# Food Balance Sheets (FBS)

## FBS component: Industrial Use

Food and Agriculture Organization of the United Nations

# Learning Objectives

At the end of this session, the audience will know:

a) Different data sources for industrial use

b) Recommended approach for Imputation and estimation of industrial use

# Outline

1. Data sources
2. Imputation and Estimation

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# 1. Introduction

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- Industrial use refers to utilization of any food items in any non-food industry.

- Industrial uses of agricultural products have been **growing over the past few decades**, to a large extent driven by the expansion of the **biofuels market**.
- In Africa there is the example of Shea butter which is used in the **local manufacture** of many **industrial or semi-industrial** products.

- Industrial uses of agricultural products are **very context-specific**. It is not possible to provide universally-applicable advice on data sources or imputation methodologies.

# Introduction

- Instead, compilers are encouraged to first seek out industry and commodity experts.
- Investigate which products are utilized for industrial purposes.
- How their use can be modelled in cases of missing data.

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# 2. Data Sources

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## Official data sources

- Country FBS compilers are first encouraged to consult any official data sources about the possibility of industrial uses of any commodities.
- Countries with large industrial utilizations of certain products may collect data on the quantity or share of production that is destined for such uses in an annual statistical yearbook.
- If there is a large amount of industrial use of a certain product that is not captured in current official surveys, countries are encouraged to consider collecting official data on those uses

# 2. Data Sources

## Alternative data sources

- For countries where no official data collection on industrial uses is currently taking place, compilers have some alternatives.

- In some countries, it may be possible to obtain estimates of industrial uses by accessing purchase or sales records from private agro-industrial companies.

- Some estimates on industrial uses may also be obtained directly from commodity associations, that likely already consult with or get information directly from agro processors.

# 2. Data Sources

## Alternative data sources

- In cases where industrial uses are almost entirely biofuel-related, countries may be able to use the current policy framework to assist in estimating industrial use data.
- In cases where none of these strategies seem feasible, countries can also consult two additional data sources:
  - OECD/FAO medium-term outlook, which provides estimates of ethanol production, biodiesel production, and biofuel use for a selection of the world's countries. http://www.agri-outlook.org/database/.
  - the USDA's Production, Supply and Distribution (PS&D) database estimates for "Industrial Domestic Consumption" of oil crops. https://apps.fas.usda.gov/psdonline/app/index.html#/app/home.

# 2. Imputation and Estimation

# 2. Imputation and estimation

- At present, there is no recommended imputation methodology for industrial uses.
- Partly because industrial uses tend to be strongly related to the contexts of specific commodities and countries.
- Compilers are encouraged to focus their efforts on consulting with commodity experts, and advocating for official data collection if industrial uses are found to be large.

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# References

- *Guidelines for the compilation of Food Balance Sheets* (FAO, 2017), chapter 3.5, section 3.5.9 (Global Strategy & FBS Team)
- *The FAO source book for the compilation of Food Balance Sheets* (FAO, 2016) (Global Strategy & FBS Team)
- *Technical Conversion Factors for Agricultural Commodities* (FAO, 1972)

# THANK YOU!

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