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EXPANDED AGRIBUSINESS AND TRADE PROMOTION (USAID E-ATP)

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Transport Cost Assessment for each Value Chain Along a Key Corridor, Updated Annually Millet/Sorghum (FY 2011)

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FY 2011 ANNUAL UPDATE TO TRANSPORT COST ASSESSMENT FOR THE MILLET/SORGHUM VALUE CHAIN

USAID EXPANDED AGRIBUSINESS AND TRADE PROMOTION PROJECT

July 2012

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**USAID EXPANDED AGRIBUSINESS AND TRADE
PROMOTION (E-ATP) PROJECT**

DISCLAIMER

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development (USAID) or the United States Government

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ACRONYMS

ATP	Agribusiness and Trade Promotion Project
AU-NEPAD	African Union's New Partnership for Africa's Development
CAADP	Comprehensive Africa Agriculture Development Program
CEMK	<i>Coopérative des exploitants motorisés de Koutiala (Mali)</i>
CMTR	<i>Conseil Malien des transporteurs routiers</i>
E-ATP	Expanded Agribusiness and Trade Promotion Project
ECOWAS	Economic Community of West African States
EMAS	<i>Entrepôts Malien au Sénégal</i>
HUPPA-H	<i>Union provinciale des professionnels agricoles du Houet</i>
IRTG	Improved Road Transport Governance Project
OPA	Observatoire des pratiques anormales
PCE	<i>Projet de croissance économique</i>
SONAGESS	<i>Système d'information sur la sécurité alimentaire</i>
SPS	Sanitary and phytosanitary
UEMOA	<i>Union économique et monétaire ouest Africaine</i>
USAID	United States Agency for International Development
WFP	World Food Programme

I. INTRODUCTION

The Expanded Agribusiness and Trade Promotion (E-ATP) Project is a three-year regional initiative funded by the United States Agency for International Development (USAID). It was launched in 2009 to build on the success of USAID's Agribusiness and Trade Promotion (ATP) Project. E-ATP was designed to focus on three additional value chains: millet/sorghum, poultry, and rice.

E-ATP aims to increase the value and volume of intra-regional agricultural trade in its target value chains along major commercial corridors linking Benin, Burkina Faso, Côte d'Ivoire, Ghana, Mali, Nigeria, Niger, Senegal, and Togo. E-ATP is designed to contribute to achieving the 6 percent annual agricultural growth target set under the Comprehensive Africa Agriculture Development Program (CAADP) of the African Union's New Partnership for Africa's Development (AU-NEPAD).

Inefficiencies in West Africa's transport and logistics systems are a recognized constraint to trade within the region. These inefficiencies increase supply chain costs for traders directly (through high transport prices and informal payments) and indirectly (through increased time to market and product spoilage), resulting in unnecessarily high consumer prices for imported commodities, lower than necessary profits for exporters, and lower levels of intra-regional trade. Furthermore, these barriers limit the free movement of agricultural products from production surplus areas to deficit areas, exacerbating food insecurity in the region.

In February 2011, E-ATP undertook a transport and logistics cost study which examined the costs associated with regional transport of millet/sorghum along key trade corridors in West Africa. As part of Program Outcome 1, "**Significantly reduced incidence of physical and policy-related barriers to moving agricultural and related commodities regionally, with a special focus on facilitating the trade in staple foods from surplus to deficit areas,**" this assessment aimed to understand how transport and logistics factors interact with the overall operation of the millet/sorghum value chain. Through this study, E-ATP and its stakeholders gained a better understanding of how inefficiencies in the transport and logistics process relate to overall costs (and competitiveness) and what can be done to address the most glaring inefficiencies. The millet/sorghum transport and logistics assessment diagnosed problems related to transportation and logistics along the corridors and proposed recommendations to enhance the performance of the logistics chain. The specific corridors of focus for the study were Sikasso–Dakar and Koutiala–Bobo Dioulasso–Ouagadougou.

This report is submitted as an annual update to the original study. In agreement with project management, based on advice by USAID, this update limits its focus to the road harassment cost component of the original study.

2. KEY FINDINGS AND RECOMMENDATIONS FROM ORIGINAL STUDY

The original transport and logistics cost assessment found that for millet/sorghum along the Sikasso–Dakar and Koutiala–Bobo Dioulasso–Ouagadougou corridors studied, approximately 57 percent of final market price is represented by transport and logistics costs. Moreover, approximately 33 percent of end-market price is represented by “extra costs,” or those costs considered unjustified, inefficient, or too expensive when compared with an optimized scenario. The main drivers of these high transport and logistics costs were found to be inadequate on-farm logistics and market logistics equipment and processes, as well as expensive and inefficient transport services. The study also found that cross-border flows of millet/sorghum were constrained by these high costs, and were thus dependent on sufficiently high price differentials between regional markets to sustain traders’ profit margins.

In the context of global fears about rising food prices and food insecurity, this finding is tremendously important. Regional trade in West Africa is fundamental to food security and to reducing vulnerability to external price shocks, as well as to lifting millions out of poverty. However, faced with such high transport and logistics costs, traders are constrained in moving food staples like millet/sorghum from surplus areas to deficit areas in the region. The potential exists to remove many of the inefficiencies and extra costs in the value chain system, improve economic incentives to trade, and increase regional price arbitrage.

The key findings and recommendations from the original study are outlined in the following table:

Finding	Recommendations
<p>Access to quality on-farm logistics equipment is lacking A key driver of costs, losses, and reduced quality of millet/sorghum is lack of access to good quality market logistics equipment, including de-shelling machines and weighing equipment. On-farm logistics costs constitute up to 37% of total transport and logistics costs, of which up to 60% is considered to be “extra costs.” Reducing these costs would allow farmers to capture greater value from their production.</p>	<p>Pilot access-to-finance program Simple business plans based on cost savings could be put in place, with equipment assets used as collateral, purchased either on an individual or collective basis.</p> <p>Develop a partnership with an equipment supplier E-ATP could negotiate a partnership with the farm logistics supplier that the project has identified.</p>

<p>Post-harvest handling practices reduce quality</p> <p>Quality issues are a significant problem for traders in the millet/sorghum value chain and an important constraint to expanded intra-regional trade. Impurities in millet/sorghum were observed at approximately 3%. Traders stated that they would be willing to pay a significant premium for better-quality products. On-farm storage losses are also significant (up to 8%) but easily avoidable.</p>	<p>Provide training on post-harvest handling</p> <p>Simple measures such as drying grains out on a tarpaulin, protecting them from pests, and ensuring no impurities are accidentally introduced would be beneficial, alongside awareness-building on the potential price premiums that could be obtained by implementing these practices.</p> <p>Build capacity of producer cooperatives to encourage formal contracting</p> <p>Formally introducing buyer-led demands on producers in this way is one solution to the quality and unreliability problem.</p> <p>Provide training on best-practice storage techniques</p> <p>Storage best practices—such as use of pallets to improve aeration, application of insecticides to reduce insects, and controlling rodents—were observed to reduce on-farm storage losses by a significant amount. Training on these simple and easy-to-implement practices, as well as on the potential benefits of employing them, could reduce storage losses to an acceptable level.</p>
<p>Weighing equipment in markets is inadequate</p> <p>Lack of weighing equipment is a major concern to buyers in terms of unreliability. This problem was observed to be particularly significant in Bobo Dioulasso and surrounding production areas, but may well be a problem in other areas of the region. Up to 4.56% weight difference after purchase was observed during this study.</p>	<p>Pilot access-to-finance program</p> <p>E-ATP could pilot access-to-finance programs for certain market areas in the Bobo Dioulasso region, such as Bama, Banzon, and Bobo Dioulasso itself, either for individual purchase (by market traders), or collective purchase, perhaps by the market association. Financing could be secured on the assets.</p> <p>Encourage use of standard weights</p> <p>In conjunction with procurement of weighing equipment, the use of standard weights should be encouraged.</p> <p>Partner with equipment supplier</p> <p>E-ATP could negotiate a partnership with the market logistics supplier identified by the project.</p> <p>Develop partnership to ensure branding quality and accurately weighed products</p> <p>The research team has identified two potential partners interested in investing in the production of high-quality, zero-impurity, accurately weighed cereals for sale to mass markets. Regional expansion and scaling up of initiatives like this would help disseminate the message to the bottom of the value chain that quality and reliability are important and that buyers are willing to pay a premium.</p>
<p>Avoidable storage losses occur</p> <p>Unnecessary storage losses are occurring in market areas. These storage losses account for up to 5.86% of</p>	<p>Provide training and build awareness on best-practice storage techniques</p> <p>Training on these simple and easy-to-implement practices, as well as on the potential benefits of employing them, could</p>

<p>product loss along the logistics chain. Extra costs attributable to market storage constitute up to 13% of total observed transport and logistics costs.</p>	<p>reduce storage losses to an acceptable level.</p> <p>Partner with buyers E-ATP could showcase the successful example of a World Food Programme (WFP) buyer-led initiative to ensure high-quality storage of products to improve quality and reliability of supply. E-ATP should work with its network of larger buyers to assess their willingness to participate in similar initiatives.</p> <p>Expand warehouse receipts pilot This is important not only because high-quality, purpose-built warehousing is scarce, but also because it could improve access to credit to purchase equipment such as de-shelling machines, weighing scales, and portable bag sewing machines as recommended in this study.</p>
<p>Both traders and transporters lack information on exporting Traders expressed difficulty in obtaining appropriate export documentation. They lack information on the existence of export bans; those who do not already engage in cross-border trade lack knowledge about where to begin. Truckers were often confused or unaware of their obligations regarding appropriate documentation for their vehicles and their rights and obligations for various payments (official and non-official) per journey.</p>	<p>Pilot market information and export promotion centers E-ATP could pilot the implantation of market information and export promotion centers that could provide information and required documentation to traders and truckers. These centers could also provide training and information on best-practice storage and handling techniques, as well as advice on contracting, such as providing pro-forma contracts.</p> <p>Expand intra-regional bourse trade fairs Bourses were highlighted by several value chain stakeholders as an extremely effective means of building formal supply/customer relationships. ATP already sponsors these events, but should consider expanding them within the region or increasing their frequency.</p>
<p>The transport sector suffers from low professionalism and high inefficiency Lack of professionalism and informality in the transport sector is a key cause of inefficiency. Transport costs are the most important driver of costs in this analysis (up to 40% of total transport and logistics cost). Up to 42% of transport costs is considered “extra costs.” Transport operators do not generally respect proper labor rights for drivers and assistants, and drivers lack awareness of their rights with respect to control officials, which perpetuates the problem of road harassment.</p>	<p>Engage in advocacy and awareness building E-ATP should focus where possible on improving awareness of the issues through its information dissemination and advocacy activities (such as the Improved Road Transport Governance [IRTG] Project and Borderless), with particular focus on reaching out to drivers and those who are on the front lines of trucking services.</p>
<p>Control procedures are repetitive Border and control procedures are repetitive and not streamlined. At the border, various agencies such as customs, gendarmes, and police do not</p>	<p>Advocate to streamline procedures E-ATP should engage in advocacy for streamlined procedures and for better division of responsibility at borders (with each agency checking separate things). Furthermore, municipal taxes are extracted at a separate checkpoint along the road—</p>

<p>work together coherently. Many of the same checks and procedures are repeated many times over.</p>	<p>they could be collected at toll booths to remove this additional stop/slowdown for trucks.</p>
<p>Manual handling practices are problematic Manual handling of 100kg sacks is not only difficult and dangerous to the handlers, but is also a key cause of physical loss of product as the bags break open.</p>	<p>Create a business plan for reduced sack weight Working with an existing network on sack suppliers, E-ATP could explore the feasibility of introducing a range of sacks with lower weight to the mainstream market, possibly by marketing through handlers themselves.</p>
<p>Sacks are poor quality Poor-quality, non-durable plastic sacks are cheap to buy but lead to many extra costs in the value chain, including physical loss of product and the need to re-bag to replace worn-out sacks.</p>	<p>Conduct feasibility study for jute sack introduction E-ATP could conduct a feasibility study on the introduction of jute sacks to the millet/sorghum market, looking at market interest, ways to reduce consumer costs, and suitability for millet/sorghum.</p> <p>Establish buyer partnerships Examples such as OPAM and WFP show that buyer-led initiatives for better-quality sacks can be successful. E-ATP should work with its network of buyers in the region to assess their willingness to implement buyer-led initiatives such as these.</p>
<p>Bag closures are poor quality Traditional sewing methods are not only expensive, but they are also a key cause of rips in sacks from which losses occur.</p>	<p>Partner with automatic bag sewing machine suppliers E-ATP could seek to partner with identified suppliers to encourage them to sell directly to market operators, perhaps by negotiating standard contracts.</p> <p>Pilot access-to-finance programs E-ATP could pilot access-to-finance programs for certain market areas in the region to encourage the purchase of automatic bag sewing machines, either on a collective basis or by an entrepreneur wishing to sell this service to market operators.</p>
<p>Certain official costs are of questionable value Some official costs for transporting cereals did not appear to add value, and also increase unnecessary bureaucracy.</p>	<p>Advocate for review of certain official costs Advocacy for review and potential abolition of the following legal costs:</p> <ul style="list-style-type: none"> ▲ <i>Conseil Malien des transporteurs routiers</i> (CMTR) "ristourne ▲ Entrepôts Malien au Sénégal (EMAS) ▲ Travail supplémentaire ▲ Statistical taxes

3. UPDATE TO ORIGINAL STUDY

The March 2012 coup d'état in Mali, the political unrest that ensued, and the introduction in December 2011 of an export ban on cereals in Burkina Faso continue to greatly affect the collection of data on transport costs along the Sikasso–Dakar and Koutiala–Bobo Dioulasso–Ouagadougou corridors. These unfavorable conditions have limited the availability of the data needed to update the millet/sorghum value chain original transport cost assessment.

In agreement with project management, based on advice of USAID, this update is limited to the road harassment (informal costs) component of the original study. The updated data is drawn from the ongoing IRTG road harassment data collection.

3.1 INFORMAL COSTS

In this section, the findings from the original study (data collected in February 2011) are presented and compared to the latest data from the E-ATP IRTG data analysis. This data (collected between April and December 2011) comes from the provisional Borderless 16th Q2 and 17th Q3 IRTG/*Observatoire des pratiques anormales* (OPA) reports and the Borderless 18th IRTG/OPA Q4 2011 report.

3.1.1 MILLET AND SORGHUM: SIKASSO TO DAKAR

3.1.1.1 ORIGINAL STUDY

During the original study, road harassment and corruption were widely acknowledged as a problem. As reported by interviewees, bribes are extracted by customs, police, gendarmes, and sanitary and phytosanitary (SPS) services at the borders along the routes. The number of checkpoints is extremely high, contrary to *Union économique et monétaire ouest Africaine* (UEMOA) legislation, and bribe extraction seems to be standard procedure. The research team spoke with multiple drivers who described the bribe amounts at each checkpoint along the road; their reports corroborated each other accurately. Drivers reported bribes being worse at night, and bribes paid to get through international borders being extremely high, with customs agents citing export bans and other false legislation in order to extract these payments. Transporters use the services of a freight forwarding agent at the border to handle the paperwork and bribes on their behalf.

The original report assumes that customs bribes and SPS bribes were paid by the trader, and police/gendarme bribes were paid by the transporter. In reality, who pays the bribes depends on the situation, but this division appeared to be the most common.

The data from the original report is as follows:

Item Description	FCFA Total	FCFA/kg	Percent Farm Gate Price	Percent Final Sales Price	Borne by
Customs Bribes	38,000	0.95	0.85%	0.54%	Trader
Other Reported Border Bribes	185,000	4.63	4.16%	2.65%	Trader
Police Bribes	22,500	0.56	0.51%	0.32%	Transporter
Gendarme Bribes	40,750	1.02	0.92%	0.58%	Transporter
SPS Bribes	1,000	0.03	0.02%	0.01%	Trader
Total	287,250	7.18	6.46%	4.12%	

At 7.18 FCFA/kg, informal costs represent 4.12 percent of the final sales price for millet/sorghum along the Sikasso–Dakar corridor. Based on the assumption of a 40-ton truck, this represents approximately 287,250 FCFA per truck of millet/sorghum travelling from Sikasso to Dakar. Over the 1,710km corridor, this is 167.9 FCFA/km per truck.

3.1.1.2 UPDATED DATA

The 16th Q2 2011 IRTG/OPA, 17th Q3 2011 IRTG/OPA, and 18th Q4 2011 IRTG/OPA reports do not cover the Sikasso–Dakar corridor; instead they cover the Koutiala–Dakar corridor for millet/sorghum. The up-to-date Q4 data from the Koutiala–Dakar corridor can be used as a closely comparable proxy to compare to the original study’s findings along the Sikasso–Dakar corridor. According to the Q4 report, total bribes along the Koutiala–Dakar corridor between October and December 2011 were 218,255 FCFA per 40-ton truck. Over a distance of 1,750 km, this is 124.7 FCFA/km per truck

Item Description	IRTG: Q4 Koutiala–Dakar (Mali Segment) FCFA Total/40-ton Truck
Police Bribes	78,455
Customs Bribes	69,063
Gendarme Bribes	51,525
Other Reported Bribes	19,213
Total	218,255

Therefore, the data show a significant (26 percent) decrease in informal costs between the original study in February 2011 and the updated IRTG data collected October–December 2011. However, this finding must be viewed with caution. The Q2, Q3, and Q4 reports show that although informal costs decreased on average during the update period, the decrease occurred

mainly between July and September. During the fourth quarter, informal costs increased by 17.4 percent, indicating that there are many factors (such as agricultural seasonality) that could influence the overall drop in informal costs over the update period. The figures are also taken from two slightly different corridors.

3.1.2 MILLET AND SORGHUM: KOUTIALA TO BOBO DIOULASSO TO OUAGADOUGOU

3.1.2.1 ORIGINAL STUDY

As on the Sikasso–Dakar corridor, road harassment and corruption were acknowledged as a problem on the Koutiala–Bobo Dioulasso–Ouagadougou corridor. Bribes are extracted by customs, police, gendarmes, and SPS services at the borders along the route. The research team collected data on bribes paid between Koutiala and Bobo Dioulasso from two sources. However, as cross-border trade on this corridor was found to be unusual, the data was judged to be unreliable. Instead, data for this segment was taken from the 14th IRTG/OPA report¹. The report stated that total bribes on the Koutiala–Bobo Dioulasso corridor are 140,338 FCFA; on the Koutiala–Ouagadougou corridor, they are 207,224 FCFA. This means that the implied bribes paid between Bobo Dioulasso and Ouagadougou are 66,886 FCFA.

Item description	FCFA Total	FCFA/ Kg	Percent Farm Gate Price	Percent Final Sales Price	Borne by
Bribes Paid Koutiala–Bobo Dioulasso	140,338 ²	3.51	3.08%	2.11%	Transporter
Bribes Paid Bobo Dioulasso–Ouagadougou	66,886 ³	1.67	1.47%	1.01%	Transporter
Total	207,224	5.18	4.55%	3.12%	

At 5.18 FCFA/kg, informal costs represent 3.12 percent of the final sales price for millet/sorghum along the Koutiala–Bobo Dioulasso–Ouagadougou corridor. Based on the assumption of a 40-ton truck, this represents approximately 207,200 FCFA per truck of millet/sorghum travelling from Koutiala to Ouagadougou. Over the 633km corridor, this is 357.3 FCFA/km per truck. On the 273km segment from Koutiala to Bobo Dioulasso, this is 514.1 FCFA/km per truck, and on the 360 km segment from Bobo Dioulasso to Ouagadougou, this is 185.8 FCFA/km per truck.

¹ « 14ème Rapport de l'OPA/UEMOA 1 Octobre-31 Décembre 2010, » DRAFT Février 2011.

² « 14ème Rapport de l'OPA/UEMOA, 1 Octobre-31 Décembre 2010, DRAFT Février 2011, » based on assumption of 40-ton truck.

³ « 14ème Rapport de l'OPA/UEMOA, 1 Octobre-31 Décembre 2010, DRAFT Février 2011, » based on assumption of 40-ton truck.

3.1.2.2 UPDATED DATA

The 16th Q2 2011 IRTG/OPA report covers the Bobo Dioulasso–Koutiala segment, but does not cover the Bobo Dioulasso–Ouagadougou segment. Unfortunately no comparable data exists to do the same comparison on the Bobo Dioulasso–Ouagadougou segment. The 17th and 18th 2011 IRTG/OPA reports do not cover Bobo Dioulasso–Koutiala segment or the Bobo Dioulasso–Ouagadougou segment. This update will be limited to the April-June 2011 period for data along the Bobo Dioulasso–Koutiala segment is available. This segment will be used as a proxy to compare the original study's finding along this corridor segment.

According to the report, total bribes along the Bobo Dioulasso–Koutiala corridor during Q2 2011 were 36,056 FCFA per 40-ton truck. On the 273 km segment from Bobo Dioulasso to Koutiala, this is 132.1 FCFA/km per truck.

Therefore, the data shows a significant (74 percent) decrease in informal costs between the original study (which pulled data from the Q4 2010 IRTG report) and the updated Q2 2011 IRTG data on the Bobo Dioulasso–Koutiala segment. However, this finding must be viewed with caution; there are many factors (such as agricultural seasonality) that could have influenced this drop in informal costs over such a short time period.

4. UPDATED CONCLUSIONS AND RECOMMENDATIONS

4.1 ACTIVITIES UNDERTAKEN SINCE ORIGINAL STUDY

4.1.1 ACTIVITY NO 1: TRAINING OF LEADING PRODUCERS IN BEST-PRACTICE STORAGE TECHNIQUES

E-ATP organized cascade trainings on integrated crop management for two leading producer organizations identified as having strong potential to develop their intra-regional trade activities. Both the *Union provinciale des professionnels agricoles du Houet* (UPPA-H) from Bobo Dioulasso, Burkina Faso, and the *Coopérative des exploitants motorisés de Koutiala* (CEMK) from Mali are important cereal suppliers to institutional buyers such as the WFP, the *Système d'information sur la sécurité alimentaire* (SONAGESS), and the Commissariat for Food Security in Mali. Both organizations aspire to diversify their markets regionally to enhance their trading opportunities. They have been contacted by processors to initiate contract farming.

In March 2011, the project trained 25 farmer-trainers in integrated crop management, integrated pest management, and integrated soil fertility management, targeting the organizations' most commercially oriented farmers. In the course of the year, cascade trainings brought critical production skills to a total of 750 maize, millet, and sorghum producers associated with the two organizations.

4.1.2 ACTIVITY NO 2: TRAINING OF TRAINERS IN CONSERVATION AGRICULTURE

In May 2011, the project also organized a training of trainers in conservation agriculture for cereal producer groups, in partnership with USAID/Senegal's *Projet de croissance économique* (PCE) and USAID/Senegal's Wula Nafaa project. A total of 35 out of an original 39 trainers were selected to train 1,419 producers, of whom 36 percent were women.

4.1.3 ACTIVITY NO 3: TRAINING OF PROFESSIONAL ORGANIZATIONS IN QUALITY MANAGEMENT AND TRACEABILITY OF STOCKS

To improve knowledge and skills in quality control, the project organized training for professional organizations in quality management and traceability of stocks. This training, organized between December 1 and December 5, 2011, in Bobo Dioulasso, Burkina Faso, covered many areas: quality control techniques, factors causing high levels of aflatoxin and rapid methods of its detection, basic principles for effective conservation and good storage practices

of cereals, elements of a good warehouse, hygienic and sanitary measures at the warehouse level, packaging and storage techniques of bagged cereals, and techniques of stockpiling and bag counting. In total, 20 participants from the millet/sorghum value chain participated.

4.1.4 ACTIVITY NO 4: ROAD SHOWS TO FACILITATE DIALOGUE AROUND ROAD HARRASSMENT

To publicly disseminate and facilitate dialogue around harassment findings, ATP and E-ATP co-host quarterly road shows coinciding with OPA's study releases. These events bring together actors representing ministries, the military and civil police forces, customs, traders, truckers, chambers of commerce, the press, and civil society. Staged in truck rest stop areas, they have turned into lively sessions in which all attendees voice and listen to one another's concerns and haggle over solutions. Officials' complaints about road security violations and truckers' complaints about being overcharged are the kinds of issues that have surfaced on these occasions. They have provided opportunities to signal problematic nodes to authorities, backed by data showing rampant bribery.

4.1.5 ACTIVITY NO 5: MARKET SHOWS TO INFORM TRUCKERS/TRADERS OF THEIR RIGHTS AND OBLIGATIONS

The project has started convening truckers and traders at smaller market shows, providing more focused opportunities to disseminate survey results, hear concerns, and inform participants of their rights and obligations. Although invited, roadside officials have not attended these public meetings, which are geared more toward value chain actors.

4.1.6 ACTIVITY NO 6: ORGANIZATION OF AN ADVOCACY EVENT AT ECOWAS IN MARCH 2011

ATP/E-ATP organized an advocacy event at the Economic Community of West African States (ECOWAS) headquarters in Abuja in March 2011 to promote private sector dialogue with ECOWAS. The event provided value chain representatives from across West Africa with the opportunity to establish relationships with ECOWAS leadership and to raise their awareness of policy-related barriers to regional agricultural trade.

4.1.7 ACTIVITY NO 7: REVISION OF ECOWAS FREE TRADE AGREEMENT PROVISIONS ON AGRICULTURAL PRODUCTS

The projects worked with the president of the ECOWAS Commission and others to come to an agreement to review the regional free trade agreement's provisions on agricultural products. The project also supported the ECOWAS External Relations Department in the finalization of the National Units Manual, which clearly defines ECOWAS member states' relationships and national units' roles in implementing regional free trade agreements.

4.1.8 ACTIVITY NO 8: REGIONALIZATION OF CEREAL EXCHANGES

By joining forces with *Afrique Verte*, ATP/E-ATP contributed to regionalizing the cereal exchanges that the French NGO has been organizing for years to promote food security within West African countries. The project's participation in these events not only facilitated cereal transactions, but also gave hundreds of key value chain actors the chance to meet and trade with counterparts from other countries within the region, establishing new commercial relationships that will continue to mature beyond the life of the project.

4.2 UPDATED RECOMMENDATIONS

Despite the noticeable decrease in informal costs to transport in this update, the original recommendations remain relevant.

4.2.1 MONITORING OF TRANSPORT AND LOGISTICS COSTS

It is not recommended that cost data variables identified in the baseline study be updated annually as specified in the terms of reference. The study team does not believe that this activity is a valuable method of monitoring overall transport and logistics costs and any reductions resulting from project activities. Costs along these corridors may vary due to a multitude of factors, and annual observations are not a robust measuring tool. The study team instead recommends targeted monitoring of specific transport and logistics costs subsequent to the implementation of recommendations.