

EXECUTIVE SUMMARY

Significant and the use of improved agricultural market information in developing economies increase with the change of agriculture from diversified-subsistence to more specialized-commercial production. Farmers have to interact more with traders and other actors in input and output markets as they move away from subsistence to commercial agriculture and information becomes an important factor that facilitates such exchanges. Market information can be defined as all information about the buying and selling of products and services. It is much more than merely providing information about prices and quantities and it should include all the information throughout the marketing process. In Sri Lanka marketing information is collected, analyzed and disseminated by several governments as well as private institutions, especially after the liberalization of the economy in 1977. The importance of sound agricultural marketing policies for ensuring fair returns to the farmers can hardly be over-emphasized. Therefore, it becomes necessary for regulatory agencies to ensure remunerative prices to the farmers for the sale of their produce, to boost their efforts for increasing and sustaining the agricultural production. Various measures such as regulation of markets, grading of agricultural produce and cooperative marketing have been taken by the governments to safeguard the interests of farmers. Still the benefits are not trickling down to the farmers, as they are unable to plan their strategies for sale of their produce at remunerative prices, in the absence of correct and timely market information and advice on arrivals, prices, market trend, etc. Therefore, it is essential to identify the need for agricultural market information of all the stakeholders in agricultural marketing process.

The specific objectives of the study were to assess the market information needs among stakeholders in agricultural marketing, assess the current level of satisfaction and utilization of existing marketing support (information) services and make recommendations on the necessary improvements, if any, to the existing agricultural marketing information systems. Primary data was collected using a structured questionnaire from farmers, wholesalers, retailers, millers and processors who are engaged in the agricultural marketing process. Focus group discussions were held with farmer groups and community based organizations to gather qualitative data.

The study reveals that price information is considered the most important information by 55% of selected farmers. Information on demand and supply, alternative markets and cultivated extent was selected as the most important information by 25%, 12% and 10% of selected farmers respectively. Farmers and traders have various informal arrangements to acquire price related information and they are not satisfied with information on the extent cultivated, alternative markets and new technological improvements. The study found that 70% of the selected farmers have no idea about the market information system or institutes providing market information. Mobile phone was selected as the most convenient way of reaching market information for 95% of the selected farmers and traders. There is a

potential market for market information since 92% of the farmers express their willingness to pay for reliable market information.

The study recommends increasing of farmer awareness on market information. The study revealed that mobile phone as the most convenient medium for farmers reaching agricultural marketing information. Only vegetable wholesale prices of major wholesale market is disseminated in Sri Lanka at present. It can be expanded for other agricultural commodities and inputs as well. Timely and accurate information on expected market situation, alternative buyers, extent cultivated and prevailing prices should be made available at Agrarian Service Centers or any convenient place accessible to farmers.