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EVALUATION OF THE TITLE II, SECTION 206 PROJECT IN MALI (688-0230)
February, 1985

I. OVERVIEW

In the Transfer Authorization governing the implementation of the Title II, Section 206, project entitled "Cereals Market Restructuring Project," the Government of the Republic of Mali (GRM) agreed to undertake or to continue to implement self-help measures in three areas:

- . cereals marketing liberalization;
- . cereals production incentives; and
- . reduction of costs in the official marketing system.

Several specific benchmarks indicating progress toward achievement of the project's objectives were identified in each of these areas.

These benchmarks are used here to structure the Mission's evaluation of the first year of project activity. During this year, the U.S. provided 10,000 metric tons (MT) of rice to the GRM for sale by the official marketing agency, OPAM, at the price of 124 FCFA per kilogram (kg).*

The purpose of this evaluation is twofold: first, to assure the Mission that progress made on the self-help measures to date is satisfactory, that is, proceeding in the indicated directions at a rapid enough pace, and, second, to determine the appropriate level of food aid assistance to be provided under this project in 1985. The evaluation has been conducted in January and February, 1985, by the Mission's program economist and agricultural economist. Field visits, interviews with various individuals, and examination of reports provided the information upon which the evaluation is based.

In Section II, the 1984 activities of the PRMC are reviewed. Section III summarizes the findings with respect to each of the benchmarks established for Self-Help Measures in the Transfer Authorization. More detailed discussion of each measure is presented in annexes. The conclusions of the evaluation team are stated in Section IV.

It is recommended that 5000 MT of rice by the U.S. under Project 688-0230 would provide adequate incentives to the GRM to continue cereal market reform and a sufficient volume of food aid in 1985 (taking into account the increased volumes of emergency food aid arriving in Mali this year). The remaining 10,000 MT of rice in the project will also provide added incentive for further reform measures in 1986.

* The receipts generated by sales of this rice have been placed, along with receipts from sale of about 30,000 MT of other grain provided by the other donors participating in the multidonor PRMC (Cereals Market Restructuring Project), in a special account in the Development Bank of Mali (BDM). This account is to be used for specific development activities jointly identified and approved by the GRM and the donors as discussed in Section II. There is, therefore, a clear and direct linkage between the food assistance and development.

II. REVIEW OF PRMC ACTIVITIES SINCE JUNE 1984

The Transfer Authorization (TA) was signed on July 6, 1984. The following is an account of the highlights of PRMC activities during the 1983/84 marketing year.

In June, at the initiative of the PRMC, PRMC donors and donors planning to provide project financing to the Office du Niger (ON) held joint meetings prior to a meeting organised by the Office du Niger and the Ministry of Agriculture in Segou. The purpose of the latter meeting was to secure firm funding commitments to assist the Office du Niger. The donors presented a united front at the meeting and it was made clear that paddy marketing liberalization was a prerequisite to any substantial project assistance for ON. The other major issue emerging from the meeting was the prospect of large losses for the ON well into the future. It was clear that the availability of PRMC counterpart funds to cover immediate deficits provided the PRMC with considerable leverage which could be used to further its objectives.

In September, a PRMC meeting concerned itself mainly with the emerging severe drought. For the short term, it was decided to have an early multi-donor drought assessment team so as to enable quick mobilisation of food aid, to use PVO's as the privileged channel for distributing emergency food aid, and to use the Counterpart Fund to help replenish the West German-supported Security Stock fund which had been depleted over a period of time preceding the PRMC. Considering the considerable progress shown since by OPAM in managing food aid and the importance of ensuring that the Security Stock remained operational during a period of grave drought, it was, therefore, agreed to contribute a one-shot CFA 750 million to the Security Stock fund from the 82/83 Counterpart Fund account. (No US contribution was involved, however, as the first US contribution will appear in the 83/84 account).

On longer-term issues, the PRMC agreed that Mali's entry into UMOA and the resulting GRM concern to contain price and salary increases argued against consumer cereal price increases in 1984. The GRM had already made clear that this was its position. It was agreed that the GRM position could be reluctantly accepted -- provided producer prices were increased, particularly for paddy. Acceptance of this PRMC recommendation meant, however, that the GRM would have to reverse the producer price freeze announced in June, and since most paddy produced still flowed through OPAM, would have to fund the resulting deficit for the official marketing system. The donors resolved, therefore, that they would be prepared to fund the first-year cost of raising the paddy producer price. Last-minute lobbying by the Minister of Economy and Plan allowed the measure to gain GRM approval: the price for paddy was increased from CFA 60 to 65/kg and the PRMC committed itself to provide CFA 260 million to fund the resulting incremental cost.

The PRMC donors met next in November. Meanwhile, the GRM had convened an Interministerial Commission to decide on the main issues raised by donors on the Office du Niger, including marketing liberalization, improved land tenure, farmer indebtedness, the ON financial situation and relations between sugar and rice operations. Early draft resolutions of the Commission provided clear support for continued marketing liberalization. The donors felt that the time was opportune for explicitly reiterating the PRMC's willingness to help underwrite the costs of measures designed to ease the transition towards a liberalized marketing environment for all foodgrains. The debate revealed

an impressive convergence of donor views on the importance of liberalization and agreement that any multi-year PRMC financial support for ON should be clearly conditioned on firm time-bound GRM commitments on liberalizing paddy marketing. The letter subsequently sent to the GRM (see copy in Annex D) earmarked CFA 1.8 billion in 83/84 out of a total of 4.2 billion in funds generated by food aid sales for support of liberalization-related measures. Considering a large foreseeable gap in food aid arrivals in early 1985, the PRMC also agreed to cover OPAM's loss in importing 12000 MT of cereals commercially to be delivered in January-February 1985, at a cost of CFA 1.2 billion to the Counterpart Fund.

In conclusion, at this point in its existence, the PRMC has invested much of its credibility in realizing a breakthrough in paddy marketing liberalization during the upcoming year. Despite having signed the Transfer Authorization with the US and having made significant movement in that direction (see Sections III and IV), the GRM has yet to issue a statement of its own providing an indication of the time-frame in which full liberalization is to occur and how far it is willing to go over the next two years. On the other hand, after a three year freeze, civil servant salaries have been increased by an average of 10 percent as of March 1, removing the principal obstacle to ending the freeze in cereal consumer prices in effect for the last two years. These are the two main issues to be considered in the next USAID evaluation of its participation in the PRMC, and the two areas in which the PRMC must be able to show significant progress over the next twelve months in order to maintain its momentum and current cohesiveness.

III. SUMMARY OF EVALUATION TEAM FINDINGS: 1984 BENCHMARKS

Self-Help Measures and Benchmarks

Findings/Comments

A. Cereals Marketing Liberalization

1. Coarse grains marketing liberalization will be maintained.

Met.

2. Cereal import liberalization will be maintained.

Met. Imports rose from 70,000 MT to 120,000 MT.

3. Paddy producers will be authorized to market their production freely with private traders, provided they have paid their levies and credit obligations, and private traders will be authorized to freely purchase, sell and process paddy or rice.

ORM liberalization hollow as crop failed. Office du Niger implemented measures leading to marketing reform program.

B. Improving Cereals Production Incentives

1. Official producer prices will continue to be announced prior to the sowing period.

Met. An exceptional increase in paddy prices announced late in the season did not signal change in policy.

2. Official producer prices will be set so as to cover production costs as determined by IER.

Met, on average, for coarse grains; with late-season paddy price increase, benchmark fully met.

3. Price data collection will continue...[and] an effort will be made to improve collection of producer prices in sample of rural markets.

Met in part; regular collection continues. New project on improvements negotiated.

4. By end of 1985, detailed proposal presented to donors for their financing, the objective of which would be to substantially improve agricultural production statistics.

Seems to be in process.

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5. In addition to producer price policy measures, actions in rice-producing RDOs will be reinforced.

Well begun. The Office du Niger has made encouraging progress in: structural rehabilitation; village associations; consolidation of holdings; abolition of staff rice subsidies and other cost reductions; T & V extension system.

C. Reducing the Cost of the Official Marketing System

1. OPAM's cost reduction program will be pursued and a similar program undertaken in other intermediaries in the official marketing system.

Met. OPAM implemented: transport cost and staff reductions, cracked down on fraud; and restructured debt. Study leading to reform of RDOs done.

2. Official consumer prices will be determined so as to allow, taking into account measures resulting in a reduction of marketing costs, a reduction in OPAM's deficit net of subsidies and a reduction of subsidies to the official marketing system (excluding OPAM) and resulting from the baremes.

Not met. Consumer prices were frozen.

3. The PRMC will take part in the discussions of the Commission des Baremes.

Not met. Decision to freeze consumer prices made outside of Commission; PRMC assured of future participation.

4. Official prices seasonally adjusted.

Not met, although proposal officially made.

5. Technical assistance provided in the framework of the PRMC maintained.

Met.

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IV. CONCLUSIONS OF THE 1984 EVALUATION

The tally-sheet in the previous section indicates that the GRM has not fulfilled all of the benchmarks established for this first year of assistance under the Title II, Section 206 project. Nevertheless, it is evident that important steps in the desired direction have been taken by the GRM and that most of the reasons for non-fulfillment of those conditions which have not been met can be accepted as legitimate justifications for delayed action. In sum, then, the evaluation team concluded that continued provision of Section 206 food aid was warranted.

The Transfer Authorization provides for the annual determination of the amount of food aid to be supplied through this program. The amount remaining to be allocated for FYs 1985 and 1986 is 15,000 MT. The recommendation for the amount to be contributed in FY 85 was then made on the basis of the following logic:

- . The 1984 crop year was exceptionally bad in Mali. All donors, including those which are members of the PRMC, have contributed substantial amounts of additional foodgrain to fill the estimated 230,000 MT gap. There is, therefore, less real need for the Section 206 rice than in the previous year.
- . The substantial undisbursed monies in the Counterpart Fund will continue to permit the PRMC to engage in a meaningful policy reform dialogue with the GRM well into this 1985 growing season.
- . It appears as though it will be possible for the PRMC to exert some influence on further progress towards paddy marketing and production reform in 1985, but movement toward adoption of such measures would be strengthened if the PRMC was able to contribute to filling the cereals supply gap which is certain to appear in late 1985.
- . It is important at this stage for the main PRMC donors to be seen as active contributors while critical decisions are being made where the GRM perception of the PRMC's cohesion and commitment to facilitating policy reform will be all important.
- . Nineteen eighty-five is bound to be seen as a test year by the GRM in the paddy marketing reform effort and it would be well to retain enough resources in the Section 206 project to ensure that the GRM is encouraged to continue with such reform efforts in 1986, even if certain aspects of the initial liberalization do not go as smoothly as hoped.

The maximum annual allocation of food aid allowed under the 206 cereals market restructuring project is 10,000 MT. It is recommended, therefore, that this amount be retained for FY 1986 allocation and that 5,000 MT be released for FY 1985 -- with arrivals scheduled for September- October, 1985. This would provide impetus for continued momentum in the market reform but would enable the U.S. and the PRMC to maintain maximum leverage in the FY 1986 dialogues as well.

The conclusions of the evaluation are that:

- . the GRM has, on the whole, made satisfactory progress toward cereals market restructuring in the year 1984;
- . further steps can and must be taken by OPAM, the Office du Niger, and the GRM in general to maintain the momentum of reform in 1985; and
- . the U.S. should provide an additional amount of food aid in the form of rice near the end of FY 1985 to encourage and support these additional efforts.

Specifically, the amount of 5,000 MT is recommended.

ANNEX A.

CEREALS MARKETING LIBERALIZATION

Three benchmarks for progress in cereals marketing liberalization are identified in the Transfer Authorization:

- . Coarse grains marketing liberalization will be maintained.
- . Cereal import liberalization will be maintained.
- . Paddy producers will be authorized to market their production freely with private traders, provided that they have paid their levies and credit obligations, and private traders will be authorized to freely purchase, sell and process paddy or rice.

1. Coarse Grains Marketing Liberalization

Despite the persistently high levels of coarse grains market prices (see Table 2.4 in Statistical Annex), and the GRM's efforts to contain inflationary pressures resulting from Mali's reentry into UMOA, pressure to reinstitute the grains marketing monopoly has abated. A growing consensus is developing within the administration that private trade has played a valuable role in efficiently allocating grain supplies even in a poor production year. The monopoly had never been able to accomplish this in comparable circumstances. Liberalization, therefore, now appears to be firmly entrenched and its advantages are now becoming the new conventional wisdom among policy-makers. This does not mean that private marketing has taken place entirely unhindered. Indeed, vigorous price controls were applied during the transitional period in which Mali's currency circulated in parallel with the CFA franc, when an inflationary boomlet appeared to be building in the markets. For a few weeks many cereal traders were discouraged from operating openly on the market. This was, however, only temporary and for the last six months there have been no reports of administrative interference with free market operation. The benchmark has therefore been met.

2. Cereal Import Liberalization

There have been no restrictions on private cereal imports in 1984. Because of the large cereal deficit, private imports increased from about 70,000 MT in 1983 to 120,000 in 1984. The benchmark has been met.

3. Reform of Rice-Producing Development Organizations

Partly as a result of dialogue with PRMC donors, the GRM agreed to the complete liberalization of paddy marketing in the Operation Riz-Mopti (ORM) area in 1984/85. ORM was to continue to offer to purchase paddy at the official price (60 FCFA at the beginning of the production season, raised to 65 FCFA in December, 1984, prior to the marketing season) and to provide rice milling services at the Sevare plant, but producers were to be free to market and/or mill their grain for private sale as they wished, once they had paid the water/service rates in kind. The water level of the Niger River in 1984, however, was too low to flood the 30,000 hectares planted to rice and the crop failed completely. The expanded marketing options for the producers were thus not exercised and paddy market liberalization was not really put to the test in the Mopti area in 1984.

Steps were taken toward reform in the country's major rice-producing organization, the Office du Niger (ON), however, which lead us to conclude that at least partial liberalization of the paddy marketing operations in the ON area in the 1985 season is a real possibility.

First, the Office, in collaboration with technical assistance from the Dutch-financed Projet ARPON, launched tests in two villages which gave the village associations a role in paddy marketing. In one test, the village association both collected paddy from members and transported it to the mill; in the other, the village association collected the paddy in the village and arranged for collective transport in ON vehicles to the mill. While the scale of this test was very limited, its apparent success has given the ON confidence that village associations can play a significant role in assuring that the Office receives its water and service rates (redevances) on time and that individual farmers will be protected against unscrupulous traders. It also represents a loosening in the Office du Niger's traditional tight administrative control over every sack of grain produced on ON perimeters.

The ON also implemented two other measures in 1984 which have important bearing on the eventual liberalization of the paddy marketing process in the Office area: permitting the spread of the Projet ARPON-provided small threshing machines (Votex) and paying farmers in cash for paddy at the time of delivery to the mills.

The use of small threshers by groups of 4 - 10 farmers is important not only because encouraging farmer control over threshing operations signals a break in the previous Office monopoly on threshing services but the use of these threshers also makes it impossible for Office staff to keep close tabs on amounts produced. The large ON threshing machines require farmers to place paddy in large stacks in places close to the roads on which the threshers can be moved. These threshers both thresh and winnow the rice; sacked paddy is the output. The ON threshers require several trained personnel for operation and detailed record-keeping by two or three Office staff ensures that the 12 percent charge for threshing is accurately calculated (for collection in kind). By contrast, the Votex threshers can be easily transported on to most fields and operated by villagers themselves. Winnowing has to be done by hand. Farmers thus place paddy in larger numbers of smaller stacks and move the thresher to the stacks -- frequently threshing one stack and winnowing another at the same time. The dispersion of operations and the fact that several things are going on at once makes it impossible for ON

staff to keep close track of quantities. The Projet ARPON has placed these machines in village associations and has recommended that the associations charge an 8 percent rate for use, with the funds accumulated this way both paying the operators and providing a fund for replacement of engines when they wear out (in two or three years). The village associations manage the scheduling for the use of the Votex threshers. Timeliness of threshing has been seen by the farmers as a big plus for the use of the small machines. Last year, the ON threshers did not complete the threshing season until July, fully seven months after harvest. This year, villages with Votex machines have reportedly completed all threshing of their harvests in two months and are now renting their services out to farmers in other villages still waiting for the ON threshers to come around.

The fact that the Director General of the Office du Niger has enthusiastically endorsed the further spread of these small-scale threshing machines and has agreed to the withdrawal of the ON monopoly is an important precondition, in our view, to presenting farmers in the ON with liberalized marketing options.

The payment in cash at the time of paddy delivery is another innovation which bodes well for eventual liberalization of the paddy market in the Office not so much because of the fact of the cash payment itself, but because it is, in our view, symbolic of an altered relationship between the Office and the farmers. For the first time, farmers' needs for cash on a timely basis have been explicitly recognized and the ON has shown itself aware of the importance of a cash return as an incentive to production and marketing. The former relationship between the ON management and ON farmers was built upon control and directives. The new one promises to be based upon service and reward. Without this altered relationship, one could be skeptical of ON management's commitment to marketing liberalization, but with the changes being made, a more positive atmosphere of ON-farmer collaboration seems to have been established.

Several other actions undertaken in 1984 by the Office du Niger and donors supporting it also provide a basis for a positive assessment of the possibilities for increasing producer incentives in the Office in the future. These are detailed below in Annex C.

ANNEX B.

IMPROVING CEREALS PRODUCTION INCENTIVES

Five benchmarks were noted in the Transfer Authorization as indicators of improved cereals production incentives:

- . Official producer prices will continue to be announced prior to the sowing period.
- . Official producer prices will be set so as to cover production costs as determined by IER.
- . Price data collection will continue every ten days in Bamako markets and monthly in regional markets. An effort will be made to improve the collection of producer prices in a sample of rural markets.
- . By the end of 1985, a detailed proposal will be presented to donors for their financing, the objective of which would be to substantially improve agricultural production statistics.
- . In addition to producer price policy measures, actions in rice-producing RDDs will be reinforced.

1. Announcement of Official Producer Prices

Producer prices for the 1984/85 marketing season were announced in the newspaper, l'Essor, in the very early stages of the planting season.

Because of pressure exercised by PRMC donors to increase paddy producer prices and their willingness to bear the first-year cost of a price increase to the official marketing system, however, the producer price of paddy was changed in November, long after the planting period. Since this was a special action, and clearly noted to be a one-time event, it is our conclusion that this late announcement does not indicate permanent alteration of the policy of always announcing prices ahead of planting.

USAID therefore concludes that the benchmark has been substantially met.

2. Level of Official Producer Prices

As shown in Table 2.5 in the Statistical Annex, IER estimated that coarse grain production costs increased by less than 1% in 1984, and paddy production costs by less than 2%. Nevertheless, the Technical Commission on Prices recommended a 10% increase in coarse grain producer prices from CFA 50 to CFA 55/kg, and a 8.3% increase in paddy prices from CFA 60 to CFA 65/KG.

The Government and the Political Bureau, however, overturned the Technical Commission's recommendations and imposed a freeze in producer prices on the grounds that: an increase in producer prices would have to be reflected in

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higher cereal consumer prices; such an increase would reduce civil servants' purchasing power; and thus GRM's ability to contain public sector salaries would be weakened. Since the GRM was committed to holding the line on salaries under the terms of its agreements with the IMF, it was reasoned that a producer price freeze was appropriate.

PRMC donors showed understanding for the Government's constraints but were unhappy that at least the price of paddy was not being increased. This partly reflected PRMC view that since paddy marketing had not been fully liberalized, paddy producers' income and ability to service their credit repayment obligations (a particularly acute problem in the Office du Niger) were, therefore, mostly dependent on the level of the official price. The PRMC, therefore, offered to meet out of the Counterpart Fund the cost to the official marketing system of increasing paddy producer prices while freezing consumer prices.

On this basis, the GRM agreed to reverse itself and increase the paddy producer price from CFA 60 to CFA 65/kg, which it did in its marketing decree issued in late December 1984.

The outcome is, therefore, that: coarse grain producer prices have fallen about one percent behind production cost increases, on average, although they have remained above estimated production costs in the most profitable production systems in the Third Region; and paddy producer prices have gained some six percent on average over production cost increases and have actually exceeded such estimated costs for the very first time.

USAID therefore believes that in the aggregate the benchmark has been met.

It should also be noted that the Price Commission recommended that the basis for estimating production costs be updated (the last in-depth revision of task time estimates and technical packages was made in 1977), which FED has agreed to finance. USAID supports the need for such a statistical upgrading.

3. Price Data Collection

Price collection at various regional and Bamako markets has continued throughout the year. In addition, OPAM has made estimates of producer level prices in major grain-producing regions. The relevant statistics are found in the Statistical Annex.

This part of the benchmark has, therefore, been met.

Producer price data from selected rural markets has been provided by PRMC technical assistance team members but, so far, this does not represent a highly systematic or detailed effort. The AID Mission, however, is in the process of negotiating the terms of a research project bearing on food security policy with Michigan State University. This research will pay significantly more detailed attention to producer prices, attempting to determine variations in producer prices with market access, channels used, level of production and sales, etc. There is, thus, reason to believe that progress to meeting of this part of the benchmark is satisfactory to date. The 1985 evaluation will be useful in assessing potential for full satisfaction of this benchmark by the end of 1986.

4. Improvement of Agricultural Production Statistics

In July, 1984, the Ministry of Plan, with support from the UNDP-financed project PADEM, issued the first agricultural production survey results produced by the Ministry since 1978. Results from 1984 production season are to be ready for preliminary form by the end of March. This will represent a distinct improvement in the presentation of timely results although further gains are still possible. The PADEM project envisages continued support for agricultural production statistics efforts in the Ministry of Plan until the end of 1986 but project personnel are actively seeking additional sources of financing for key statistical activities, notably in the area of data processing.

No evaluation is required for this benchmark in 1984. However, it is our assessment that events indicate that it is likely that the 1985 benchmark will be achieved. Things are moving in that direction.

5. Improved Rice Production Incentives

The rice production season in the Operation Riz-Mopti (ORM), where farmers depend on the flood waters of the Niger River, was a complete failure in 1984 (as it had been in 1982 and 1983). Just over 30,000 hectares were planted to rice and none were harvested.

The zone covered by the Operation Riz-Segou experienced crop failure in those areas where irrigation technology is similar to that in the ORM, but had reasonably good results in those areas where irrigation water is supplied by pumping or by access to Office du Niger canals.

The Office du Niger had a normal season, with higher production in those areas where rehabilitation has been carried out in recent years and poor production in the Macina area where water delivery and drainage structures are in bad shape. In total, however, the Office producers will account for approximately 70 percent of domestic rice production in Mali in 1984. Given this importance, an effort was made in this 1985 evaluation to look at the actions undertaken in the Office in 1984 which have the potential to provide producer incentives or disincentives in future years. Price levels and measures which relate closely to marketing of paddy have already been discussed above in Sections III.A. and II.C., respectively.

The physical rehabilitation of water delivery and drainage structures, the formation of village associations and water users' groups (groupes de solidarite), the consolidation and reduction of rice holdings, and the extension effort pertaining to double-cropping and the use of transplanting techniques are among those actions which appear to be of direct importance at the producer level. Actions taken at the administrative level are also likely to have an impact on producer incentives at some time in the future, however. Among those considered in this evaluation are: the abolition of super-subsidized rice supplies for Office staff; measures undertaken to reduce ON operating costs; and the implementation of the T&V system of extension.

a. Structural Rehabilitation

It has been clear for some years that the physical infrastructure of the Office du Niger had deteriorated to the point that farmers were unlikely to be able to control water application and drainage enough to achieve profitable yield levels (Kamuanga, 1978). A World Bank-supported project rehabilitated several hundred hectares in the Niono Sector in 1982, using equipment-intensive techniques for canal reconstruction and levelling. A Dutch-supported project, Projet ARPON, began rehabilitating a further 400 ha in the Niono Sector in 1981. The Dutch project emphasized farmer participation in the rehabilitation effort and closely linked the rehabilitation work with complementary activities in rice production and in village association formation. The Dutch project expanded substantially in 1983/84 and is now pursuing rehabilitation efforts in the most degraded areas of Macina as well as in the Niono area. There is concern among the technical assistance team of Projet ARPON that, without substantial financing in the rehabilitation of the main Macina canal in the near future, some of the rehabilitation work being carried out on secondary and tertiary canals which depend on the main canal may not be as effective as it should be.

The Dutch approach has been criticized for inadequate technical preparation and slowness. On the other hand, the ARPON approach has meant considerable physical involvement of the farmers in the rehabilitation process extended over a period of two or three years (which should make for better understanding of maintenance procedures), village-level acceptance of responsibility for reallocating the rehabilitated lands along lines more compatible with intensified production methods, and the establishment in both farmers' minds and in fact of a relationship between farmers' own initiative and farmers' incomes. While the Office management is not in complete agreement with all aspects of the Projet ARPON approach, the demonstration value of the effort and enthusiasm of the farmers for it have not been lost on the Office du Niger and other donors considering further financial assistance to the Office.

b. Village Associations

Both Projet ARPON and the Office du Niger are presently strongly oriented toward the formation of village associations as a way of decentralizing responsibility to farmers. In addition, the establishment of village associations is a policy objective of the GRM.

In the cotton-producing areas of the country, village associations have been helpful in ensuring efficient cotton credit management and marketing services. Their role in the Office du Niger, however, is still a bit unclear. The Projet ARPON staff have assisted in the establishment of village associations for land reallocation, thresher management, and extension purposes. The Office du Niger staff have seen village associations as potentially useful organizations in the paddy marketing operation.

The rights and responsibilities of the village associations with regard to water control, credit, and non-rice-related activities, however, are not yet worked out. The closest thing to a water users' association is the groupe de solidarite but the relationship of these groups to the village association and to Office staff hired to monitor water is not clear, partly because these groups are so new themselves. In sum, there appears to be a positive

attitude toward producer groups taking over certain of the roles which the Office now plays, but the scope and depth of such decentralization (or responsibilisation des paysans) remains to be detailed.

c. Consolidation and Reduction of Rice Holdings

As part of the rehabilitation effort, Projet ARPON has promoted the consolidation of farmers' landholdings and the simultaneous reduction in overall size. The consolidation permits more efficient use of animal traction and concentration of farmers' effort (less travel time) as well as defining canal/drain maintenance responsibilities more clearly. The reduction in size is seen as essential to achieving more efficient use of the land and water in the Office perimeters and thus as "saving" the costs of additional investments to extend the OM area. The vast majority of ON farmers before rehabilitation cultivated only one crop per year, planted it by broadcasting seed, and invested as little labor as possible per hectare in weeding as water control (particularly drainage) was so unreliable and had such depressing effects on yields. Yields rarely exceeded 1.5 or 2 tons per hectare in the best years.

With improved agronomic techniques (principally, transplanting) and better water control (i.e., rehabilitation), it is now felt that two crops a year and yields of 4 tons per crop per hectare are readily attainable. Because transplanting is so labor-intensive, however, households are not likely to follow this scenario unless their ratio of labor per unit of land changes. Reducing the size of holding provides some incentives in this direction. At the same time, reliable water supplies are needed to give them more guarantee that this intensive labor will be rewarded.

With somewhat improved agronomic techniques (that is, better tillage and weeding) and better water control, the Projet ARPON staff expect average yields of almost three tons per hectare in the rainy season on all of the farm and the possibility of a dry season crop on a portion of it. This is seen as a logical but gradual step to eventual achievement of the intensive production method described above. Population growth alone is seen as another element in encouraging such intensification in the long run.

The Office du Niger technical staff would like to move more sharply than the Projet ARPON staff have done toward increasing intensity of cultivation. The Dutch approach, however, seems to be more in keeping with farmers' wishes and learning curves.

d. Abolition of Super-Subsidized Rice

Office du Niger employees had, until the 1984 marketing season, the right to purchase rice at a price substantially below the OPAM price, which is itself a subsidized price. The Office paid the subsidy out of its general revenues. In 1984, this super-subsidy cost the Office about 200 million FCFA. This level of savings will obviously make a contribution to the campaign launched by the new Director-General to reduce costs of the Office, but the 1984 abolition of this super-subsidy implies a significantly changed attitude of the Office management to Office employees.

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e. Reductions in Office du Niger Operating Costs

Other measures taken or proposed for implementation in the near future included reduction of travel allowances for Office personnel, franchising of Office rest houses to the private sector, reductions in the official fleet of vehicles, sale of redundant or out-of-use equipment, allocation of the large threshing machines to village associations (with encouragement of wider acquisition of the small Votex threshers), reductions in staff, and tighter controls of various line items in the budget.

The ON also hopes to cede several extension and marketing functions to village associations as a way of cutting costs. These measures will have to be carefully examined, however, as the associations are still fairly weak needs in many ways.

e. Implementation of the T & V Extension System

While there was no opportunity to assess the effectiveness of this system to date, it is felt by the Office staff to represent a major effort in improving the extension operation of the Office. As explained in theory, it sounds promising; again, it bears further examination in future assessments.

ANNEX C.

REDUCING THE COST OF THE OFFICIAL MARKETING SYSTEM

The third self-help measure deals with reductions in the costs of the official marketing system in terms of public resources. Five specific benchmarks were identified in the Transfer Authorization:

- . OPAM's cost reduction program will be pursued and a similar program undertaken in other intermediaries in the official marketing system.
- . Official consumer prices will be determined so as to allow, taking into account measures resulting in a reduction of marketing costs, a reduction in OPAM's deficit net of subsidies and a reduction of subsidies to the official marketing system (excluding OPAM) and resulting from the baremes.
- . The PRMC will take part in the discussions of the Commission des Baremes.
- . Official consumer prices will be adjusted seasonally beginning in 1984/85.
- . The technical assistance provided in the framework of the PRMC will be maintained.

1. Cost reductions in OPAM and other market intermediaries

OPAM continues to implement measures to reduce operating expenditures and plans to compress costs further in 1985. Among the measures implemented in 1984 or contemplated in 1985 are the following:

a. Transport cost reductions.

OPAM is selling off its heavy truck fleet. It once had more than 50 vehicles and is now down to 23. OPAM's recently adopted policy is to subcontract 70 percent of transport to the private sector. Its remaining trucks will mostly be used for transporting Office du Niger rice, the hauling of which is fairly evenly spread throughout the year which will, therefore, allow good capacity utilisation. In addition, OPAM, in the framework of its distribution plan, is better integrating food aid and local production allocations so as to minimize total transportation costs. As a result, the ratio of transportation costs over sales has gone down from 0.18 in 1982 to 0.09 in 1983, 0.06 in 1984 and is budgeted at a level of 0.04 in 1985.

b. Reducing staff

OPAM staff was reduced from 819 at the end of FY 83 to 792 in FY 84. OPAM plans to reduce staff further in 1985 to a level of 753, partly by attrition and partly by dismissing the drivers of the recently -sold trucks. At the same time, however, salaries are expected to rise in line with civil servant salaries (that is, an average 10 percent increase). In addition, plans have been made to carry out a reclassification of OPAM's salary scale, allowing OPAM to compete with other public enterprises for qualified staff, a major problem in the recent past. The overall effect would be a small increase in personnel expenditures in 1985 of slightly over one percent.

c. Cracking down on fraud

Over the last two years, improvements in OPAM's accounting controls have made it possible to estimate OPAM's losses attributable to misappropriation of funds. Twenty five OPAM employees have been arrested as a result and are being put on trial. OPAM's corresponding losses, estimated at FCFA 255 million in FY 83, were reduced to 79 million FCFA in FY 84 as a result. Regular losses in storage and transportation appear to have been gradually reduced from over 12 percent in FY 81 to about 4 percent in FY 84.

d. Debt restructuring

In addition, with Mali's reentry into UMDA, OPAM saw its long-term debt reduced by CFA 14.25 billion on June 6, 1984. The effect on OPAM's FY 84 income statements was limited as the latter ends on August 31, but the savings in FY 85 will amount to a substantial 350 million FCFA.

OPAM's income statements are shown in Table 3.7 in the Statistical Annex. OPAM's net operating loss in FY 84 (provisional statements) is 888 million FCFA compared with 1.434 billion FCFA in FY 83. This marked improvement is, however, only partially due to improvements in OPAM's efficiency but mostly to a reduction in OPAM's local coarse grain purchases, on which OPAM has an insignificant gross margin (between 1 and 2 FCFA per kg) and, therefore, markets at a substantial loss. Nevertheless, OPAM's overall cost reduction efforts have not abated.

All of these measures have had a significant impact, however, and as far as OPAM is concerned the benchmark has been met.

As far as other intermediaries in the official marketing system are concerned, two notable developments took place since the Section 206 program was approved:

- . SATEC, a consulting firm carrying out a major study financed by the World Bank aimed at reforming Rural Development Organizations, has issued the first draft of its final report. The report calls for a sweeping reorganization of RDOs involving considerable retrenchment of their role, and in particular their complete withdrawal from crop marketing. The GRM is not expected to act on the recommendations of the report before, say, the end of 1985, and the outcome of the recommendations is still uncertain, but the recommendations at this stage certainly go in the right direction.

The Office du Niger, by far the largest cereal marketing operation outside of OPAM, has recently introduced a series of cost reduction measures, for the first time on record. Taken together, they signal an encouraging start towards reducing its deficit. The measures include halting subsidised rice sales to Office personnel, reducing mission allowances, introducing tight controls on fuel consumption, reducing the Office's official vehicle fleet, reducing staff made redundant by devolving a certain number of tasks to farmers that previously were the Office's responsibility, and franchising the operation of its lodging facilities with the private sector.

In conclusion, OPAM's cost cutting program is continuing to show results and an encouraging start has been made in initiating a similar program in Office du Niger, which with OPAM accounts for the largest share of subsidies to the official marketing system. The benchmark has therefore been met.

2. Official consumer prices allow reduction of OPAM's deficit and subsidies and a reduction of subsidies.

For the second year running, all consumer prices have been frozen, with the inevitable consequence of an increase in the overall need for subsidies of the official marketing system. This need will first be met in large part by the PRMC's Counterpart Funds (as compensation for the increased paddy producer price, see above), and second, it will be mitigated by an expected further reduction in OPAM's coarse grain purchases in 1985.

The GRM's decision to freeze consumer prices must be seen in the context of its efforts to contain inflationary pressures linked with the one-for-two substitution of the CFA currency for the Malian Franc as Mali rejoined the West African Monetary Union (UMOA). It was felt that such a price freeze would contain political pressure for salary increases in the administration which would, in the first instance, be contradictory to the GRM-IMF agreement of 1984 and, secondly, would have a negative effect on the ongoing efforts to reduce its budget deficit. It is true that Malian civil servants are among the worst paid in the world; salaries have been frozen since 1982 and real purchasing power has been eroded by consumer price inflation which was caused in part by large official cereal price adjustments in 1982 and 1983 (see Table 2.2 in Statistical Annex). Political pressure was, therefore, building for a substantial salary increase and the GRM was keen not to strengthen civil servant claims nor to encourage traders to take advantage of the currency switchover to increase prices.

While OPAM market interventions were apparently successful in capping unexpectedly high coarse grain price increases in June and July of 1984, it is widely perceived that efforts to contain price increases for the wide range of consumer commodities to have been ineffective (although there is no convincing statistical evidence to this effect). The President therefore announced in his New Year's Day speech that civil servant salaries would be increased by between 10 and 35 percent. The increase is expected to take place on March 1, 1985. Salaries would be increased by 10 percent in general with a minimum increase of CFA 3000 per month which for the lower end of the scale would represent an increase of 35 percent.

In sum, the benchmark has not been met in 1984. Although there are mitigating circumstances, and these can be accepted in 1984, there is no justification for any extension of the freeze in cereal prices into 1985 as salaries have been adjusted upwards. A significant increase in consumer prices in 1985 will, therefore, be an important benchmark in next year's Section 206 evaluation.

3. PRMC participation in the Commission des Bareme.

Given that the GRM had decided that consumer prices would be frozen before the Commission was convened, the discussions of the Commission were devoid of substance and the PRMC was not invited. In a formal sense, therefore, the benchmark has not been met, but the PRMC was assured that this did not reflect a change of policy on the principle of PRMC participation.

4. Official prices adjusted seasonally.

Such an adjustment would have to take place in May or June 1985. The Minister of Economy and Plan presented a proposal to the cabinet to adjust OPAM's prices seasonally in May 1984. This proposal was turned down as it coincided with the conclusion of negotiations on Mali's reentry in UMOA and with the first measures taken to contain inflation. This benchmark was thus not met.

The Ministry of Economy and Plan was dissolved in the recent cabinet reshuffle and its price policy responsibilities transferred to the Ministry of Finance. The latter's position on seasonal adjustments to official cereal prices is not clear; therefore, the prospects that the benchmark will be met in 1985 are also uncertain. PRMC donors are expected to bring it up in the near future, however, and re-establishment of the benchmark is likely to be appropriate for the 1985 evaluation.

5. Technical assistance provided in the framework of the PRMC maintained.

The contract for one of the three PRMC technical assistants came up for renewal this year, and FAC has agreed to extend its financing. Despite the disappearance of the Ministry of Economy and Plan, the policy advisor's position has been maintained. The incumbent has, however, been transferred to the Ministry of Public Enterprises which supervises OPAM. Since this accords with one of the principal foci of cereals market restructuring, it is felt that this transfer will permit maintenance of an effective technical assistance presence in the GRM.

This benchmark has, therefore, been met.

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Table 1.1 : Mali - Crop areas , yields and production

| | 1971-72 | 1972-73 | 1973-74 | 1974-75 | 1975-76 | 1976-77 | 1977-78 | 1978-79 | 1979-80 | 1980-81 | 1981-82 | 1982-83 | 1983-84 | 1984-85 |
|-----------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|
| millet/sorghum | | | | | | | | | | | | | | |
| area(000ha) | 1,433 | 1,135 | 1,378 | 1,330 | 1,300 | 1,384 | 1,318 | 1,372 | 1,431 | 1,403 | 1,420 | 1,393 | | 1,168 (1) |
| yield(MT/ha) | 0.48 | 0.55 | 0.48 | 0.60 | 0.62 | 0.65 | 0.61 | 0.73 | 0.66 | 0.47 | 0.61 | 0.57 | | 0.52 (1) |
| production(000MT) | 691 | 624 | 660 | 800 | 800 | 900 | 800 | 1,000 | 943 | 654 | 871 | 793 | 756 (1) | 608 (1) |
| maize | | | | | | | | | | | | | | |
| area | 112 | 80 | 71 | 90 | 89 | 102 | 100 | 105 | 112 | 47 | 60 | 74 | | |
| yield | 0.78 | 0.55 | 0.89 | 1.11 | 0.77 | 0.78 | 0.50 | 0.52 | 0.57 | 1.55 | 1.17 | 1.28 | | |
| production | 87 | 44 | 63 | 100 | 70 | 80 | 50 | 55 | 64 | 73 | 70 | 95 | | |
| paddy | | | | | | | | | | | | | | |
| area | 181 | 127 | 142 | 190 | 182 | 170 | 128 | 197 | 170 | 175 | 165 | 105 | | 154 |
| yield | 0.94 | 0.91 | 0.92 | 1.32 | 1.16 | 1.39 | 1.55 | 1.27 | 0.97 | 0.94 | 1.06 | 1.23 | | 0.75 |
| production | 171 | 116 | 130 | 250 | 218 | 237 | 199 | 251 | 165 | 165 | 175 | 129 | 122 | 112 |
| cotton | | | | | | | | | | | | | | |
| area | 82 | 88 | 73 | 80 | 91 | 122 | 103 | 119 | 123 | 111 | 85 | 105 | | |
| yield | 0.85 | 0.82 | 0.75 | 0.89 | 1.15 | 1.09 | 1.11 | 1.12 | 1.23 | 0.99 | 1.15 | 1.23 | | |
| production | 70 | 72 | 55 | 71 | 105 | 133 | 114 | 133 | 151 | 110 | 98 | 129 | | |
| groundnuts | | | | | | | | | | | | | | |
| area | 215 | 158 | 153 | 232 | 207 | 165 | 195 | 155 | 172 | 128 | 117 | 91 | | |
| yield | 0.61 | 0.69 | 0.65 | 0.65 | 0.70 | 0.86 | 0.66 | 0.81 | 0.67 | 0.72 | 0.79 | 0.53 | | |
| production | 131 | 109 | 100 | 151 | 145 | 160 | 128 | 126 | 116 | 92 | 92 | 48 | | |

SOURCES: -Ministry of Agriculture , 1982/83 Annual Report (up to 1982/83)
 -OSRD, rapport de la mission FAO/PAM(1983/84)
 -Ministry of Agriculture, internal document(1984/85)

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Notes: (1) covers millet/sorghum/maize

Table 1.2 : Mali - Cereals Production and Official Marketing

| | 1971-72 | 1972-73 | 1973-74 | 1974-75 | 1975-76 | 1976-77 | 1977-78 | 1978-79 | 1979-80 | 1980-81 | 1981-82 | 1982-83 | 1983-84 |
|-----------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| millet-sorghum | | | | | | | | | | | | | |
| production(1000NT) | 691 | 624 | 660 | 800 | 800 | 900 | 800 | 1,000 | 943 | 654 | 871 | 793 | 758 (1) |
| marketing(1000NT) | 30 | 9 | 10 | 48 | 48 | 70 | 27 | 46 | 26 | 13 | 13 | 7 | 3 |
| mark/prod | 0.04 | 0.01 | 0.02 | 0.06 | 0.06 | 0.08 | 0.03 | 0.05 | 0.03 | 0.02 | 0.01 | 0.01 | .00 |
| maize | | | | | | | | | | | | | |
| production | 87 | 44 | 63 | 100 | 70 | 80 | 50 | 55 | 64 | 73 | 70 | 95 | |
| marketing | 2 | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 1 | 3 | 11 | |
| mark/prod | 0.02 | 0.02 | 0.00 | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 | 0.04 | 0.12 | |
| paddy | | | | | | | | | | | | | |
| production | 171 | 116 | 130 | 250 | 218 | 237 | 199 | 251 | 165 | 165 | 175 | 129 | 122 |
| marketing | 52 | 47 | 59 | 84 | 100 | 107 | 66 | 63 | 60 | 58 | 59 | 53 | |
| mark/prod | 0.30 | 0.41 | 0.45 | 0.34 | 0.46 | 0.45 | 0.33 | 0.25 | 0.36 | 0.35 | 0.34 | 0.41 | |

SOURCES: -Ministry of Agriculture , 1983-83 Annual Report
 -Table ii

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Note: (1)-covers sorghum/millet/maize

Table 1.3 : DDR Paddy Production and Official Marketing

| | 1976-79 | 1979-80 | 1980-81 | 1981-82 | 1982-83 |
|------------------------------------------------------------------|---------|---------|---------|---------|---------|
| Office du Niger (ON) | | | | | |
| area (000ha) | 36500 | 36484 | 34298 | 35394 | 39384 |
| production (MT) | 95500 | 65105 | 69172 | 65991 | 57171 |
| marketed (MT) | 51835 | 50755 | 50216 | 48345 | 43796 |
| mark/prod | 0.54 | 0.78 | 0.73 | 0.73 | 0.77 |
| Operation Riz Mopti (ORM) | | | | | |
| planted area | 17800 | 16200 | 15210 | 23953 | 24437 |
| harvested area | 14300 | 12600 | 12341 | 17008 | 2522 |
| production | 22900 | 13000 | 13445 | 17819 | 1838 |
| marketed | 2900 | 2115 | 2961 | 3442 | 0 |
| mark/prod | 0.13 | 0.16 | 0.22 | 0.19 | 0.00 |
| Operation Riz Segou | | | | | |
| planted area | 29500 | 26600 | 29921 | 27351 | 25927 |
| harvested area | 24200 | 18800 | 10628 | 19386 | 16577 |
| production | 39200 | 22100 | 11793 | 20666 | 18850 |
| marketed | 8251 | 6029 | 4265 | 7237 | 8200 |
| mark/prod | 0.21 | 0.27 | 0.36 | 0.35 | 0.43 |
| Compagnie Malienne pour le Developpement des Textiles | | | | | |
| area | 17000 | 13500 | 14000 | 6803 | 8501 |
| production | 11000 | 12800 | 11600 | 10204 | 12863 |
| marketed | 150 | 150 | 402 | 610 | 1193 |
| mark/prod | 0.01 | 0.01 | 0.03 | 0.06 | 0.09 |

SOURCE : Ministry of Agriculture , 1982/83 Annual Report . 06/84

Table 1.4 : Mali - Trade in Cereals and Cereals Products (000MT)

| | 1974 | 1975 | 1976 | 1977 | 1978 | 1979 | 1980 | 1981 | 1982 | 1983 |
|-------------------------------------|------|------|------|------|------|------|------|------|------|------|
| IMPORTS (including food aid) | | | | | | | | | | |
| rice | 81 | 20 | 0 | 0 | 21 | 45 | 47 | 51 | 68 | |
| maize | 68 | 28 | 0 | 0 | 17 | 34 | 18 | 23 | 32 | |
| wheat | 5 | 0 | 0 | 0 | 2 | 4 | 6 | 9 | 3 | |
| wheat flour | 27 | 30 | 35 | 35 | 35 | 40 | 40 | 40 | | |
| millet/sorghum | 91 | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 2 | |
| of which : | | | | | | | | | | |
| commercial imports - rice - OPAM | 81 | 15 | 0 | 0 | 10 | 15 | 20 | 12 | 11 | 0 |
| - private | 0 | 5 | 0 | 0 | 0 | 25 | 20 | 40 | 40 | 70 |
| - wheat | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 70 |
| EXPORTS | | | | | | | | | | |
| paddy | 0 | 0 | 0 | 29 | 0 | 0 | 0 | 0 | 0 | 0 |
| rice | 0 | 0 | 3 | 4 | 0 | 0 | 0 | 0 | 0 | 0 |
| maize | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| millet/sorghum | 0 | 0 | 31 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |

SOURCE : USAID estimates

06/84

Table 1.5 : Mali - Food Aid by Product (MT)

| | 1978/79 | 1979/80 | 1980/81 | 1981/82 | 1982/83 |
|---------|---------|---------|---------|---------|---------|
| sorghum | 1700 | 0 | 0 | 0 | 15940 |
| maize | 37550 | 6000 | 22880 | 33720 | 19150 |
| rice | 5300 | 3000 | 960 | 16970 | 26410 |
| wheat | 2700 | 6000 | 8680 | 2770 | 18130 |
| TOTAL | 47250 | 15000 | 32520 | 53460 | 79630 |

SOURCE : OPAM

06/84

Table 1.6 : Mali - Food Aid by Source and by DFAM fiscal year

| | 1980/81 | | 1981/82 | | 1982/83 | | 1983/84 | |
|--------------------|---------------|------|---------------|--------|---------------|--------|---------------|--------|
| | coarse grains | rice | coarse grains | rice | coarse grains | rice | coarse grains | rice |
| Saudi Arabia | 0 | 0 | 3,310 | 0 | 730 | 0 | 0 | 0 |
| Austria | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,510 |
| Belgium | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,300 |
| Canada | 0 | 0 | 5,000 | 0 | 7,000 | 0 | 10,000 | 0 |
| EEC | 7,890 | 0 | 6,960 | 2,660 | 0 | 5,070 | 20,190 | 5,180 |
| USA | 0 | 0 | 0 | 0 | 4,990 | 4,980 | 5,000 | 15,000 |
| Euro-action Accor' | 800 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| France | 4,630 | 0 | 4,940 | 0 | 4,940 | 0 | 15,000 | 0 |
| U.K. | 0 | 0 | 0 | 810 | 0 | 0 | 0 | 3,660 |
| Japan | 0 | 0 | 0 | 1,790 | 0 | 0 | 0 | 0 |
| Koweit | 0 | 0 | 0 | 0 | 3,050 | 2,680 | 0 | 710 |
| Malaysia | 0 | 0 | 0 | 9,780 | 0 | 0 | 0 | 10,000 |
| WFP | 16,240 | 0 | 5,710 | 0 | 8,680 | 10,000 | 23,150 | 5,000 |
| Holland | 0 | 0 | 0 | 0 | 0 | 1,680 | 2,000 | 9,700 |
| FRG | 0 | 960 | 9,230 | 0 | 23,830 | 0 | 6,000 | 0 |
| USSR | 0 | 0 | 0 | 1,910 | 0 | 2,000 | 0 | 1,000 |
| Yugoslavia | 0 | 0 | 740 | 0 | 0 | 0 | 350 | 0 |
| Thailand | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100 |
| TOTAL | 31,560 | 960 | 36,490 | 16,970 | 53,220 | 26,410 | 81,680 | 54,260 |
| COMBINED TOTAL | 32,520 | | 53,460 | | 79,630 | | 135,940 | |

SOURCE : PRMC

01/85

Table 2.1 : Mali - Official Producer Prices (CFA/kg)

| | 1971/72 | 1972/73 | 1973/74 | 1974/75 | 1975/76 | 1976/77 | 1977/78 | 1978/79 | 1979/80 | 1980/81 | 1981/82 | 1982/83 | 1983/84 | 1984/85 |
|-----------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| millet-sorghum | 9 | 10 | 16 | 16 | 16 | 16 | 19 | 20 | 25 | 35 | 42.5 | 45 | 50 | 5 |
| maize | 10 | 10 | 10 | 16 | 16 | 18 | 18 | 25 | 25 | 35 | 45 | 47.5 | 50 | 5 |
| paddy | 12.5 | 12.5 | 12.5 | 20 | 20 | 22.5 | 22.5 | 25 | 30 | 37.5 | 50 | 55 | 60 | 6 |
| groundnuts(unshelled) | 15 | 15 | 15 | 20 | 20 | 25 | 25 | 30 | 40 | 40 | 45 | 45 | - | |
| cotton(first choice) | 25 | 25 | 25 | 37.5 | 37.5 | 45 | 45 | 47.5 | 55 | 55 | 65 | 65 | 75 | 7 |

SOURCE : Ministry of Agriculture

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Table 2.2 : Mali - Cereal Consumer Prices (CFA/kg)

| | 74/75 | 75/76 | 76/77 | 77/78 | 78/79 | 79/80 | 80/81 | 81/82 | 82/83 | 83/84 | 84/85 |
|---------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| millet-sorghum - official | 26 | 26 | 26 | 29 | 33 | 38 | 43 | 58 | 57 | 63 | 63 |
| millet - market | 37 | 34 | 61 | 82 | 54 | 74 | 103 | 96 | 102 | 135 | |
| sorghum - market | 35 | 37 | 55 | 83 | 54 | 77 | 104 | 91 | 93 | 142 | |
| rice(RM40) - official | 56 | 56 | 56 | 69 | 75 | 90 | 100 | 115 | 125 | 125 | 125 |
| rice(RM40) - market | 75 | 73 | 97 | 145 | 131 | 153 | 165 | 170 | 162 | 171 | |

SOURCES: -OPAM (official prices) 03/85
 -Monthly statistical Bulletin, Ministry of Plan (up to 81/82)
 -PRMC (market prices from 82/83)

Note: year goes from november 1 to october 31

Table 2.3 : Official Cereal Producer and Consumer Prices in Mali and other WAMU Countries (CFA/kg)

| | Producer Prices | | | | Consumer Prices | | | |
|-------------------------------|-----------------|---------|---------|---------|-----------------|---------|---------|---------|
| | 1980/81 | 1981/82 | 1982/83 | 1983/84 | 1980/81 | 1981/82 | 1982/83 | 1983/84 |
| millet-sorghum | | | | | | | | |
| Mali | 35 | 42.5 | 45 | 50 | 42.5 | 58 | 62.5 | 62.5 |
| Senegal | 40 | 50 | 50 | 50 | 68 | 64 | 64 | 64 |
| Burkina Fasso | 45 | 50 | 58 | 64 | 68.5 | 80 | 80 | 80 |
| Niger | 40 | 60 | 75 | 75 | 60 | 75 | 120 | 120 |
| maize | | | | | | | | |
| Mali | 35 | 42.5 | 47.5 | 50 | 42.5 | 58 | 62.5 | 62.5 |
| Senegal | 37 | 47 | 47 | 47 | 68 | 60 | 60 | 60 |
| Burkina Fasso | 45 | 50 | 55 | 60 | 68.5 | 80 | 80 | 80 |
| Niger | 40 | 60 | 75 | 75 | - | - | - | 100 |
| paddy-rice(100%broken) | | | | | | | | |
| Mali | 37.5 | 50 | 55 | 60 | 90 | 105 | 115 | 115 |
| Senegal | 41.5 | 51.5 | 51.5 | 51.5 | 92 | 92 | 105 | 130 |
| Niger | - | - | 85 | 85 | - | - | 160 | 160 |

SOURCE : PRMC

06/84

Table 2.4 : Cereal Retail Market Prices in Bamako (CFA/kg)

| | millet | | | | sorghum | | | | maize | | | | rice (RM40) | | | |
|-----------|--------|------|------|------|---------|------|------|------|-------|------|------|------|-------------|------|------|------|
| | 1982 | 1983 | 1984 | 1985 | 1982 | 1983 | 1984 | 1985 | 1982 | 1983 | 1984 | 1985 | 1982 | 1983 | 1984 | 1985 |
| January | 81 | 85 | 120 | 111 | 72 | 75 | 125 | 107 | 69 | 67 | 112 | 98 | 162 | 163 | 163 | 172 |
| February | 77 | 79 | 118 | 116 | 71 | 72 | 126 | 116 | 71 | 68 | 113 | 103 | 161 | 163 | 163 | 175 |
| March | 78 | 83 | 126 | | 71 | 74 | 132 | | 70 | 69 | 120 | | 176 | 163 | 163 | |
| April | 82 | 86 | 140 | | 72 | 78 | 146 | | 70 | 72 | 133 | | 181 | 163 | 176 | |
| May | 82 | 96 | 144 | | 74 | 90 | 147 | | 68 | 76 | 130 | | 174 | 163 | 181 | |
| June | 85 | 107 | 163 | | 84 | 96 | 175 | | 72 | 87 | 121 | | 172 | 163 | 180 | |
| July | 90 | 108 | 156 | | 89 | 96 | 152 | | 80 | 79 | 123 | | 167 | 163 | 175 | |
| August | 91 | 133 | 149 | | 86 | 125 | 144 | | 76 | 96 | 121 | | 166 | 163 | 173 | |
| September | 94 | 136 | 151 | | 83 | 129 | 155 | | 73 | 105 | 117 | | 162 | 163 | 175 | |
| October | 95 | 136 | 155 | | 80 | 134 | 154 | | 71 | 106 | 122 | | 166 | 163 | 176 | |
| November | 87 | 127 | 122 | | 81 | 126 | 123 | | 66 | 110 | 110 | | 160 | 163 | 172 | |
| December | 87 | 113 | 112 | | 77 | 123 | 106 | | 69 | 108 | 288 | | 163 | 163 | 169 | |

SOURCE : PRMC

03/85

Table 2.5 : I.E.R. Cereal Production Cost Estimates (CF9/kg)

| | 1979 | 1980 | 1981 | 1982 | 1983 | 1984 |
|------------------------------------|------|------|------|------|------|------|
| millet-sorghum(cotton rotation) | 28 | 32 | 43 | 46 | 46 | 47 |
| millet-sorghum(groundnut rotation) | 54 | 36 | 50 | 54 | 55 | 55 |
| millet-sorghum(traditional) | 37 | 42 | 59 | 63 | 63 | 63 |
| maize(cotton rotation) | | 36 | | | 52 | 52 |
| paddy(ON) | | 40 | | | 62 | 63 |
| paddy(ORM) | 30 | 41 | | | 65 | 67 |
| paddy(ORS) | 30 | 41 | | | 64 | 66 |
| paddy(natural flooding) | 36 | 41 | | | 62 | 63 |

SOURCE : I.E.R.

6/84

Table 2.6 : Official Price Schedule , Office du Niger (CFA/F)

| | 1981/82 | 1982/83 | 1983/84 | 1984/85 |
|---------------------------------------------|---------|----------|----------|----------|
| 1. paddy producer price | 50,000 | 55,000 | 60,000 | 65,000 |
| 2. moisture loss , 7% | 3,500 | 3,850 | 4,200 | 4,550 |
| 3. market and collection costs | 2,663 | 2,863 | 1,665 | 1,681 |
| 4. financial costs | 675 | 675 | 1,481 | 2,160 |
| 5. bags and strings | 2,565 | 2,425 | 2,416 | 3,187 |
| 6. transport to factory gate | 1,712 | 1,522 | 1,636 | 1,741 |
| 7. extension costs | 2,787 | 3,065 | 5,828 | 5,828 |
| 8. contribution to ON overhead | 4,456 | 4,902 | 4,902 | 4,902 |
| 9. crop protection | 250 | 250 | 250 | 250 |
| 10. cost at factory gate | 68,607 | 74,351 | 82,398 | 89,299 |
| 11. rice equivalent (62%) | 110,656 | 119,921 | 132,909 | 141,744 |
| 12. milling costs | 6,573 | 6,573 | 7,230 | 7,953 |
| 13. rice cost at factory gate | 117,229 | 126,493 | 140,130 | 149,697 |
| 14. by-products sale | (1,350) | (1,350) | (1,496) | (1,496) |
| 15. net cost at factory gate | 115,878 | 125,143 | 138,635 | 148,201 |
| 16. transportation&handling Segou warehouse | 4,614 | 5,953 | 4,837 | 3,900 |
| 17. transport losses | - | - | - | - |
| 18. cost ex-Segou warehouse | 120,492 | 130,196 | 143,472 | 152,101 |
| 19. OSRP subsidy | 110,000 | (15,000) | (41,113) | (52,450) |
| 20. sale price to OFAM | 110,492 | 115,196 | 102,359 | 99,651 |

Prices by Quality and Delivery Point (FCFA/T)

| | | | | |
|---------|--------------|---------|---------|---------|
| - ELB | - ex-factory | 137,883 | 138,417 | 136,647 |
| | - Segou | 142,936 | 143,254 | 140,547 |
| - RM25 | - ex-factory | 122,883 | 123,417 | 121,647 |
| | - Segou | 127,936 | 128,254 | 125,547 |
| - RM 40 | - ex-factory | 97,883 | 98,417 | 96,647 |
| | - Segou | 102,936 | 103,254 | 100,547 |
| - BB | - ex-factory | 87,883 | 88,417 | 86,647 |
| | - Segou | 92,936 | 93,254 | 90,547 |

SOURCE:Decrets de campagne

03/85

Table 2.7 : Official Price Schedule , Operation Riz Nopti (CFA/MT)

| | 1981/82 | 1982/83 | 1983/84 | 1984/85 |
|--------------------------------|---------|---------|---------|---------|
| 1. paddy producer price | 50000 | - | - | - |
| 2. moisture loss , 7% | 3590 | - | - | - |
| 3. market and collection costs | 5662 | - | - | - |
| 4. pick-up costs | 4768 | - | - | - |
| 5. extension costs | 14124 | - | - | - |
| 6. contribution to overhead | - | - | - | - |
| 7. crop protection | 250 | - | - | - |
| 8. paddy cost millgate | 76504 | - | - | - |
| 9. rice equivalent (62%) | 123393 | - | - | - |
| 10. milling costs | 9491 | - | - | - |
| 11. by-product sales | -1350 | - | - | - |
| 12. rice millgate cost | 131534 | - | - | - |
| 13. paddy bag wear | 3742 | - | - | - |
| 14. B'TWILL BAGS | - | - | - | - |
| 15. bagged rice cost | 135275 | - | - | - |

SOURCE : Marketing Decrees , 1981-84

03/85

Table 2.8 : Official Price Schedule , Operation Riz SEGOU (CFA/MT)

| | 1981/82 | 1982/83 | 1983/84 | 1984/85 |
|-----------------------------------|---------|---------|---------|----------|
| 1. paddy producer price | 50,000 | 55,000 | 60,000 | 65,000 |
| 2. moisture loss , 7% | 3,500 | 3,850 | 4,200 | 4,550 |
| 3. market and collection costs | 1,749 | 1,749 | 2,665 | 2,711 |
| 4. paddy bags wear | 2,331 | 2,135 | 2,185 | 2,973 |
| 5. pick-up&handling costs | 1,495 | 1,495 | 1,295 | 1,295 |
| 6. extension&overhead cnsts | 5,000 | 5,500 | 6,050 | 6,050 |
| 7. crop protection | 250 | 250 | 250 | 250 |
| 8. paddy paldergate cost | 64,324 | 69,978 | 76,649 | 82,829 |
| 9. transport to millgate&handling | 3,568 | 2,819 | 2,574 | 2,574 |
| 10. paddy millgate cost | 67,892 | 72,797 | 79,223 | 85,402 |
| 11. rice equivalent (62%) | 109,502 | 117,415 | 127,778 | 137,745 |
| 12. milling costs | 8,790 | 8,790 | 8,790 | 9,668 |
| 13. by-product sales | 350 | (350) | (1,496) | (1,496) |
| 14. unbagged rice millgate cost | 118,642 | 125,854 | 135,072 | 145,917 |
| 15. B'TMILL BAGS | - | - | - | - |
| 15. bagged rice cost | 118,642 | 125,854 | 135,072 | 145,917 |
| 16. OSRP subsidy (1) | - | - | - | (46,266) |
| 17. Selling price | 118,642 | 125,854 | 135,072 | 99,651 |

Note: (1)-beginning in 84/85, the subsidy is paid to ORS and not to OPAM

Prices by Quality and Delivery Point (FCFA/T)

| | | | | |
|---------|--------------|---------|---------|---------|
| - ELB | - ex-factory | 153,675 | 175,960 | 140,547 |
| - RM25 | - ex-factory | 139,675 | 160,960 | 125,547 |
| - RM 40 | - ex-factory | 113,675 | 135,960 | 100,547 |
| - BB | - ex-factory | 103,675 | 125,960 | 90,547 |

SOURCE:Decrets de campagne

03/85

Table 2.9 : Mali - OSRF Operations

| | 1981 | 1982 | 1983 | 1984 (proj) |
|-----------------------------|---------|-------|-------|-------------|
| RECETTES TOTALES | 3,415 | 4,133 | 1,685 | 2,168 |
| ===== | ===== | ===== | ===== | ===== |
| Top arachides | 75 | 3,784 | 0 | 0 |
| Top coton | 0 | 0 | 0 | 0 |
| Top difference de Structure | 2,625 | 0 | 1,660 | 1,600 |
| Top Marchandises Diverses | 347 | 0 | 0 | 138 |
| Top boissons alcooliques | 291 | 0 | 0 | 0 |
| Contr et divers | 75 | 349 | 25 | 450 |
| Moins reversements Tresor | (1,571) | (253) | (37) | 0 |
| Moins reversements FR | 0 | 0 | (43) | 0 |
| RECETTES CONSOLIDEES | 1,844 | 3,880 | 1,605 | 2,188 |
| ===== | ===== | ===== | ===== | ===== |
| DEPENSES TOTALES | 3,287 | 2,374 | 1,200 | 2,125 |
| ===== | ===== | ===== | ===== | ===== |
| Personnel | 9 | 11 | 11 | 34 |
| Materiel | 24 | 23 | 40 | 55 |
| Soutien arachides | 34 | 856 | 101 | 68 |
| Soutien Coton | 0 | 0 | 16 | 0 |
| Soutien cereales | 1,600 | 1,130 | 930 | 1,936 |
| Regulations diverses | 1,620 | 354 | 102 | 30 |
| Moins reversements Tresor | (1,571) | (253) | (37) | 0 |
| Moins reversements FR | 0 | 0 | (43) | 0 |
| DEPENSES CONSOLIDEES | 1,716 | 2,121 | 1,120 | 2,125 |
| ===== | ===== | ===== | ===== | ===== |
| PRETS NETS | 32 | 24 | (9) | (47) |
| ===== | ===== | ===== | ===== | ===== |
| Avances | 32 | 39 | 50 | 0 |
| Remboursements | 0 | (15) | (59) | (47) |
| EXCEDENT (DEFICIT) | 96 | 1,735 | 494 | 110 |
| ===== | ===== | ===== | ===== | ===== |

6/2/85

Table 3.1 : OPAM Activities (000MT)

| | 1971/72 | 1972/73 | 1973/74 | 1974/75 | 1975/76 | 1976/77 | 1977/78 | 1978/79 | 1979/80 | 1980/81 | 1981/82 | 1982/83 | 1983/84 |
|----------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Domestic purchases | 62 | 31 | 47 | 95 | 136 | 86 | 72 | 92 | 56 | 35 | 41 | 41 | 25 |
| Commercial imports | 31 | 68 | 81 | 15 | 0 | 0 | 10 | 15 | 20 | 12 | 11 | 0 | 17 |
| Food aid | 32 | 103 | 153 | 77 | 12 | 0 | 46 | 47 | 15 | 33 | 53 | 80 | 143 |
| Total resources | 125 | 202 | 281 | 187 | 148 | 86 | 128 | 154 | 91 | 80 | 105 | 121 | 185 |
| Domestic sales/dist. | 78 | 136 | 172 | 111 | 95 | 105 | 91 | 79 | 87 | 68 | 64 | 96 | 130 |
| Exports | 0 | 0 | 0 | 0 | 7 | 29 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Uses | 78 | 136 | 172 | 111 | 102 | 134 | 91 | 79 | 87 | 68 | 64 | 96 | 130 |

SOURCE : OPAM

01/85

Table 3.2 : OPAM Storage Facilities

| | OWNED | | | | | | RENTED/BORROWED | | TOTAL | | | | |
|--------------|----------------|--------------|-----------|-----------------|--------------|----------|-----------------|-----------|--------------|--------------|-----------|--------------|---------------|
| | Regular stocks | | | Security stocks | | | | | | | | | |
| | warehouses | silos | total | warehouses | silos | total | | | | | | | |
| | No cap. (MT) | No cap. (MT) | (MT) | No cap. (MT) | No cap. (MT) | (MT) | No cap. (MT) | (MT) | | | | | |
| Bamako | 6 | 8365 | 13 | 6500 | 14865 | 0 | 0 | 0 | 0 | 1 | 300 | 15165 | |
| Kayes | 5 | 3950 | 0 | 0 | 3950 | 3 | 7200 | 0 | 0 | 7200 | 7 | 1350 | 12500 |
| Koulikoro | 12 | 7200 | 0 | 0 | 7200 | 0 | 0 | 0 | 0 | 0 | 21 | 3030 | 10230 |
| Sikasso | 6 | 6250 | 0 | 0 | 6250 | 2 | 2400 | 0 | 0 | 2400 | 6 | 1365 | 10015 |
| Segou | 20 | 15180 | 0 | 0 | 15180 | 2 | 6000 | 10 | 5000 | 11000 | 10 | 3410 | 29590 |
| Mopti | 18 | 12750 | 0 | 0 | 12750 | 0 | 0 | 16 | 8000 | 8000 | 17 | 3295 | 24045 |
| Timbuktu | 7 | 9265 | 0 | 0 | 9265 | 2 | 2400 | 0 | 0 | 2400 | 9 | 995 | 12660 |
| Bao | 7 | 2710 | 0 | 0 | 2710 | 0 | 0 | 12 | 5000 | 5000 | 15 | 3260 | 10970 |
| Total | 81 | 65670 | 13 | 6500 | 72170 | 9 | 18000 | 38 | 18000 | 36000 | 86 | 17005 | 125175 |

SOURCE : OPAM

06/84

Table 3.3 : OPAM Local Cereal Purchases by Source and OSRP Support Paid to OPAM

| Seller | Commodity | 1981/82 | | | 1982/83 | | | 1983/84 | | | 1984/85(budg) | | |
|--------------|-----------|----------------|-------------------|---------------------|----------------|-------------------|---------------------|----------------|-------------------|---------------------|----------------|-------------------|---------------------|
| | | volume (MT) | price (CFA/KG) | subsidy (CFA/KG) |
| Direct | mil/sorgh | 3,578 | 46 | 6 | 3,896 | 53 | 11 | 1,146 | 62 | | 1,400 | | |
| | maize | 629 | 46 | 6 | 2,076 | 53 | 14 | 60 | 62 | | 100 | | |
| | rice | 19 | 0 | | 0 | | 0 | 5 | | | 0 | | |
| Cooperatives | mil/sorgh | 2,428 | | 19 | 3,078 | 57 | 21 | 466 | 62 | | 0 | | |
| | maize | 131 | | 23 | 750 | 57 | 23 | 32 | 62 | | 0 | | |
| | rice | 4 | | | 0 | | | 0 | | | 0 | | |
| | paddy | 0 | | | 31 | | | 0 | | | 0 | | |
| CNDT | mil/sorgh | 5,156 | 50 | 10 | 0 | | | 21 | 62 | | 100 | | |
| | maize | 3,326 | 64 | 25 | 8,390 | 65 | 22 | 1,407 | 62 | | 100 | | |
| | rice | 277 | 105 | 12 | 569 | 119 | 17 | 182 | | | 300 | | |
| | paddy | 0 | | | 10 | | | 0 | | | 0 | | |
| ON | rice | 17,736 | 111 | 0 | 18,986 | 99 | 0 | 17,097 | 141 | | 28,000 | | |
| ORS | rice | 3,794 | 119 | 9 | 3,399 | 116 | 13 | 4,631 | 141 | | 4,700 | | |
| ORM | rice | 1,589 | 136 | 14 | 0 | | | 0 | | | 0 | | |
| OHM | mil/sorgh | 2,101 | 50 | 10 | 142 | 51 | 7 | 0 | | | 0 | | |
| OZL | mil/sorgh | 169 | | | 0 | | | 0 | | | 0 | | |
| | rice | 66 | | | 0 | | | 0 | | | 0 | | |
| ABD | wheat | 24 | | | 0 | 87 | | 0 | | | 0 | | |
| TOTAL | mil/sorgh | 13,432 | | | 7,116 | | | 1,633 | 62 | | 2,000 | | |
| | maize | 4,086 | | | 11,216 | | | 1,499 | 62 | | 1,000 | | |
| | rice | 23,485 | | | 22,954 | | | 21,915 | 141 | | 33,000 | | |
| | paddy | 0 | | | 41 | | | 0 | | | 0 | | |
| | wheat | 24 | | | 0 | | | 0 | | | 0 | | |
| GRAND TOTAL | | 41,027 | | | 41,327 | | | 25,047 | | | 36,000 | | |

SOURCE : PRMC , OPAM

01/85

Table 3.4 : OPAM Direct Purchases (MT)

| Region | Commodity | 1982/83 | | | 1983/84 | 1984/85(budg) |
|---------------|-----------|------------|---------|-------|---------|---------------|
| | | Own Agents | Traders | Total | Total | Total |
| Kayes | mil/sorgh | 194 | 562 | 756 | 0 | 400 |
| | maize | 53 | 150 | 203 | 16 | 0 |
| | total | 247 | 712 | 959 | 16 | 400 |
| Koulikouro | mil/sorgh | 844 | 128 | 972 | 115 | 300 |
| | maize | 639 | 240 | 879 | 14 | 350 |
| | total | 1,483 | 368 | 1,851 | 129 | 650 |
| Sikasso | mil/sorgh | 207 | 286 | 493 | 87 | 700 |
| | maize | 446 | 57 | 503 | 14 | 650 |
| | total | 653 | 343 | 996 | 101 | 1,350 |
| Segou | mil/sorgh | 1,349 | 133 | 1,482 | 168 | 550 |
| | maize | 237 | 15 | 252 | 16 | 0 |
| | total | 1,586 | 148 | 1,734 | 184 | 550 |
| Mopti | mil/sorgh | 116 | 0 | 116 | 75 | 50 |
| Timbuktu | mil/sorgh | 37 | 0 | 37 | 0 | 0 |
| | maize | 176 | 13 | 189 | 0 | 0 |
| | total | 213 | 13 | 226 | 0 | 0 |
| Total | mil/sorgh | 2,747 | 1,109 | 3,856 | 1,145 | 2,000 |
| | maize | 1,551 | 475 | 2,026 | 60 | 1,000 |
| GRAND TOTAL | all | 4,298 | 1,584 | 5,882 | 1,205 | 3,000 |
| SOURCE : OPAM | | | | | | 01/85 |

Table 3.5 : OPAM Sales/Distributions by Region (MT)

| | 1973/74 | 1974/75 | 1975/76 | 1976/77 | 1977/78 | 1978/79 | 1979/80 | 1980/81 | 1981/82 | 1982/83 | 1983/84 |
|-----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Bamako | 56,010 | 35,346 | 39,543 | 43,628 | 34,757 | 39,915 | 35,782 | 29,998 | 25,049 | 50,060 | 43,451 |
| Kayes | 21,554 | 21,725 | 16,456 | 13,173 | 11,170 | 5,549 | 4,086 | 2,708 | 5,653 | 8,291 | 12,341 |
| Koulikoro | 16,891 | 17,824 | 8,178 | 9,021 | 8,567 | 2,482 | 4,297 | 5,674 | 4,287 | 3,780 | 6,871 |
| Sikasso | 10,669 | 6,208 | 4,647 | 9,083 | 8,865 | 5,743 | 6,792 | 4,980 | 3,901 | 4,407 | 5,143 |
| Segou | 25,524 | 6,931 | 4,305 | 5,414 | 12,484 | 10,395 | 13,524 | 8,426 | 4,838 | 10,963 | 11,065 |
| Mopti | 19,620 | 5,335 | 2,608 | 4,706 | 6,412 | 6,050 | 10,684 | 6,926 | 4,645 | 12,296 | 13,751 |
| Timbuktu | 8,507 | 6,518 | 4,102 | 6,165 | 3,630 | 4,793 | 4,782 | 3,829 | 5,090 | 12,942 | 18,712 |
| Gao | 12,897 | 11,036 | 15,406 | 13,423 | 4,989 | 2,813 | 7,140 | 5,208 | 10,193 | 13,413 | 13,905 |
| TOTAL | 172,072 | 110,923 | 95,245 | 104,615 | 90,874 | 77,740 | 87,087 | 67,749 | 63,656 | 96,152 | 125,239 |

SOURCE : OPAM

01/85

Table 3.6 : OPAM Sales/distribution by Product (MT)

| | 1980/81 | 1981/82 | 1982/83 | | total |
|----------------|---------|---------|----------|----------|-------|
| | | | domestic | imported | |
| millet/sorghum | 16601 | 9231 | 11134 | 4320 | 15454 |
| maize | 9101 | 14608 | 7679 | 16479 | 24158 |
| wheat | 1370 | 7407 | 0 | 3402 | 3402 |
| rice | 40676 | 32410 | 24796 | 28342 | 53138 |
| TOTAL | 67748 | 63656 | 43609 | 52543 | 96152 |

SOURCE : OPAM

06/84

Table 3.7 : OPAM Finances (CFA millions)

| | 1977/78 | 1978/79 | 1979/80 | 1980/81 | 1981/82 | 1982/83 | 1983/84 (prov) | 1984/85 (budg) |
|----------------------------|---------|---------|---------|---------|---------|---------|----------------|----------------|
| Sales 1/ | 4,578 | 4,424 | 3,595 | 3,846 | 3,367 | 5,734 | 4,527 | 4,195 |
| of which : (rice) | | | | | (2716) | (4031) | (3009) | (3891) |
| (mil/sorgh/maize) | | | | | (532) | (1532) | (1218) | (172) |
| (wheat) | | | | | (1) | (1) | (81) | |
| (bags) | | | | | (118) | (170) | (140) | (132) |
| Other Revenue | 22 | | | | 413 | 5 | 0 | 0 |
| TURNOVER | 4,600 | 4,424 | 3,595 | 3,846 | 3,780 | 5,739 | 4,527 | 4,195 |
| minus : cost of goods sold | | | | | | | | |
| = beginning inventory | 740 | 758 | 1,203 | 1,485 | 705 | 1,219 | 591 | 36 |
| + purchases 1/ | 3,335 | 4,469 | 5,564 | 3,671 | 3,943 | 4,658 | 3,556 | 3,843 |
| of which : (rice) | | | | | (2789) | (3233) | | |
| (mil/sorgh/maize) | | | | | (933) | (1251) | | |
| (wheat) | | | | | (2) | (0) | | |
| (bags) | | | | | (216) | (153) | (144) | |
| (phyt. prod) | | | | | (3) | (21) | (13) | |
| - ending inventory | 758 | 1,203 | 1,457 | 705 | 1,219 | 591 | 36 | 14 |
| COST OF GOODS SOLD | 3,316 | 4,025 | 5,309 | 4,451 | 3,429 | 5,286 | 4,111 | 3,865 |
| GROSS INCOME | 1,262 | 399 | (1,714) | (605) | 352 | 453 | 416 | 330. |
| salaries&personnel | 237 | 288 | 279 | 262 | 270 | 286 | 284 | 297 |
| taxes | 7 | 8 | 27 | 36 | 54 | 57 | 52 | 52 |
| services | 336 | 371 | 728 | 260 | 251 | 262 | 356 | 289 |
| of which : (handling) | | | | | | (115) | | |
| transport | 556 | 1,071 | 624 | 625 | 604 | 524 | 284 | 185 |
| of which : (OPAM) | | | | | (252) | (232) | | |
| (private) | | | | | (352) | (292) | | |
| milling | 35 | 31 | 52 | 0 | 0 | 0 | 0 | 0 |
| financial | 235 | 396 | 477 | 504 | 489 | 466 | 393 | 62 |
| of which : (seasonal) | | | | | (29) | (52) | | |
| depreciation | 180 | 329 | 309 | 231 | 201 | 156 | 155 | 170 |
| miscellaneous | 46 | 94 | 64 | 130 | 97 | 127 | 130 | 114 |
| TOTAL EXPENDITURES | 1,632 | 2,587 | 2,559 | 2,046 | 1,965 | 1,877 | 1,654 | 1,169 |
| OPERATING INCOME | (370) | (2,188) | (4,273) | (2,651) | (1,613) | (1,424) | (1,238) | (839) |
| SUBSIDIES | 0 | 942 | 1,540 | 1,749 | 1,612 | 1,423 | 1,238 | 838 |
| of which - OSRP /2 | | 942 | 428 | 1,362 | 750 | 847 | 350 | 62 |
| - CNAVS/SMS | | | 549 | 328 | 174 | 117 | 234 | 376 |
| - PRMC | | | | | 672 | 452 | 354 | 400 |
| - of which : (overhead) | | | | | (220) | | (262) | (353) |
| (operating) | | | | | (452) | | (92) | (47) |
| - Other | | | 564 | 60 | 16 | 8 | 300 | |
| nono items : | | | | | | | | |
| - BCEAD short-term debt | 5,904 | | 9,200 | 9,249 | 10,000 | | | |
| - losses (% of sales) | | | | | 7 | 6 | 4 | |
| - transport/sales | 0.1215 | 0.2421 | 0.1736 | 0.1624 | 0.1794 | 0.0914 | 0.0627 | 0.0441 |

SOURCES : PRMC , OPAM , ACDI

01/85

Note - OPAM fiscal year : Sept 1 - Aug 31

footnotes:

1/ sales and purchases include transfers from SNS (purchases of CFA 253,863 and 0 million respectively in 82/83, 83/84 and 84/85.
2/ starting in 1984/85, OSRP subsidies are paid directly to sellers, except for OPAM direct purchases

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Table 3.B : OPAM Staff Distribution (01/81)

| | 1975 | 1979 | 1981 | 1983 | 1984 | 1985 (budget) |
|-----------|------|------|------|------|------|---------------|
| Bamako | 283 | 349 | 320 | 261 | 268 | |
| Bayes | 100 | 96 | 107 | 97 | 83 | |
| Koulikoro | 70 | 68 | 68 | 81 | 70 | |
| Sikasso | 44 | 86 | 77 | 68 | 77 | |
| Segou | 65 | 141 | 120 | 70 | 101 | |
| Mopti | 63 | 96 | 92 | 92 | 73 | |
| Gao | 57 | 70 | 58 | 58 | 64 | |
| Timbuktu | 71 | 69 | 76 | 66 | 52 | |
| TOTAL | 753 | 995 | 958 | 863 | 792 | 753 |

SOURCE : OPAM

01/85

Table 4.1 : Counterpart Fund Ins and Outs (CFA millions)

| | 1981/82 | 1982/83 | 1983/84 |
|--------------------------------------|------------|--------------|--------------|
| Ins | | | |
| gross food aid reflows | 1,414 (1) | 3,405 (2) | 3,546 (2) |
| Mali-lait reflows (4) | - | - | 141 |
| minus : OPAM costs | 539 (1) | 697 (2) | 480 (2) |
| of which - transportation | -289 | -341 | -151 |
| - handling | -30 | -73 | -67 |
| - overhead | -220 | -283 | -262 |
| Carryover | 5 | 166 | 1,059 |
| TOTAL available = net reflows | 880 | 2,874 | 4,266 |
| Outs | | | |
| OPAM deficit | 452 (1) | 330 (3) | 450 (3) |
| cereal imports(5) | - | 500 (2) | 1,200 (2) |
| security stock | - | 725 (1) | - |
| producer price support | 262 (1) | 260 (2) | - |
| Marketing liberalization suppo | - | - | 1,800 (4) |
| OPAM purchases(6) | - | - | 750 (4) |
| TOTAL uses | 714 | 1,815 | 4,200 |
| Surplus carried over | 166 | 1,059 | 66 |
| Unallocated | | | 66 |
| memo items : | | | |
| - cereals provided by PRMC | 26,324 | 36,330 | 40,130 |
| - transportation unit cost | 10,979 | 9,386 | 3,763 |
| - handling unit cost (CFA/M) | 1,444 | 2,009 | 1,670 |
| - overhead unit cost (CFA/M) | 8,357 | 7,790 | 6,529 |
| SOURCE : PRMC | | | 02/85 |

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Table 4.2 : PRMC Food Aid Contributions by Source (000MT)

| | 1981/82 | 1982/83 |
|---------------|---------|---------|
| WFP | 5710 | 16170 |
| EEC | 9640 | 5070 |
| France | 4940 | 4940 |
| Canada | 5000 | 7000 |
| FRG | 5960 | 8000 |
| Holland | 0 | 1680 |
| U.K. | 810 | 0 |
| PRMC SUBTOTAL | 32060 | 42860 |
| Non-PRMC Aid | 21400 | 36770 |
| TOTAL | 53460 | 79630 |
| PRMC/TOTAL | 0.60 | 0.54 |
| SOURCE : PRMC | | 06/84 |