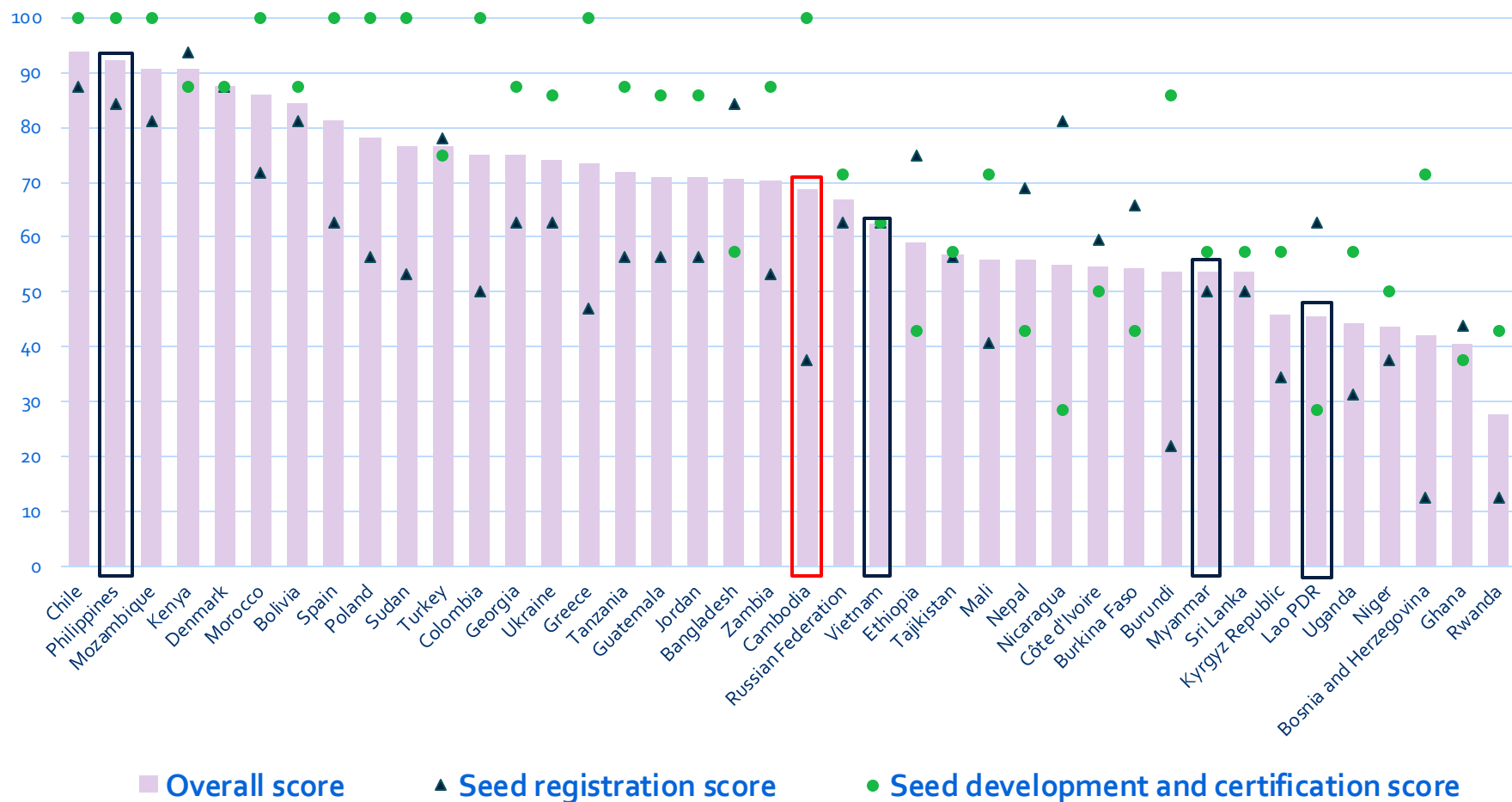
## Information





# EBA 2016 Report

Seed



## LOWER COST

**Russia** (free - *up to 5 registration a year*)

**Chile** (6%)

**Poland** (7%)

**Denmark** (8%)

**Greece** (9%)

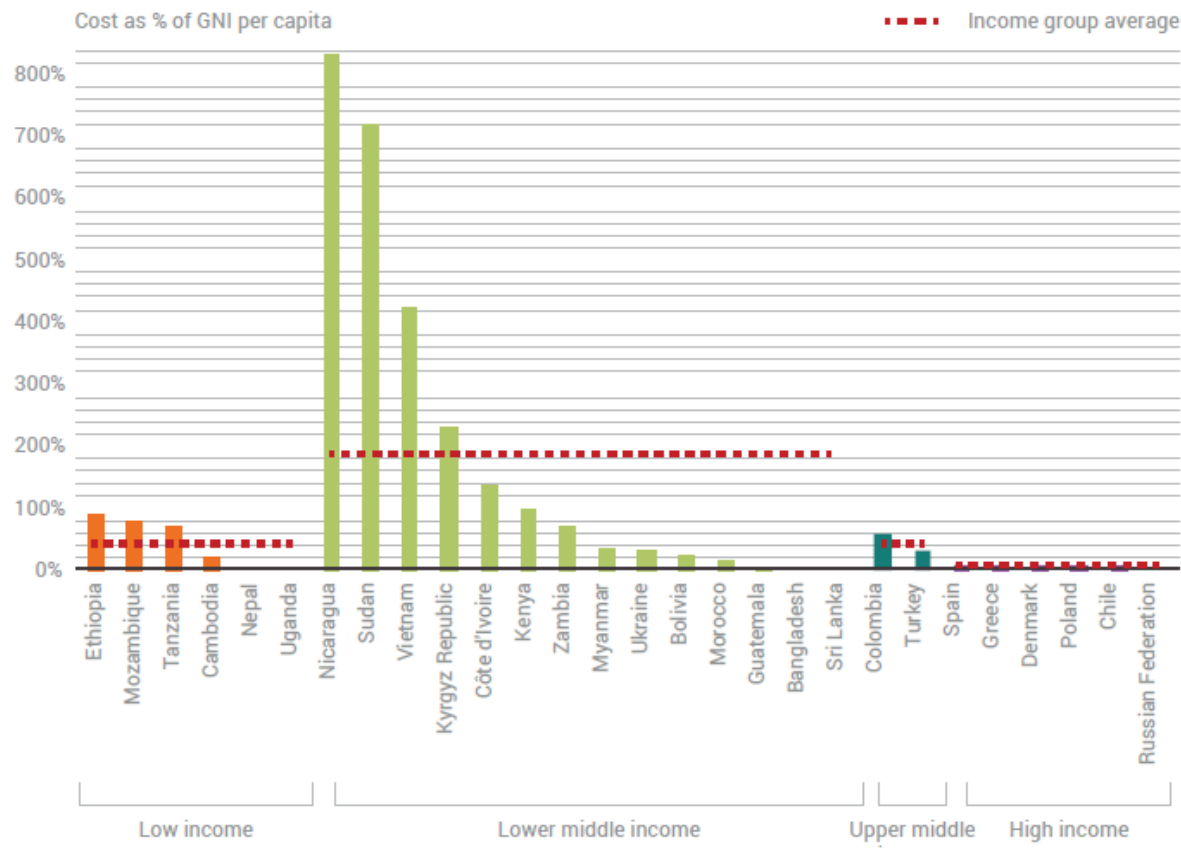
**Spain** (10%)

## HIGHER COST

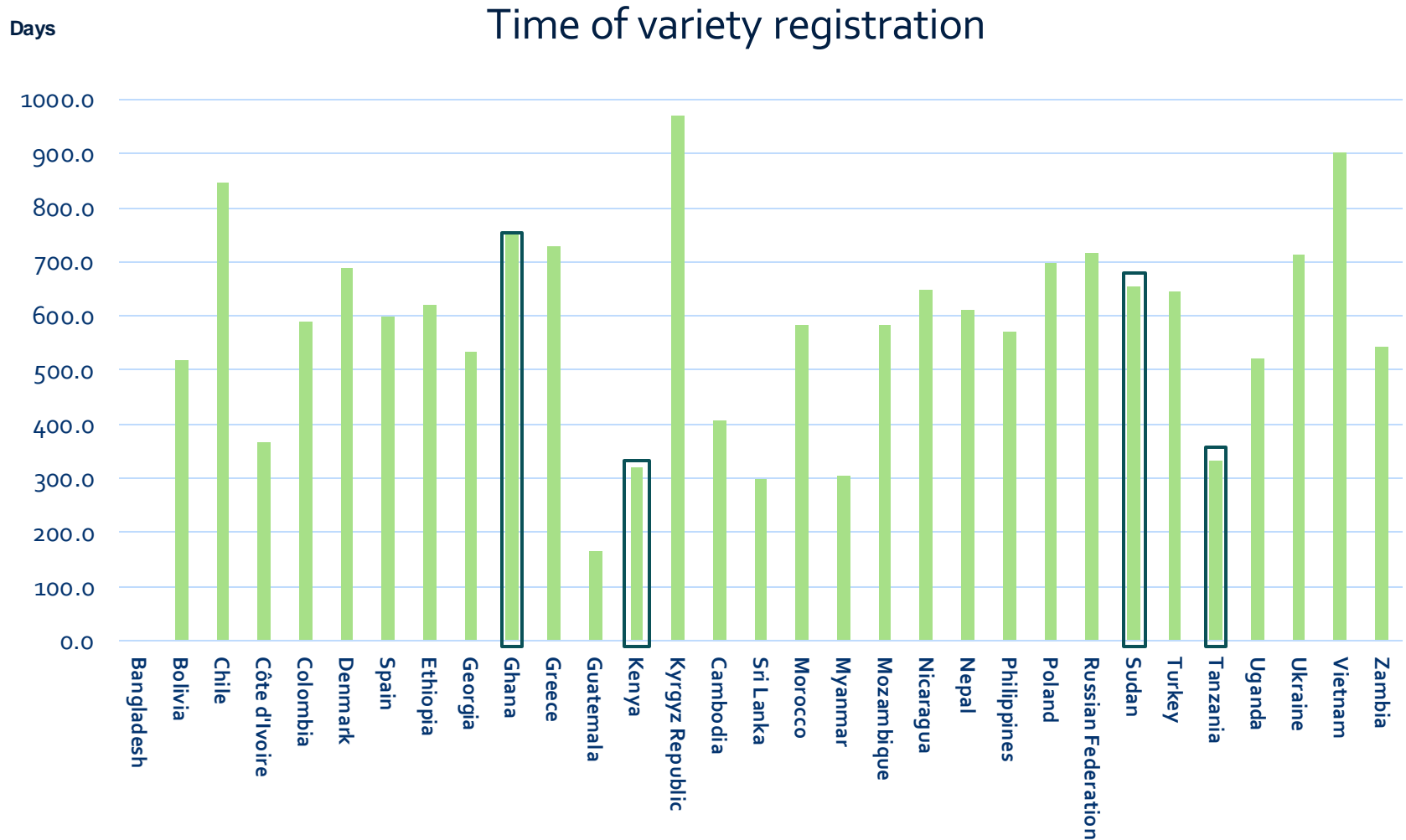
**Nicaragua** (834%)

**Sudan** (722%)

**Vietnam** (426%)



Cost to register a new seed variety (% income per capita)



# EBA 2016 Report

## Fertilizer

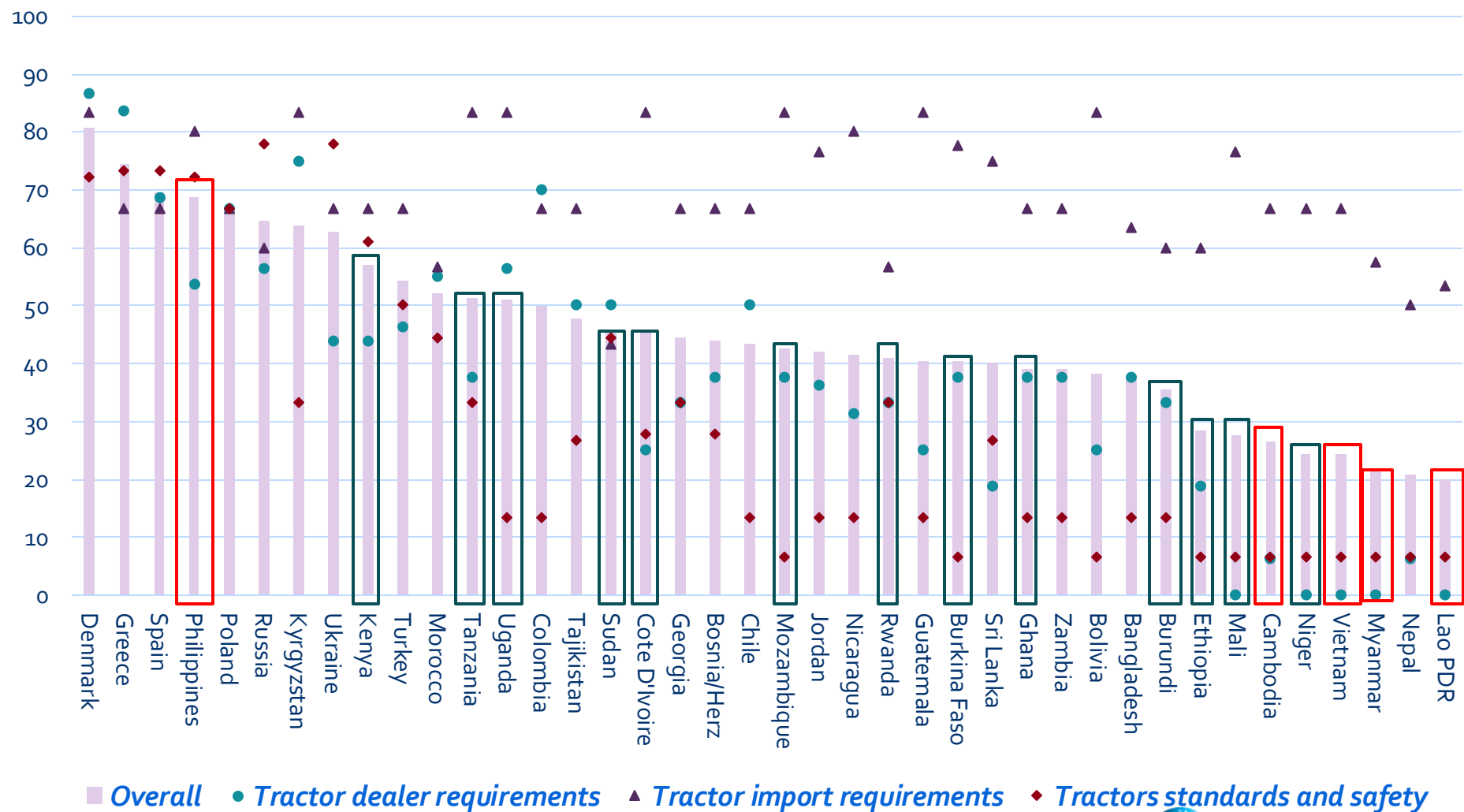


## Register a fertilizer product: time and cost

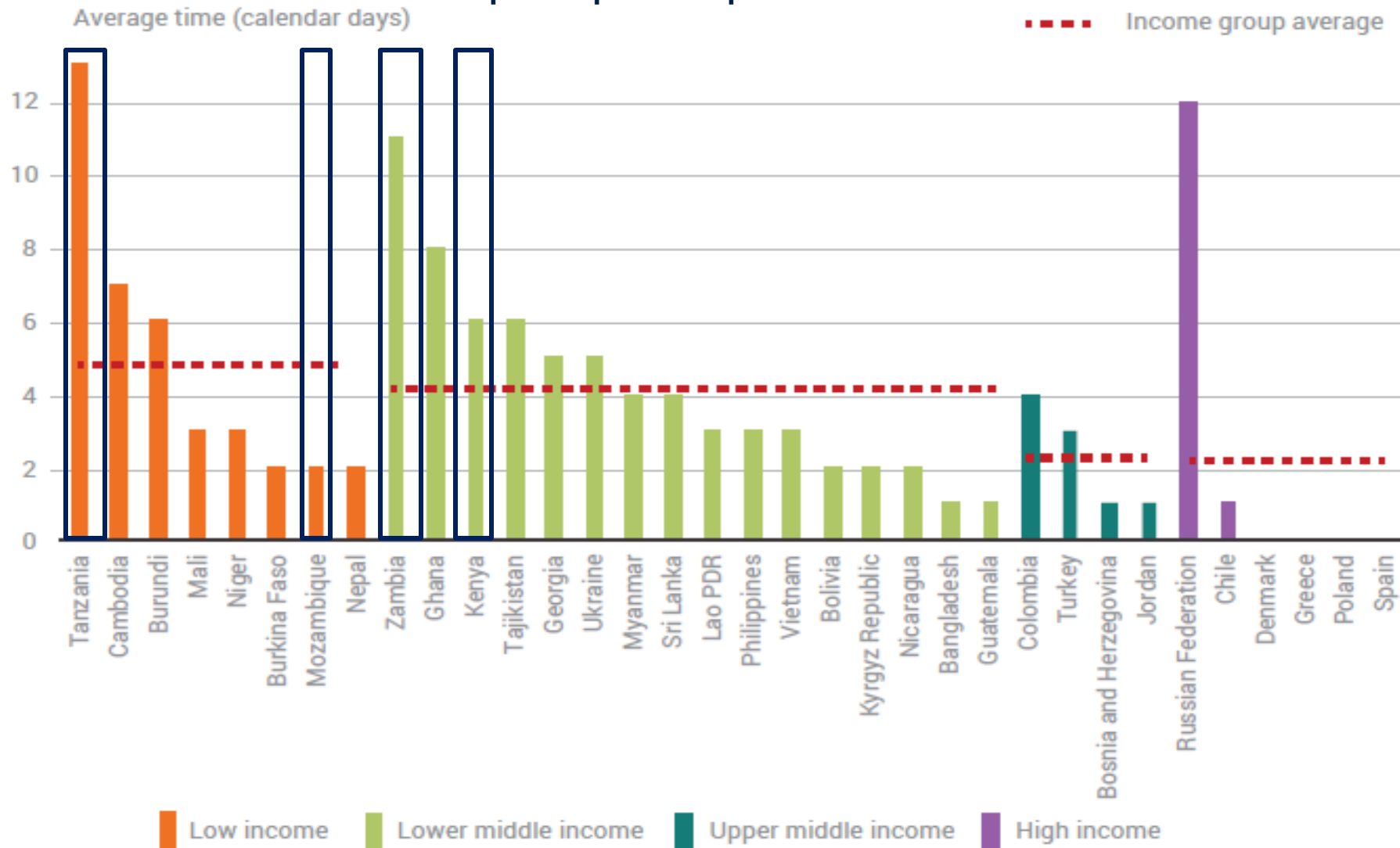
COST TO REGISTER A NEW FERTILIZER (% OF GNI PER CAPITA)				TIME TO REGISTER A NEW FERTILIZER (DAYS)			
The cheapest...		... and the most expensive		The fastest...		... and the slowest	
Spain	0.0%	Tanzania	1064.5%	Vietnam	15	Nepal	1125
Jordan	0.3%	Ukraine	717.3%	Sudan	29	Bangladesh	951
Guatemala	0.4%	Uganda	258.9%	Nicaragua	30	Georgia	765
Denmark	0.4%	Zambia	241.5%	Bosnia and Herzegovina	31	Kyrgyz Republic	730
Bosnia and Herzegovina	0.5%	Ghana	89.2%	Denmark	31	Uganda	691

# EBA 2016 Report

## Machinery



### Time to obtain per-shipment export documents

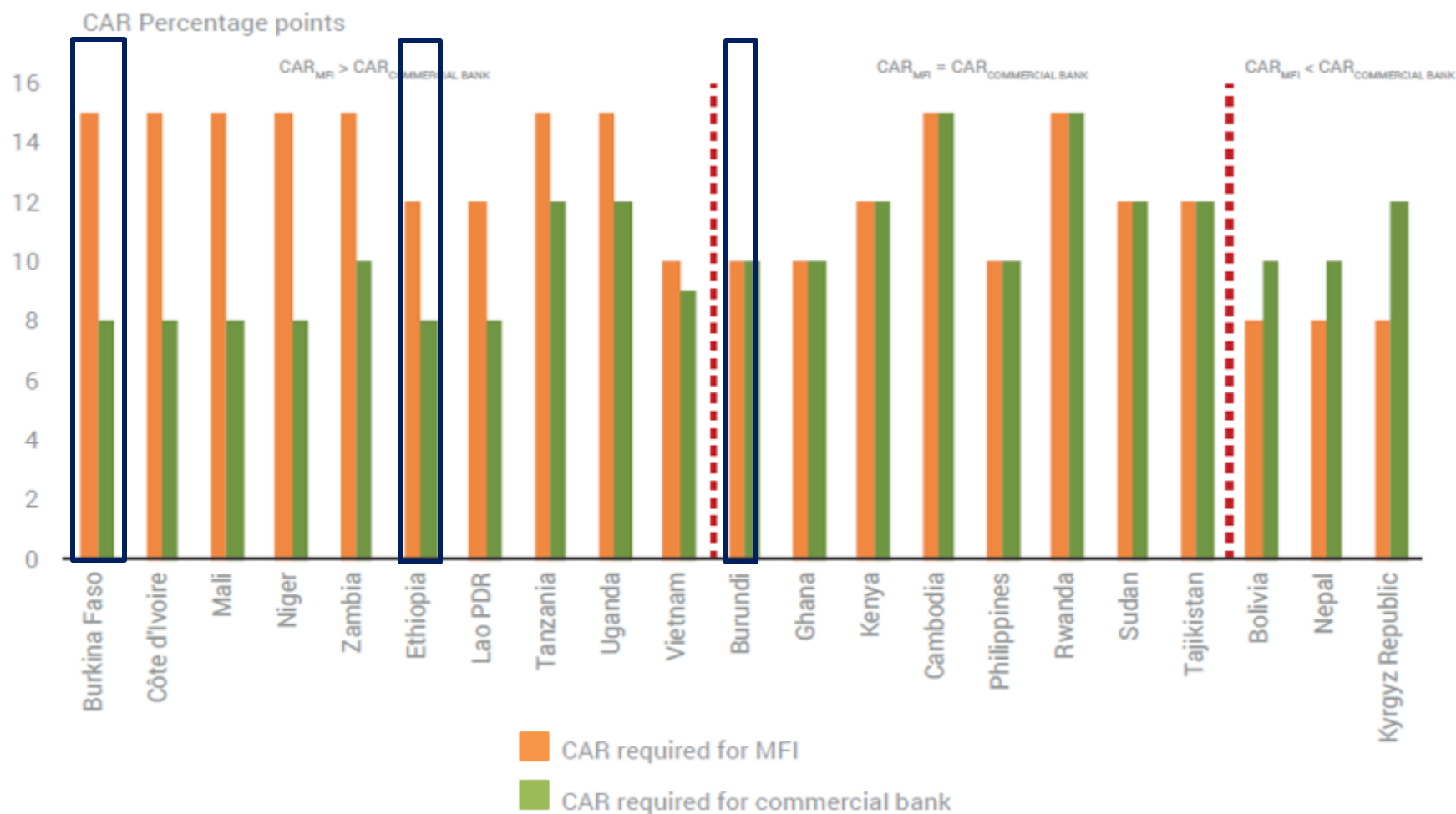




# EBA 2016 Report

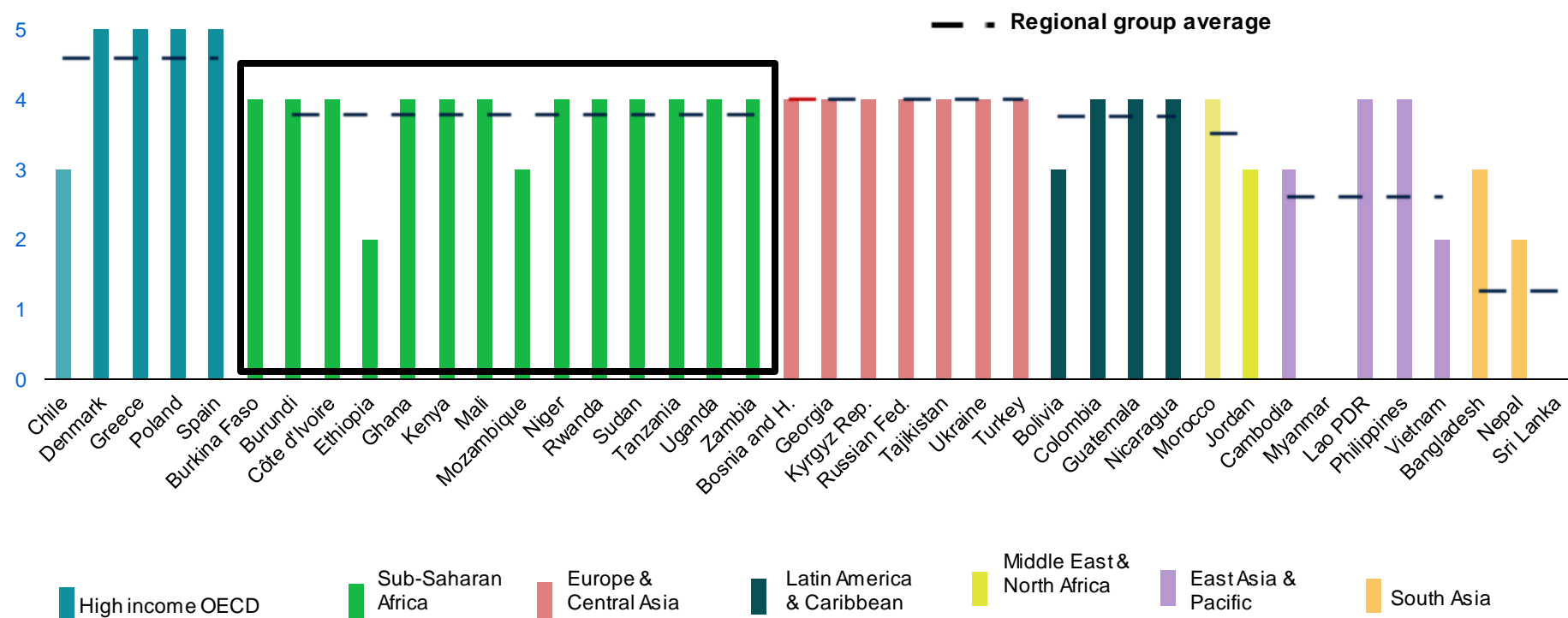
## Finance

Many countries impose overly strict regulations on microfinance institutions and lack regulations to ensure the financial stability of credit unions



Few countries are truly open to international competition coming from their largest trading partner. Only a few countries allow cabotage

Transport rights



# What is next?

New report Jan. 2017

62 countries covered

New topics scored  
(water, land, livestock)



# ENABLING THE BUSINESS OF AGRICULTURE



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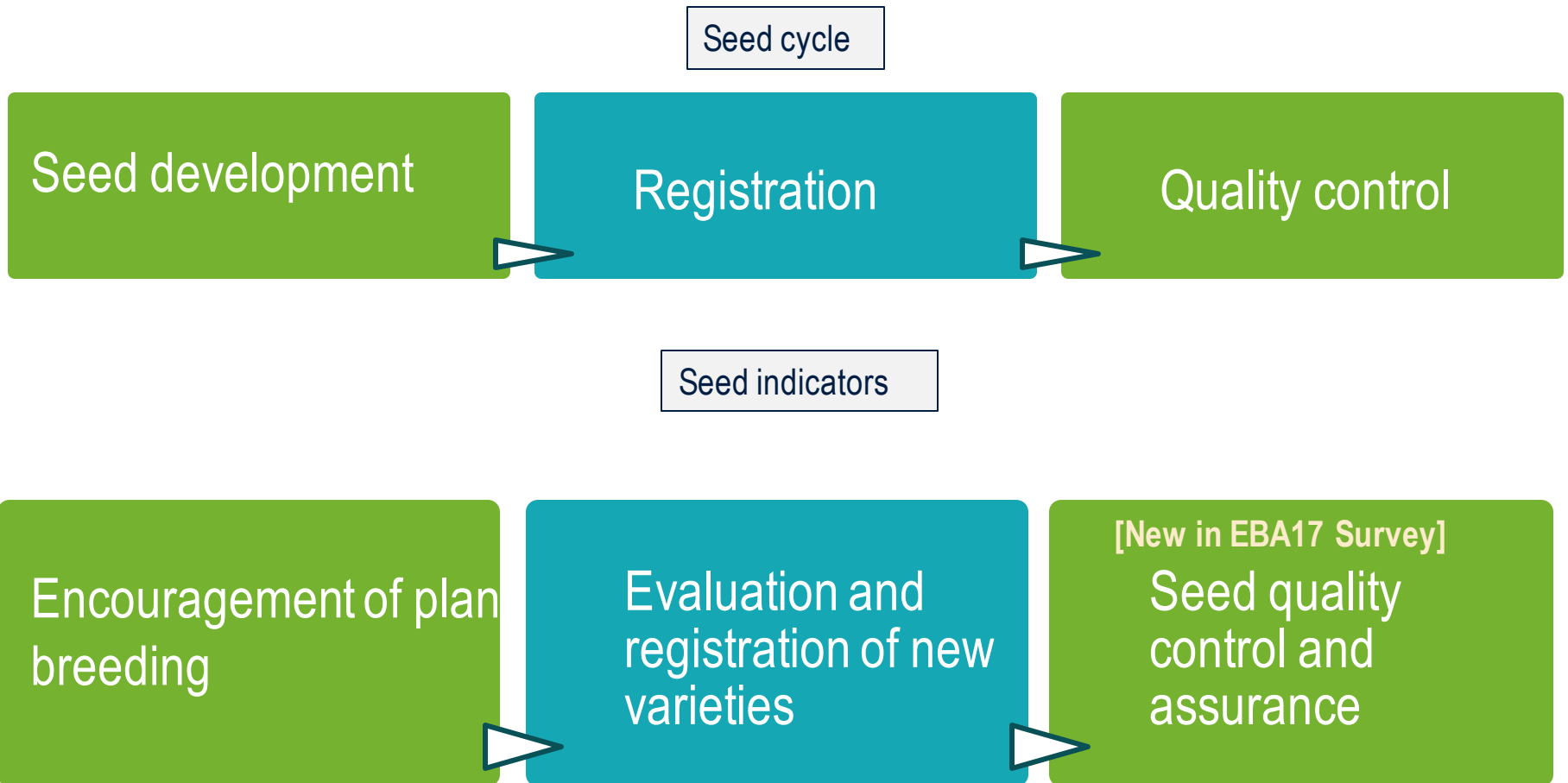
Thank you

# **EBA METHODOLOGY: SEED, FERTILIZER MACHINERY, FINANCE, TRANSPORT, AND MARKETS**



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# Seed indicators



# Seed indicators

## Good Practices

- Protection of plant breeders' rights
- Availability of initial classes (breeder/pre-basic seed and foundation/basic seed) of seeds and conserved germplasm to the private sector
- Variety release committees should also include non-governmental representatives
- Existence of an up to date national variety catalog
- Self-accreditation and third-party accreditation for the performance of certification activities
- Availability of official fee detailing costs of certification performed by the public authority



# Seed indicators

## Respondent types

Seed companies

Seed associations

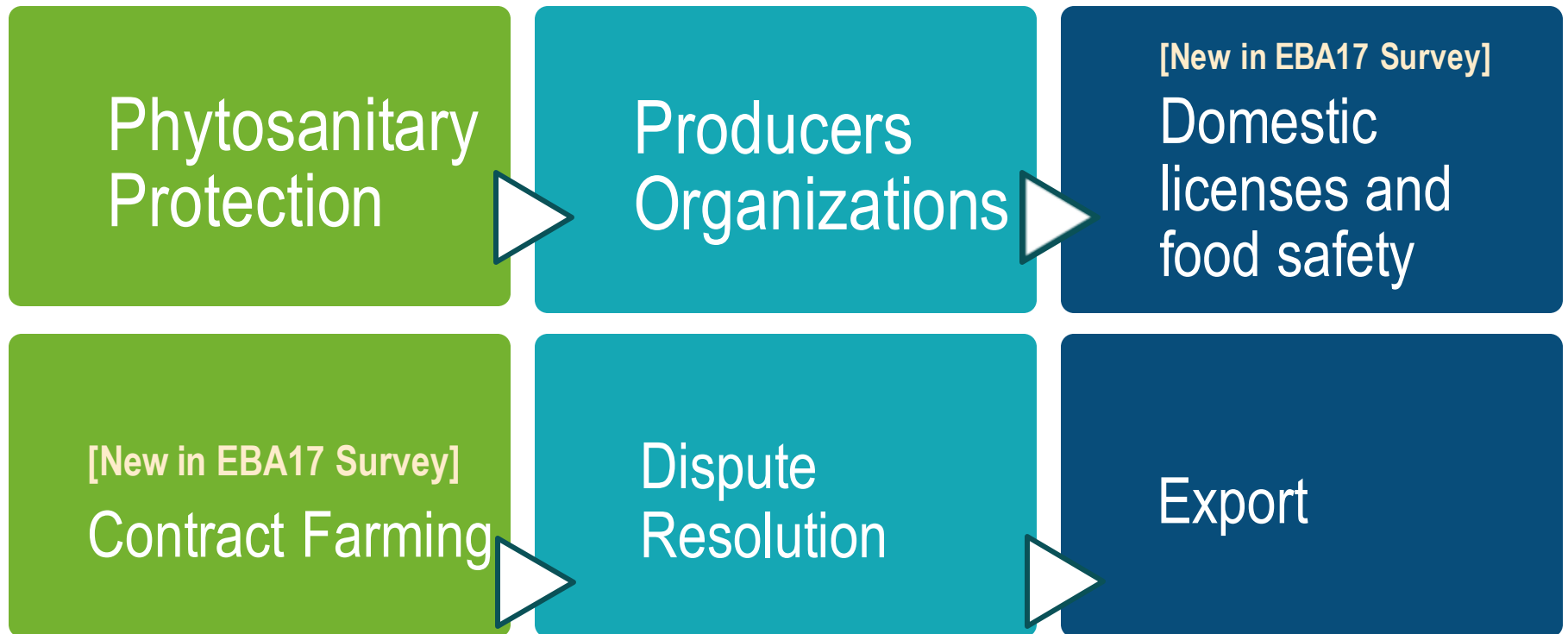
Government authorities (*Ministry  
of Agriculture, National  
agricultural research institute*)

## D a t a c o l l e c t i o n

Remote

Country visits

# Markets indicators



# Markets indicators

## Good Practices

- Pest surveillance, reporting and risk analysis; pest database and pest list publicly available.
- Non-discriminatory and commercially driven producers organizations.
- Low time and cost to obtain domestic licenses to produce, sell and purchase agricultural products.
- Contract farming rules that balance the interests of farmers and buyers.
- Dispute resolution mechanisms tailored to enforce agricultural production contracts.
- Transparent, efficient, and low cost procedures to export major agricultural products.

# Markets indicators

**Respondent  
types**

**Agribusinesses**

**Producers organizations**

**Chambers of Commerce**

**Lawyers**

**Plant Protection Agencies**

**D a t a c o l l e c t i o n**

Remote

Country visits

# Fertilizer indicators

Registering  
products

Importing  
fertilizer

Quality  
control

(New in EBA17 Survey)  
Distributing  
fertilizer

(New in EBA17 Survey)  
Subsidies

(New in EBA17 Survey)  
Extension  
services

# Fertilizer indicators

## Good Practices

- Efficient & affordable fertilizer product registration.
- Official catalog accessible online.
- Private companies allowed to import.
- Import permit without time limitation.
- Import permit affordable.
- Labeling of fertilizer required.
- Sale of mislabeled fertilizers prohibited.

# Fertilizer indicators

## Respondent types

**Fertilizer companies**

**NGOs**

**Industry associations**

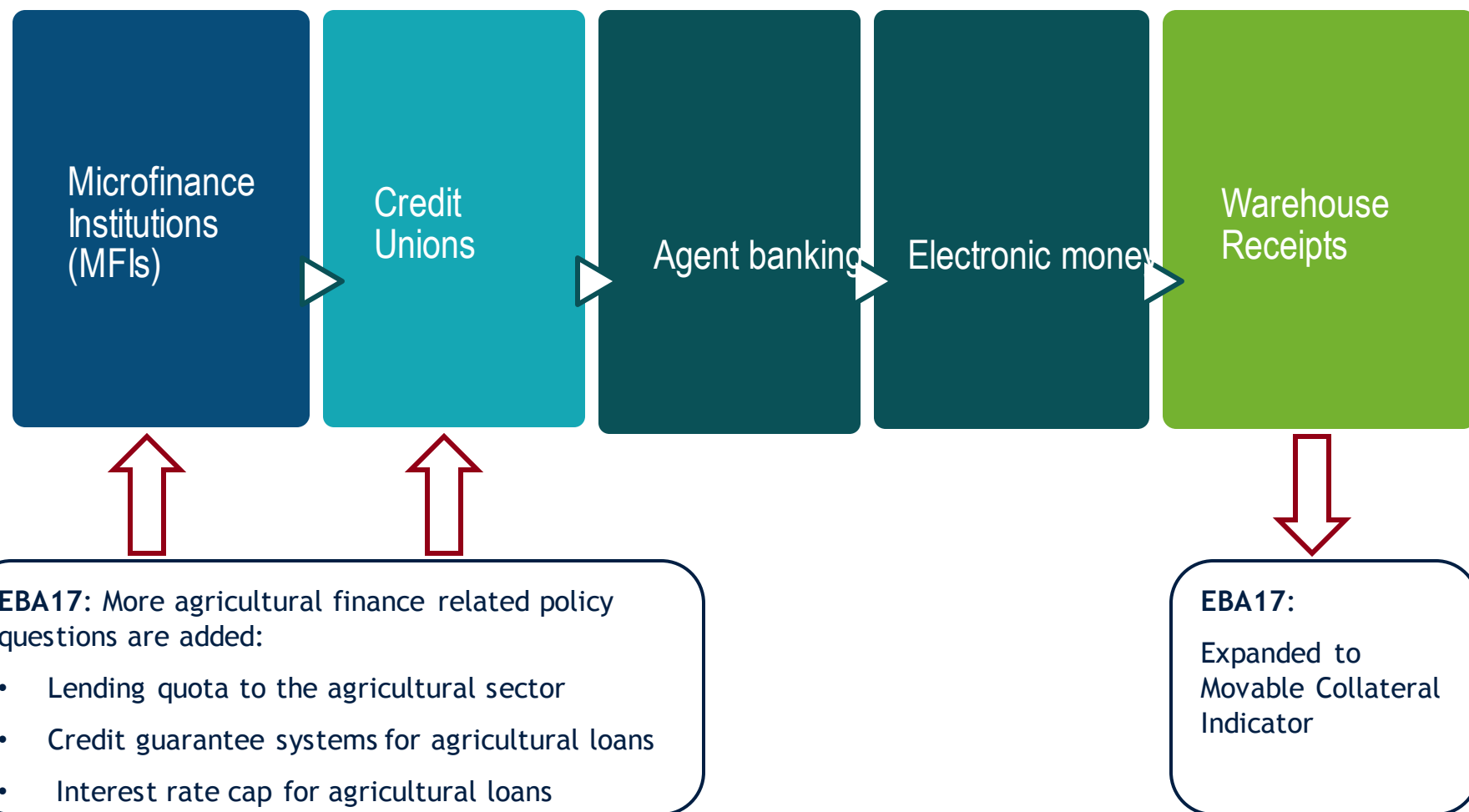
**Government authorities**

## D a t a c o l l e c t i o n

Remote

Country visits

# Finance indicators





# Finance indicators

## Good Practices

- Require financial institutions to disclose the full cost of credit to loan applicants
- Establish prudential requirements that are appropriate to MFIs' risk and characteristics
- Allow both banks and non-banks to issue e-money
- Require e-money issuers to safeguard customer funds
- Require warehouse receipt operators to file a bond with the regulator or pay into an indemnity fund to secure performance of obligations

# Finance indicators

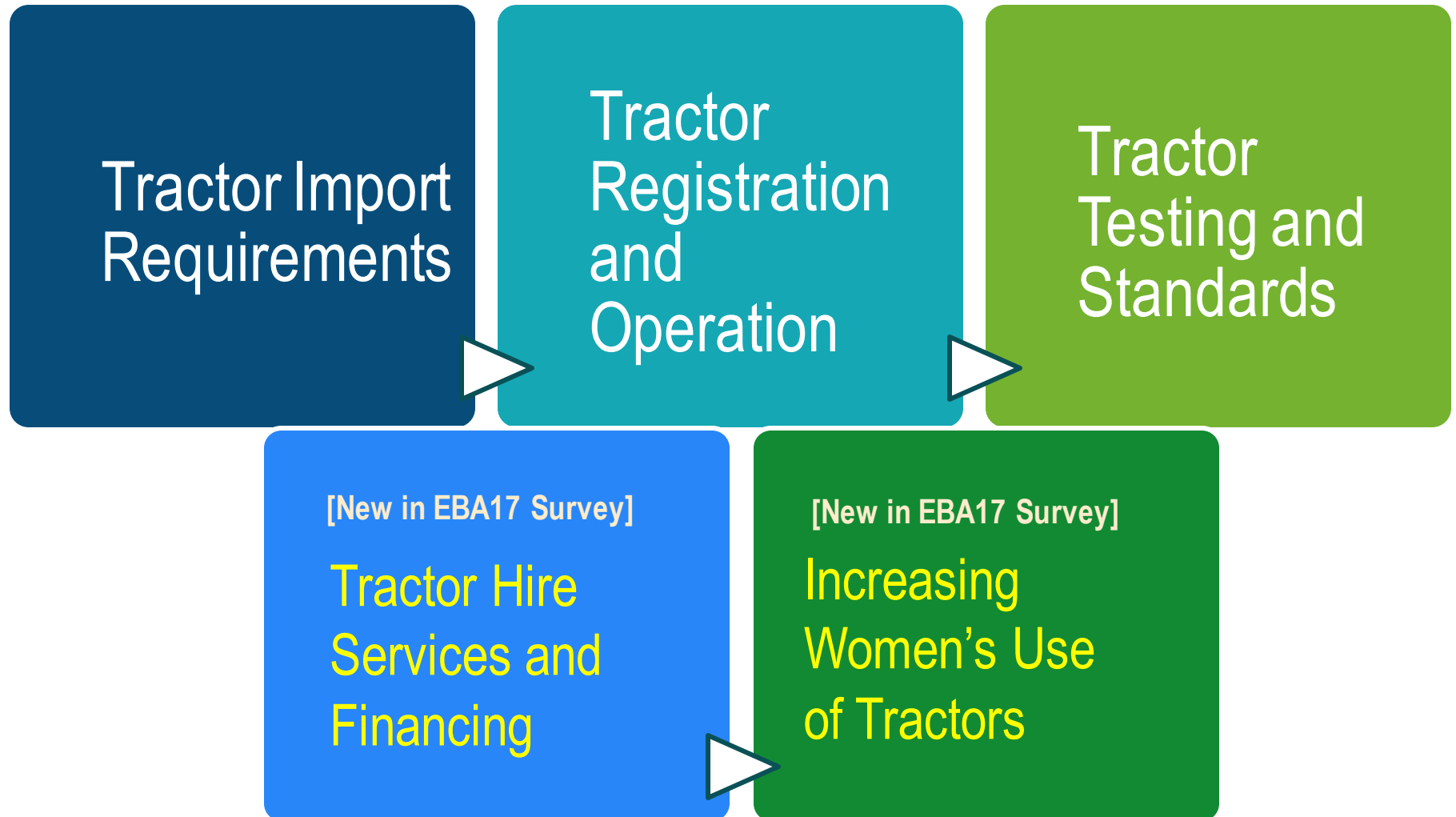
## Respondent types

**Commercial banks**  
**Microfinance Institutions (MFIs)**  
**Financial cooperatives**  
**Lawyers specializing in finance**  
**Central Banks/Financial supervisory  
authorities**

## D a t a c o l l e c t i o n

Remote  
Country visits

# Agricultural Machinery indicators



# Agricultural Machinery indicators

## Good Practices

- Streamlined import procedures to facilitate timely availability and delivery of agricultural tractors.
- Affordable and process efficient tractor registration.
- Availability of after-sales services and statutory provision of warranties to improve tractor durability,
- Appropriate testing and streamlined type-approval procedures of agricultural tractors to ensure imported tractors suit country conditions.
- Enforcement of safety standards such as roll-over protective structures and seatbelts.
- Availability of hiring (contracting) services, and access to special financing arrangements for the purchase of agricultural tractors

# Agricultural Machinery indicators

## Respondent types

**Tractor manufacturers**  
**Tractor importers and dealers**  
**NGOs**  
**Government authorities**

## D a t a c o l l e c t i o n

Remote  
Country visits

# Transport indicators

Domestic  
truck  
licensing

Pricing  
and freight  
allocation

Access to  
information

Cross  
border  
transport

[New in EBA17 Survey]

Product-  
specific  
transport  
regulations

[New in EBA17 Survey]

Cross border  
licensing

# Transport indicators

## Good Practices

- Require licenses to access the sector and provide truck services
- Remove discriminatory requirements for licenses
- Establish quality criteria to obtain a transport license, preferably by implementing a company-level license
- Make licensing requirements transparent and accessible.
- Promote market-based price-setting mechanisms and freight allocation systems
- Promote cross-border competition by granting additional transport rights to trading partners

# Transport indicators

## Respondent types

**Truck companies**  
**Truck associations**  
**Transport lawyers**  
**Government authorities**

## D a t a c o l l e c t i o n

Remote  
Country visits



# **EBA METHODOLOGY: GENDER, ENVIRONMENTAL SUSTAINABILITY, WATER, ICT, LIVESTOCK**



**WORLD BANK GROUP**

# How can EBA indicators be used to regulate agribusiness inclusively?



**Land:** Improving regulations on tenure security and easing restrictions on land right transfers would lead towards more inclusive and efficient land markets.



**Finance:** Strengthening laws which enable microfinance institutions, credit unions, branchless banking and alternative sources for movable collateral, such as warehouse receipts can increase the access women have to financial resources.



**Water:** Legal frameworks that enable water user associations to make decisions can affect all users of water and irrigation in the country.



**Transport:** Removing or reducing the constraints on transport operators could benefit women by reducing costs of transport and increasing the availability of transport services in a country.



**Seed, fertilizer and tractors:** Easing the regulatory burden on importers and dealers of agricultural inputs can make their products more readily available and affordable in remote regions, and thus more accessible to women farmers. Improving the quality control of fertilizer, seeds and machinery is also key to ensuring that increased input use boosts women's productivity.



**Markets:** Reducing the transaction costs of obtaining the documents required for export can help resource-constrained producers, especially female farmers. Lowering the fees to join professional organizations can also facilitate female producers' access to social capital and marketing opportunities. And enabling regulations for cooperative creation and growth can help women leverage collective action in agricultural production and marketing.



# EBA 2017 Gender agenda

Collect new data on constraints faced by women across the EBA topic areas:



Availability of sex-disaggregated data



Restrictions on women's employment and activity



Women's participation and leadership in collective groups



Government and private sector initiatives to include and empower women

# Access to Water indicators



# Access to Water indicators

## Good Practices

- Permit system for allocating water.
- Public notice for water permit applications.
- Permit duration to promote investment security.
- Promoting water conservation and efficiency through measures such as resource pricing.
- Clearly defined functions and powers for water user organizations (WUOs).

# Access to Water indicators

## Respondent types

**Lawyers**

**Government authorities**

**Academic experts**

**Water users (farms)**

**Irrigation services providers**

## D a t a c o l l e c t i o n

Remote

Country visits

# Environment indicators

**Diversity of  
Plant Genetic  
Resources**



**Sustainable  
water resources  
management**



Water



Livestock



Fertilizer

[New in EBA17 Survey]

**Soil health +**  
Economic incentives for  
sustainable practices

# Environment indicators

## Good Practices

- Promote sustainable use of plant genetic diversity
- Systematic monitoring and conservation *in situ* and *ex situ* of landraces and crop wild relatives through national agrobiodiversity inventories and genebanks
- Facilitation of fair and greater access to germplasm through transparent and streamlined procedures
- Management of water resources in an integrated approach through watershed-level institutions and plans, underpinned by robust monitoring systems **[moved to the water topic]**
- Creation and enforcement of surface and groundwater quality standards
- Development of land use plan and monitoring of agricultural soil
- Creation of reward or compensation-based system/economic incentives to support sustainable practices
- Institutionalization of good agricultural practices that limit water resource deterioration



# Environment indicators

## Respondent types

**NGOs**

**Water Basin authorities**

**Lawyers in water/environmental  
law**

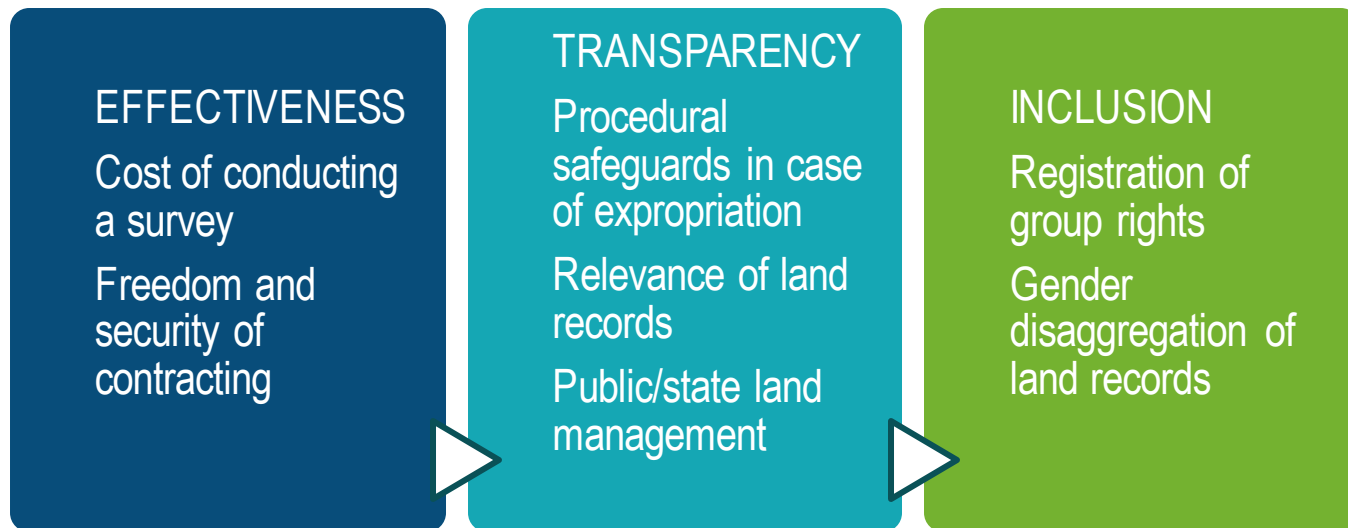
**Government authorities (*Ministry  
of Agriculture, Ministry of  
Environment, Ministry of Water*)**

## D a t a c o l l e c t i o n

Remote

Country visits

# Land indicators

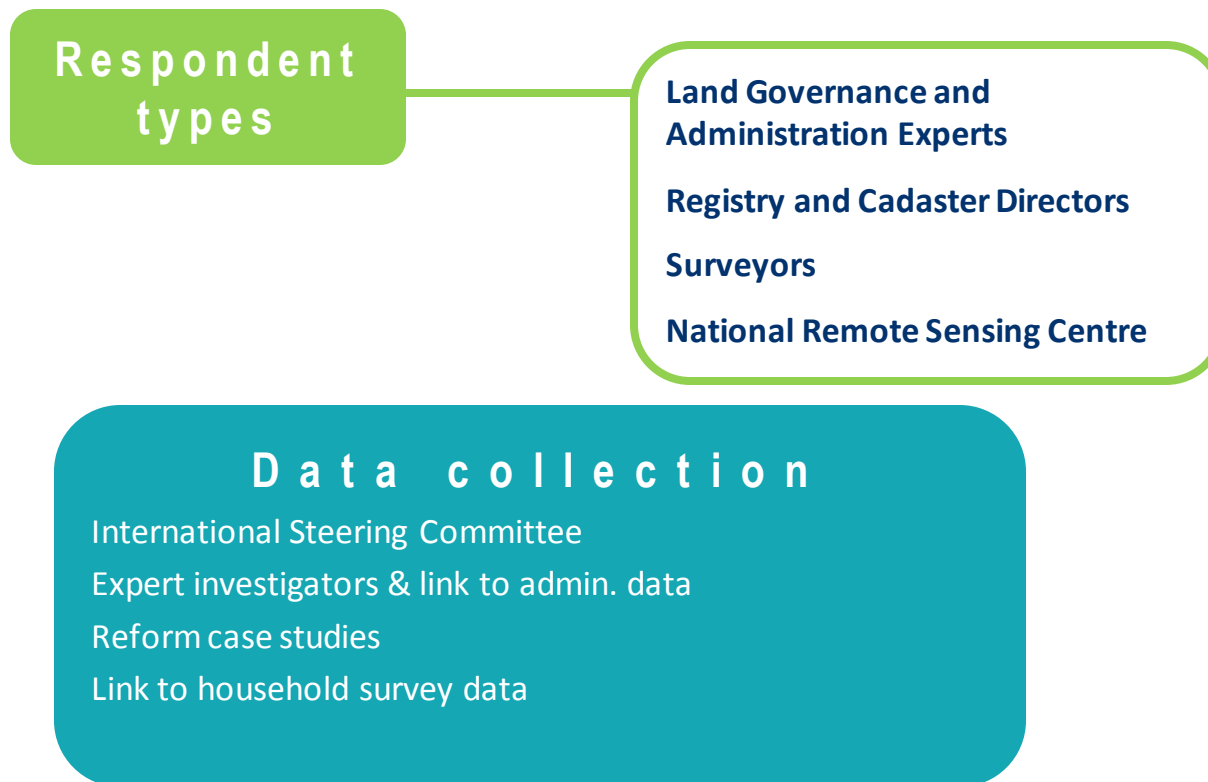


# Land indicators

## Good Practices

- Low-cost “fit for purpose” approaches to registering land with a legally valid description of its location area available.
- Short/Long term leasing of agricultural land is possible without restrictions
- Expropriation limited to provision of true public goods and ensure a fair process of compensation (at market value even if land is not registered)
- Mortgages, private court cases, and public encumbrances (e.g. acquisition orders) relating to a specific parcel of land are reflected in the record and automatically updated in case of any change
- All public land that is suitable for agricultural use is mapped and information on its location is publicly accessible
- A process to monitor and deal with encroachment on public land is available.
- Common land for cultivation of crops is legally recognized and can be registered
- The group of owners/users or its representatives can transfer use rights to outsiders or engage in joint ventures without a restrictions
- Registry information on land ownership and transfers is gender-disaggregated

# Land indicators



# ICT indicators



# ICT indicators

## Good Practices

- General authorization regime for licenses.
- Transparent licensing costs.
- Infrastructure sharing between operators.
- Voluntary spectrum trading to efficiently use spectrum resources.
- Operational and transparent universal access funds.
- Government strategy/policy to promote ICT access and use in rural areas.

# ICT indicators

## Respondent types

**Mobile operators**

**Telecommunications lawyers**

**Government authorities**  
*(Telecommunications Regulatory  
Authorities, Ministries of  
Telecommunications)*

## D a t a c o l l e c t i o n

Remote

Country visits

# Livestock Medicinal Products indicators





# Livestock Medicinal Products indicators

## Good Practices

- Clearly defined institutional structure.
- Efficient product registration system.
- Quality control testing laboratories accredited under international standards.
- No discriminations against private importers and distributors.
- Border checks of imported products required.
- Appropriate labeling required.

# Livestock Medicinal Products indicators

## Respondent types

**Companies dealing with livestock medicinal products, including manufacturers, importers, wholesalers, distributors, etc.**

**Government authorities**

**Lawyers**

## D a t a c o l l e c t i o n

Remote

Country visits