



# OECD-FAO Agricultural Outlook: Process and Partnerships



2011 Global Forum on Agriculture  
Paris, 28 November 2011

# Background from FAO perspective



- FAO joined with OECD in collaboration in 2004 .
  - FAO membership has consistently shown strong support for collaboration with OECD at its main meetings.
- Unlike OECD, FAO has not yet developed significant ongoing collaboration with its members.
  - Attempts – Pakistan, Thailand, Paraguay, Argentina, S. Africa
  - FAO-OECD now attempting extensive collaboration with China (CAAS), with the goal of a special feature on China in 2013.
  - FAO is very interested to extend collaboration/capacity building to its members.
  - FAO analyst input is critical – but more input needed.

# A model based Outlook...is it worth it?



- Consensus building is critical for forward looking policy analysis in an international/interdependent environment. Requires consensus on:
  - A plausible view of the future and how emerging factors/issues will play out.
  - How specific shocks, or policy actions by governments may affect that future.
- A model based Outlook is key to fostering understanding and discussion concerning the analysis of what is causing current issues, and how policies affect markets.
  - This is very difficult, particularly in policy sensitive areas.
- Aglink-Cosimo, with an active collaborator base, strengthens analysis and consensus building on issues.
  - Agreed models/data/parameters are key

# “You can’t manage what you do not measure.”

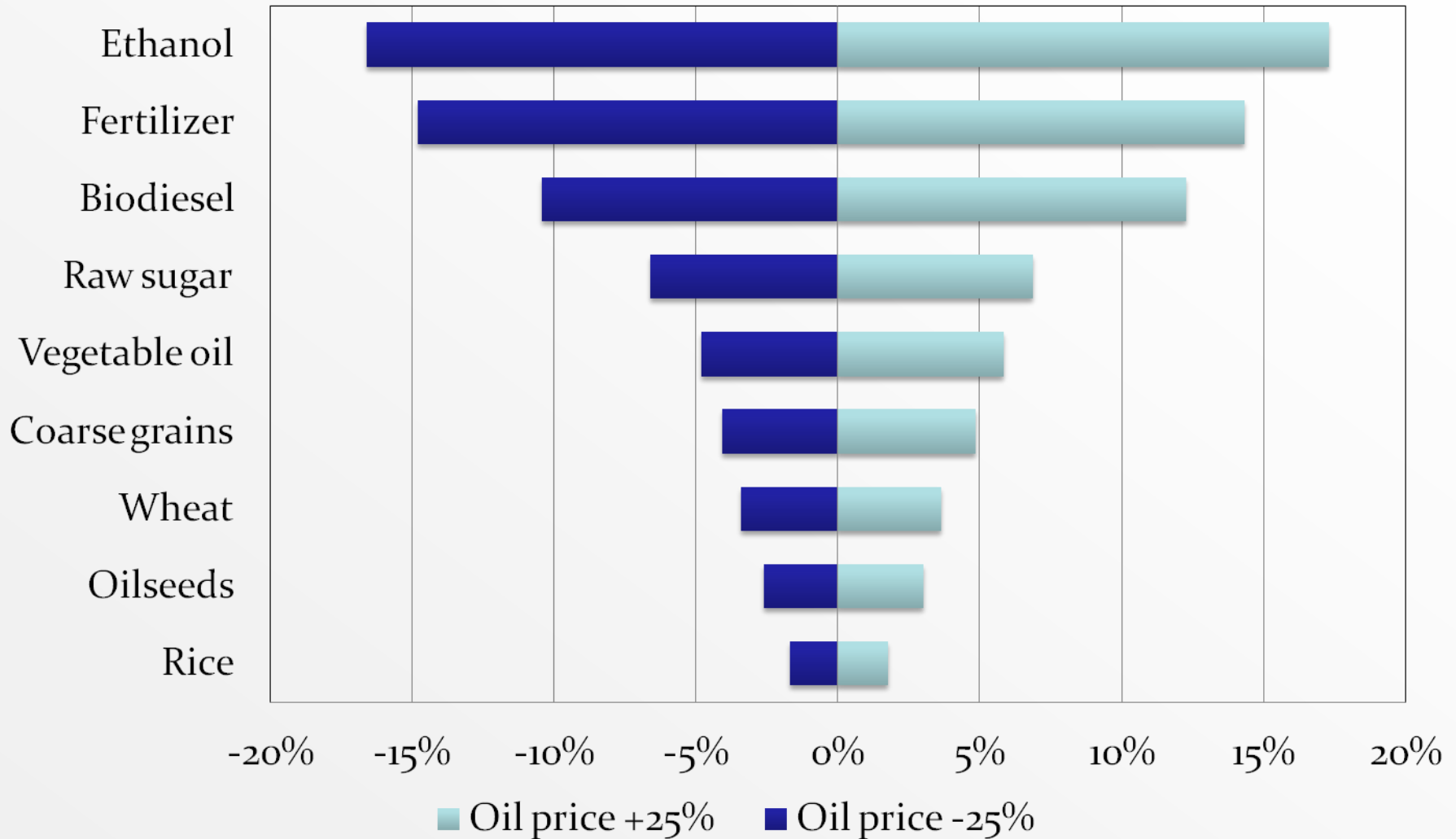


- Consensus is important on many current international issues.
  - What is causing the run-up of real international commodity prices? What is the role of energy markets? What is the role of bio- energy policies?
  - How are export bans/taxes, import bans/tariffs/trq etc affecting international market prices?
  - Other issues - export subsidies, area set asides, production/consumption subsidies etc.
- Collaborative work on models contributes towards better understanding of market and policy issues.

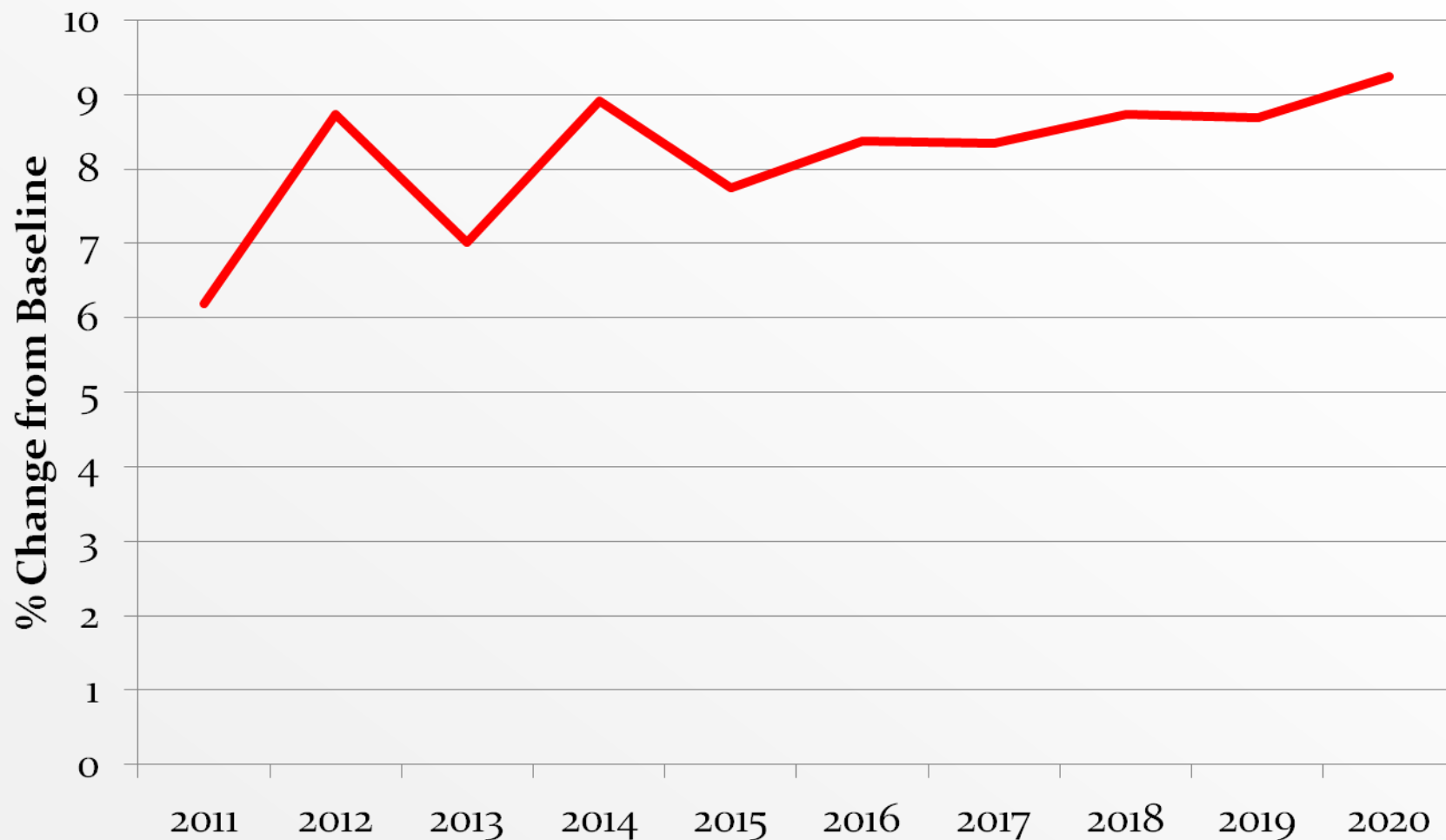
# Estimated impact of alternative oil prices : Aglink-Cosimo model results



Impact on world market prices (period averages) for:



# Impact of RUK export tax (25%) on wheat



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