Final Report

Competitiveness of Wheat Flour, Produced By *Grands Moulins Du Mali* and Food Security in Mali

Policy Analyses and Private Sector Strengthening

SUBMITTED TO
USAID/Mali

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LIST OF ABBREVIATIONS

ACP	Africa-Caribbean-Pacific
BNDA	Banque Nationale de Développement Agricole
CET	Common External Tariff
CFD	Caisse Française de Développement
CMC	Cereals Management Committee
DRC	Domestic Resource Cost
EC	European Commission
EEP	Export Enhancement Program
EPC	Effective Protection Coefficient
EU	European Union
GMM	Grands Moulins du Mali
NPC	Nominal Protection Coefficient
PACCEM	Projet de Commercialisation des Céréales au Mali Rural
TCI	Taxe Conjoncturelle d'Importation
VAT	Value-Added Tax
WAEMU	West African Economic and Monetary Union
WTO	World Trade Organization

COMPETITIVENESS OF WHEAT FLOUR PRODUCED BY *GRANDS MOULINS DU MALI* AND FOOD SECURITY IN MALI

I. Introduction

1.1 Background and Rationale for the Study

Mali, a large landlocked country in the Sahara desert, ranks among the poorest countries in the world. With an annual per capita income estimated at nearly US$ 270, the country faces food security. Concerned with this low level of income, the Malian government decided to put the struggle against poverty at the top of its development efforts in the years to come. This commitment led to the adoption, by the Government and its partners, of a National Poverty Reduction Strategy which aims to, among other things, ensure a healthy diet for all Malians, especially the poor ones.

A budget/consumption survey conducted in 1988/89 in Mali indicated that cereals meet nearly 90% of Malians' daily caloric requirements estimated at 2,370 calories. Among cereals, wheat is increasingly playing an important role in Malian diet because of both the growing opportunity cost of housewives and volatile supply of traditional cereals resulting from unstable rainfall.

According to official statistics, annual national demand for wheat flour designed for bakeries fluctuates between 55,000 and 60,000 tons, of which 22,000 to 24,000 tons are supplied by *Grands Moulins du Mali* (GMM) that holds monopoly power for imports of wheat to be milled into flour. Thus, GMM market share can be assessed to be lower than 50%, while its annual milling capacity is close to 55,000 tons. Wheat milled by GMM originates in large part from Europe (60-70%), the remainder being either imported commercially from the United States or bought in the national market under the Canadian food aid program. The challenge faced by the Government is how to put in place a judicious policy that takes into account both GMM interest in the context of the industrialization plan and the welfare of consumers through affordable bread prices to ensure greater food security.

From its creation until the devaluation of the CFA franc in January 1994, GMM benefited from a strong protection, with an approximately 80% levy on the CIF value of flour, in addition to the Value-Added Tax (VAT). Fearing a large increase in bread price after the devaluation, the Government lowered import duties on wheat flour to 20%. At the same time, taxation of GMM wheat imports was reduced from 15% to 5%, and a subsidy was granted to the local mill as compensation for the losses resulting from the government's price-setting policy for wheat flour. Because of the budget pressure created by this subsidy, and given the government's commitment to adhere to the Structural Adjustment Program of the international financial institutions, the subsidy was replaced by the 25% Taxe *Conjoncturelle d'Importation* (TCI) that was supposed to be applied temporarily on imported wheat to secure a share of the national market for GMM.

1.2 Objectives of the Study

In light of the developments in the wheat flour subsector, this study aims to examine the competitiveness of wheat flour produced by GMM and propose viable trade and food policies to Malian policy makers. More specifically, the study will seek to address the following issues:

- Given the high protection granted to domestic flour, is it economically viable for Mali to produce wheat flour? If Mali has a comparative advantage in supplying wheat flour to its domestic market, the study will show that high tariffs are not needed to make wheat processing a viable activity. Then, the issue is whether Mali can export wheat flour competitively to the northern regions of Guinea and Cote d'Ivoire that are far from their respective port where domestic flour is produced. If, however, Mali has no comparative advantage in producing wheat flour, neither for the domestic market nor for regional markets, the study will attempt to identify limiting factors and determine whether they are technical, institutional or managerial.

- Given current food and trade policies, is it financially profitable for GMM to produce wheat flour to supply Bamako and other markets? If this is the case, what is the impact of such financial profitability on bakers and bread consumers? If this is not the case, which trade policies could be set up to keep GMM in operation, while allowing wheat flour imports from regional or international markets in order to improve food security?

- Given that bread has become a staple food for urban consumers and contributes to food security for them, is it possible to liberalize bread and wheat flour markets without leading to social unrest? If this is the case, which policies should be put in place in order to achieve a smooth transition from an administered market to a liberalized one?

In seeking an answer to those questions, the study will first discuss supply and demand conditions in the Malian wheat flour market. The, it will then examine the supply of wheat and wheat flour in the international market, as well as Malian trade policies in response to this supply. Finally, it will assess the comparative advantage and competitiveness of Malian wheat flour and propose trade and food policies in order to improve food security in Mali.

II. The Domestic Wheat Flour Market in Mali

2.1 Wheat Flour Demand

Mali's demand for wheat flour comprises both demand for local and imported wheat, and demand for imported flour. Of a total of 26,974 tons of wheat milled in 1999, 6,681 tons were produced in the country while 20,293 tons were imported from international markets. The national demand for wheat flour is obtained by applying a 75% milling rate

to the total quantity of milled wheat and adding 32,428 tons of imported flour. As a result, the estimated national demand for wheat flour was 52,658 tons in 1999. With a total population of 9.8 million people, per capita demand for wheat flour was 5.4 kg in 1999. Table 2.1 shows that per capita consumption of wheat flour rose from 3.1 kg in 1990 to 5.4 kg in 1999, representing an annual growth of nearly 8%. This percentage higher than the Malian urbanization rate suggests that wheat flour consumption is clearly increasing in rural areas and that, at such a pace, per capita demand should exceed 7.5 kg in 2002 and reach 10.2 kg by 2006.

2.2 Wheat Flour Supply

2.2.1 Supply from Grands Moulins du Mali

Besides some limited artisanal processing of local wheat in northern Mali (tô, porridge, bread, pancakes, pasta), the bulk of wheat is processed into flour by GMM in its mills located in Koulikoro. The plant, created in 1982 with financial support from *Caisse Française de Développement* (CFD) and *Banque Nationale de Développement Agricole* (BNDA), has an annual production capacity of 60,000 tons for flour, 15,000 tons for maize, 15,000 tons for sorghum and 20,000 tons for animal feed. However, it has never operated at full capacity, producing only 25,000 tons of flour and 5,000-8,000 tons for animal feed, while maize and sorghum mills were never operational. A thorough analysis of the wheat flour market shows that GMM share declined over the years, from 90% in 1993 to below 30% in 1999. This decline happened despite the fact that the TCI was introduced in 1998 to protect GMM, raising the issue of local flour competitiveness and GMM long-term viability.

GMM supply of wheat flour is based on local wheat production and commercially imported wheat. Local production originates from the Timbuktu region, more specifically from Diré and Goundam districts. The relatively low production of local wheat is gradually increasing over the years, with support from both CARE/Mali-funded PACCEM Project (*Projet d'Appui à la Commercialisation des Céréales au Mali*) and the *Mali Nord* Project. Local wheat production rose from slightly over 1,000 tons in 1988/89 to over 7,000 tons in 1999/2000 growing season, as shown in Table 2.2.

Wheat imports come mainly from the European Union, and particularly from France. European wheat is often mixed with American wheat with the proportion of 70% for European wheat and 30% for American wheat, enabling to obtain bread-making wheat flour relatively rich in minerals and protein.

As shown in Figure 2.1, GMM wheat imports fluctuated widely between 1990 and 1999, rising in 1991-92, 1994-95 and 1996-97 and declining during the remaining periods. The decline seems more significant between 1997 and 1999, in spite of subsidies and protection measures taken by the Malian Government to make GMM flour production more viable.

Table 2.1 Annual Wheat Flour Consumption

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Imported wheat (t)	29447	20466	31191	31046	26675	30939	30426	33012	25269	20293
Local wheat (t)	2058	2066	4805	1256	2210	2649	3806	3159	2720	6681
Total wheat (t)	31505	22532	35996	32301	28885	33588	34232	36171	27989	26974
Flour equivalent (t)	23629	16899	26997	24226	21664	25191	25674	27129	20991	20230
Imported flour (t)	1572	3768	5283	1900	1842	1923	15084	14876	33230	32428
Total flour (t)	25201	20667	32280	26126	23506	27114	40758	42005	54221	52658
Population (000)	8129.6	8289.2	8464.3	8648.6	8831.7	9012.9	9190.9	9362.5	9579.6	9801.3
Consumption (kg/hbt)	3.1	2.5	3.8	3.0	2.7	3.0	4.4	4.5	5.7	5.4

Source **:** CPS, GMM et Customs

Besides GMM, there is also a small flour mill in Segou (*Minoterie Tiédié Koné* or MTK) that has a capacity of approximately 4,000 tons per year. MTK ground about 800 tons of wheat in 2000 and has had a hard time meeting wheat flour demand in the Segou region, owing partly to wheat procurement constraints.

2.2.2 Supply of Wheat Flour Imported by Private Agents

According to Figure 2.1, wheat flour imports displayed an upward trend between 1995 and 1998, thanks to the reduction in import duties from 80% to 20%. Imports, which originate mainly from France, land in the port of either Dakar or Abidjan. It appears, however, that some wheat flour is imported informally from Mauritania and Guinea and is accounted for in the official statistics.

III. The International Market for Wheat and Wheat Flour, and Malian Trade Policy

3.1 Evolution of The World Wheat Market

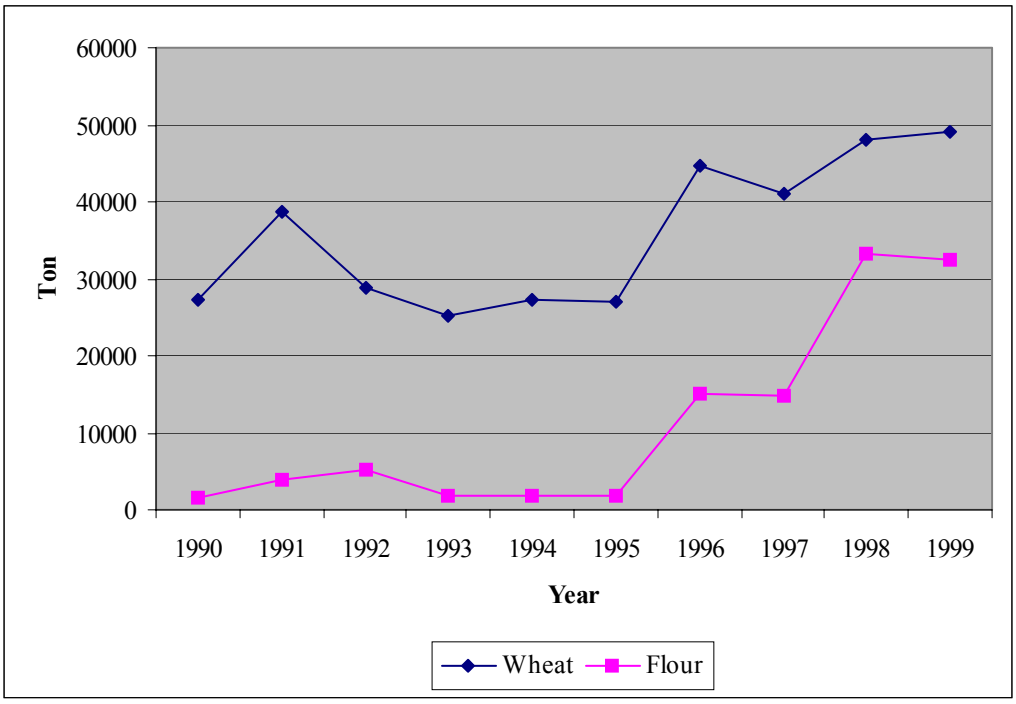
World production of wheat was estimated at over 576,000 tons for the year 2000 and was essentially dominated by a small group of countries: European Union (EU), China, India, United States, Russia, Canada, Australia and Argentina. The production of these countries was 18.31%, 17.24%, 12.88%, 10.50%, 8.62%, 4.65%, 3.39%, and 2.86%, respectively, totaling nearly 78.46% of the world supply of wheat. For the 1995-2000

Table 2.2 Evolution of Local Wheat Production

	1988/89	**1989/90**	**1990/91**	**1991/92**	**1992/93**	**1993/94**	**1994/95**	**1995/96**	**1996/97**	**1997/98**	**1998/99**	**1999/00**
Area Planted (ha)	908	1555	1522	2823	898	710	1627	2885				
Area Harvested (ha)	908	1531	1522	2523	748	715	1472	2561	1607	2133	2680	3496
Production (ton)	1211	2058	2066	4805	1256	2210	2649	3806	3159	2720	6681	7585
Yield (t/ha)	1.3	1.3	1.4	1.9	1.7	3.1	1.8	1.5	2.0	1.3	2.5	2.2

Source: Pelletier et al. (2001) for 1988/89 to 1995/96 data, and CPS/MDR (2001) for the remainder.

Figure 2.1 Evolution of Wheat and Wheat Flour Imports in Mali (1990-99)



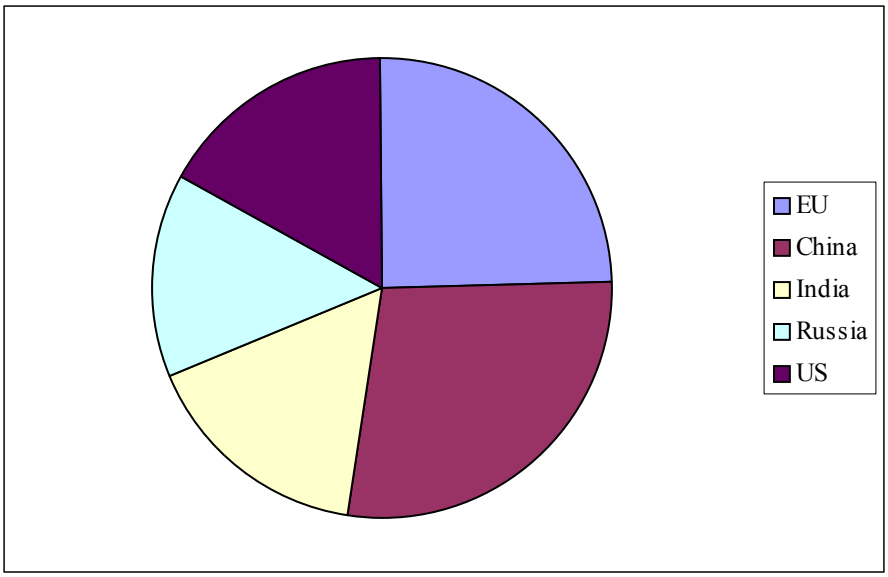
Source: GMM and Customs.

period, Figure 3.1 shows the following distribution of the world production of wheat: 18.86% for China, 16.85% for the EU, 11.69% for India, 10.91% for the USA, 8.84% for Russia, 4.49% for Canada, 3.57% for Australia and 2.41% for Argentina. Thus, this group of countries supplies generally over three quarters of the world's wheat production.

The ranking of these countries looks quite different, however, when one considers wheat exchanges in the world, as shown by Figure 3.2. According to data from the United States Department of Agriculture (USDA) and FAO, exports for the 1995-99 period were distributed as follows: 29% for the USA, 27% for the EU, 18% for Canada, 12% for Australia, and 6% for Argentina. India and China, on the other hand, are barely self-sufficient in wheat. Thus, the total share of the major wheat exporters was nearly 90% over the above-mentioned period.

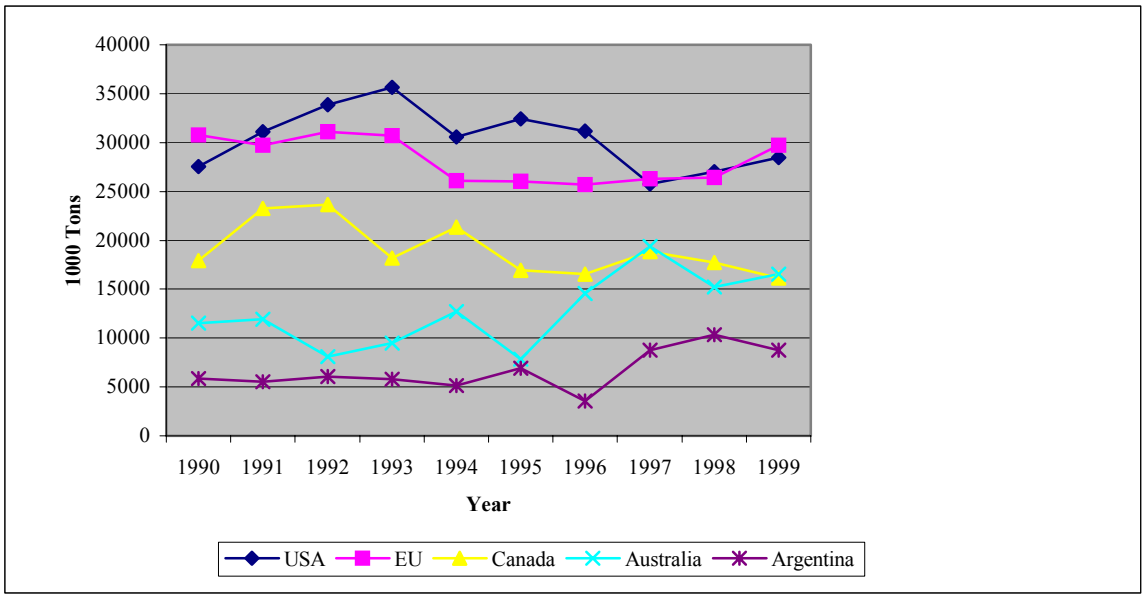
Since 1975/76, American exports have been marked by strong fluctuations, with a peak of 50 million tons in 1981/82 and a low of 25 million tons in 1985/86. While the US share of world exports of wheat was close to 45% in 1981, it varied between 25% and 30% during the 1990-99 period. Several factors contributed to this decline. First, while US supply increased by 15% between the late 70s and the late 90s, that of the EU grew by almost 45% during the same period. The surge in the EU supply was driven by the incentive measures featured in the European agricultural policies, leading to huge surpluses that could be absorbed only through an aggressive trade policy. Furthermore, other countries that were net wheat importers adopted policies promoting their local

Figure 3.1. Shares of the Major Wheat Producers



Source: FAO

Figure 3.2. Wheat Export Volumes in 1990-99



Sources: FAO and USDA.

production, coupled with policies that restricted wheat imports so as to protect their national production. That was the case, for example, for Morocco and the Philippines for which production has been increasing steadily since the early 80's.

US exports of wheat flour, much more limited than those of wheat grain, averaged 740,000 tons during the 1995-99 period, for a value of $1.6 billion. These figures are way below those of EU exports, estimated over 4 million tons valued at nearly $10 billion for the same period, making EU the world leader among wheat flour exporters. Wheat flour exports are more limited than exports of the grain because many countries choose to import unprocessed wheat and then add value to it, so as to create jobs. Owing to this objective, importing countries levy high taxes on flour to protect their local mills. Another reason contributing to the low level of wheat flour exports is the fact that wheat flour deteriorates faster than wheat grain during sea transport.

3.2 Trade Policies of Wheat and Wheat Flour Exporter Countries, and their Effects on World Prices

After nearly seven years of trade negotiations that led to the Uruguay Round Agreements, international trade of agricultural products underwent a drastic change. Liberalization of agricultural trade has been a key issue in the discussions held at the World Trade Organization (WTO). Under WTO, member countries have decided to reduce distortions in the international trade of agricultural products. They have agreed to reduce tariffs on agricultural products. Such reduction has been set, based on average tariffs for the 1986-88 period, at 36% for developed countries and 24% for developing countries for the 1995-2000 period. Furthermore, countries have agreed to convert their non-tariff barriers, such as quotas and phytosanitary requirements, into tariffs that were to be gradually lowered over the 1995-2000 period. At the same time, exporting countries have agreed to reduce by 21% the volume and by 36% the value of their subsidies to agricultural exports for the same period. Developing countries are required to lower their export subsidies by 14% in volume and 24% in value by 2004. Countries have also agreed to introduce no new subsidies, except in the case of food aid, and to prohibit commercial practices supposed to be disguised export subsidies. In addition, agreements were reached on a reduction in agricultural support.

Historically, the EU relied on export subsidies to uphold and increase its share of the world wheat-based market. Wheat prices in the EU were kept at an artificially high level thanks to purchases by the EU governments and import restrictions that provided incentives to producers to increase wheat supply, leading to net surpluses within the EU. To make its wheat more competitive in the world market, the EU had to resort to export subsidies. According to USDA (2000), European subsidies to wheat and wheat flour exports represented nearly 75% of the total value of export subsidies in the world for the 1995-97 period. In view of the budget implications of these subsidies, the EU committed itself to a 15% reduction in its expenditures on wheat and other cereals, so as to reach the same level as other exporters.

Thanks to its policy of export subsidy and the Lome Convention linking it with the African, Caribbean and Pacific (ACP) countries, the EU has been able to uphold its share of the West African market, and even increase it over the years. Under articles 49 and 50 of the Convention, any European exporter who sells wheat to an ACP country may collect the prevailing EU price. However, the ACP importer pays only the price that prevails among other non-EU export countries. The difference between the European price and the world price is refunded to the European exporter by the European Commission (EC). Refunds are set each week as part of a bidding process by the Cereals Management Committee of the EC and are granted or denied to European exporters who apply on the basis of the export volume[1]. Thanks to the refunds, the EU is the source of 90% of wheat imports by West Africa.

The EU also subsidizes its wheat flour. According to information obtained from the EC and European exporters of wheat and wheat flour, the EU also grants refunds on wheat flour exported outside the Union. These refunds are based on a milling ratio of 1.37 - meaning that 1.37 tons of wheat produce one ton of flour - for flour exported commercially.[2] While wheat refunds vary according to the export destination, those granted for flour are not discriminatory on the basis of destination. As such, the EU does not distinguish between ACP and non-ACP import countries in the case of wheat flour. However, refunds on exports are on a sliding scale, i.e. the amount diminishes as the export volume rises. It should also be noted that refunds on wheat and wheat flour have been minimum during the last two years, as indicated by minutes of CGC and EC meetings, annexed to this report.

Contrary to the EU that relied upon subsidies to increase its world market share, the core of the US trade policy was the Export Enhancement Program (EEP). The program differentiates export prices of agricultural products according to the destination country, focusing particularly on countries where European competition is very strong. This is the case, for instance, for Nigeria and North African. The program works by granting vouchers to exporters. The vouchers are exchanged for a given quantity of goods drawn from US government stocks and quantities exported are subsidized on the importing country. It should be noted, however, that EEP has not granted export subsidies since the 1996 Farm and Agriculture Act, bringing an important change to the US agricultural policy.

Thanks to the reduction in government-induced distortions following the implementation of the WTO agreements, wheat prices have displayed a downward trend since May 1996. Figure 3.3 shows that international wheat prices declined gradually from over $260/ton in May 1996 to $109/ton in September 1998. Since October 1998, the FOB price has again

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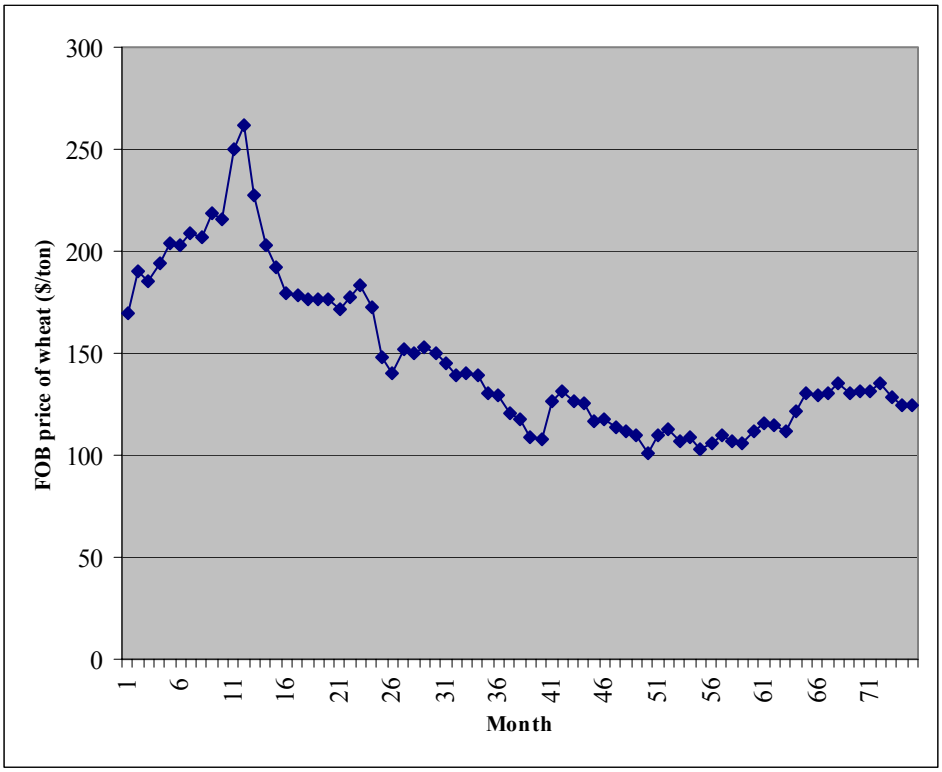
[1] In theory, the European Commission may levy taxes on wheat exports if the European Union has a wheat deficit. It should however be noted that in general the Union has more often used subsidies, set in such a way that the external price of European wheat is equivalent to the world price, which is usually the price of American bread wheat.

[2] It should be noted that refunds on wheat flour going to food aid are based on a milling extraction rate of 1.25.

Figure 3.3 Evolution of the International FOB Price for US Wheat (June 1995-August 2001)



Source: USDA

been going up gradually, though it remains a long way from $150/ton, a level that is not supposed to be reached, according to the World Bank projections based on USDA data, until 2003-2004.

3.3 Mali's Trade Policy Relative to Wheat and Wheat Flour Imports

Since the introduction of the Common External Tariff (CET) in the West African Economic and Monetary Union (WAEMU) in January 1998 and its effective implementation in January 2000, Mali's imports are usually subject to the following import duties and taxes:

- Customs Duty (CD);
- Statistical Tax (ST);
- Community Levy (CL);
- Community and Solidarity Tax (CST);
- *Taxe Conjoncturelle à l'Importation* (TCI); and
- Degressive Protection Tax (DPT).

Furthermore, import products have been grouped into four major categories:

- Category 0 for a limitative list of essential social goods;
- Category 1 for basic needs, equipment, basic raw materials and specific inputs.
- Category 2 for other inputs and intermediate products.
- Category 3 for consumer goods and any other goods not listed in other categories.

According to the tariff schedule, wheat belongs to category 1 for which taxation is indicated in Table 3.1. Meanwhile, wheat flour, considered as a consumer good, is classified in category 3.

CD, ST, CL, CST and TCI are levied on the CIF value of the imported product. On wheat, the total tax burden is then 7.5%, with VAT applied on top of it. However, this VAT is recovered by the economic agent so that the net tax burden is 7.5%. For wheat flour, the tax burden totals 74% when TCI is 25%, and 45% if TCI is 0%. It should be noted that the VAT applied on both the locally produced wheat and imported wheat flour is recovered. Therefore, there is no discrimination.

IV. Competitiveness of GMM Wheat Flour

4.1 Conceptual Framework

Data analysis will be based on the Domestic Resource Cost (DRC)/Policy Analysis Matrix (PAM). The following indicators will be used for evaluating the competitiveness of wheat flour produced by the *Grands Moulins du Mali*: Financial Profitability (FP), Domestic Resource Cost (DRC), Nominal Protection Coefficient (NPC) and Effective Protection Coefficient (EPC). FP, NPC and EPC all measure incentives.

Financial profitability, relying on market prices, is the difference between the unit price of a ton of flour and the costs incurred to produce that ton. A positive FP indicates that GMM is offered a positive incentive by government policies, while a negative FP reflects a negative incentive.

As for other indicators, it is important to distinguish between market prices and reference prices, which are the prices that would prevail if no distortion were introduced by state intervention. In other words, reference prices are prices that would prevail on the market if imports were not hindered by taxes and trade policies. Specifically, in the case of wheat flour that is an import substitution product, the reference price in Bamako is the CIF price on that market, exclusive of direct taxes on imported wheat flour and indirect taxes associated with transportation of flour from Mali's border to Bamako. It should be noted that taxes imposed by Mali's membership in WAEMU are considered to be beyond the control of the Malian government. As such, they are treated as exogenous factors and included in import costs as tradable elements. On the other hand, the TCI and VAT, put in place by Malian government itself, are simply ignored when estimating the reference price of wheat flour.

Table 3.1 Duties and Taxes on Wheat and Wheat Flour Imported into Mali

Taxe	**Wheat**	**Flour**	
		2000	**2001 1/**
Customs Duty (CD)	5.0%	20.0%	20.0%
Statistical Tax (ST)	1.0%	1.0%	1.0%
Community Levy (CL)	0.5%	0.5%	0.5%
Community and Solidarity Tax (CST)	1.0%	1.0%	1.0%
Taxe Conjoncturelle à l'Importation (TCI)	0.0%	25.0%	0.0%
Subtotal	7.5%	47.5%	22.5%
Value-Added Tax (VAT)		18.0%	18.0%
Total	7.5%	74.0%	45.0%

Note: In August 2001 the Malian Government lowered the TCI on wheat flour from 25% to 0%.

Source: DNCC (2001) and Pelletier et al. (2001).

On the basis of this determination of the reference price of wheat flour, NPC is the ratio between the market price of one ton of wheat flour and the reference price of the same ton of wheat flour. NPC can be formulated as follows:

$NPC_j = P_j/P_j^*$, where

NPC_j is the Nominal Protection Coefficient,
P_j is the market price of one ton of wheat flour, and
P_j^* is the reference price of one ton of wheat flour.

If NPC is greater than one, it means that government policies give a positive incentive to GMM. In this case, it can be stated that wheat flour consumers are taxed by current policies. Conversely, if NPC is lower than one, the incentive provided to GMM is negative. The NPC has the inconvenience of focusing on the flour market only, while distortions may be introduced in the market for factors and inputs such as wheat. For this reason, the study also estimates the EPC, so as to measure all distortions introduced in the subsector.

The EPC is the ratio between the value-added of tradable inputs in market prices and the value-added in reference prices. The EPC formula can be written as follows:

$EPC_j = (P_j - P_i)/(P_j^* - P_i^*)$, where

EPC_j is the Effective Protection Coefficient;
P_j is the market price of one ton of wheat flour;
P_i is the market value of tradable inputs used to produce one ton of wheat flour;
P_j^* is the reference price of one ton of wheat flour; and
P_i^* is the reference value of tradable inputs used to produce one ton of wheat flour.

The EPC is interpreted in the same manner as explained above for the NPC.

The Domestic Resource Cost coefficient (DRC) is the ratio of the economic value of nontradable factors of production (non tradable vis-à-vis Mali) to the value-added of tradable inputs, i.e. the economic value of production less the economic cost of tradable inputs (tradable vis-à-vis Mali) used in production, using the shadow exchange rate. In other words, the Domestic Resource Cost is:

$DRC_j = F_j^*/(P_j^* - P_i^*)$, where

DRC_j is the Domestic Resource Cost;
F_j^* is the economic value of nontradable production factors;
P_j^* is the reference unit price of wheat flour; and
P_i^* is the reference value of tradable inputs used to produce one unit of wheat flour

If the DRC coefficient is smaller than one in a specific market, it means that Mali has a comparative advantage in wheat flour in this market, for local production of flour costs less than importing the same product from the international market. Conversely, a DRC coefficient greater than one in a specific market suggests a comparative disadvantage in supplying wheat flour to that market. If the DRC coefficient happened to be negative, that could be interpreted as a comparative disadvantage and a waste of resources for Malian society.

4.2 Comparative Advantage in Wheat Flour Supply

The assessment of Mali's comparative advantage in supplying wheat flour relies on price data for the year 2001. Subsequently, average prices of wheat and wheat flour in the last three years are used in order to smooth out fluctuations and evaluate the comparative advantage. For those calculations, the analysis assumes that the Common External Tariff imposed by UEMOA is an exogenous factor for Mali. Thus, CET is not treated as a conventional tax that is a transfer of resources between economic actors, but rather as a tradable in reference to Mali's economy. Nevertheless, a sensitivity analysis is performed on the CET to assess its impact on Mali's comparative advantage in supplying wheat flour. On the other hand, the VAT is ignored in the calculations, since it is recovered both by GMM and wheat flour importers.

On the basis of the average FOB price of wheat and wheat flour for the year 2001, and the cost of wheat flour production by GMM, the analysis results shown on Table 4.1 suggest that Mali has a comparative *disadvantage* in wheat flour production and marketing. This disadvantage could be explained by two factors: (a) wheat imported from the international market accounts for 90% of the economic cost of processing wheat into flour at GMM, and (b) GMM produces on a small scale because of the narrow domestic market, thereby facing high fixed costs. Such a comparative disadvantage casts doubts on the long-term viability of the locally produced wheat flour. GMM production activity has been sustained only thanks to the high tariff walls, as shown by the NPC and EPC that are greater than one. The EPC suggests that the local wheat flour enjoys a 20% protection at the expense of consumers. If taxes on imported wheat are not taken into account, GMM flour protection is close to 25% when CET is not treated as a tax. If, on the other hand, CET were treated as a tax, GMM protection would rise to 45% in a context where food security and poverty reduction are at the objectives of the Malian government actions. With these government-induced distortions, wheat flour consumers transfer on average nearly 61,000 CFAF/ton of flour (the difference between the GMM price and the price that would prevail without government intervention) to GMM that employs about 200 people. Given that bread weighs 225 grams that correspond to 192 grams of wheat flour, every bread consumer transfers 12 CFA francs per *baguette*. On the basis of an annual average production of nearly 23,000 tons of wheat flour by GMM in the 1990-99 period, the annual average transfer of consumers' resources to GMM could be estimated at nearly 1.4 billion CFA francs, or close to 7 million CFA francs per GMM employee.

The results of the sensitivity analysis performed show that, if TEC is treated as a conventional tax, the protection received by GMM becomes very high. In this case, local production of wheat flour becomes a waste of financial resources that would be better utilized if flour were imported. Mali could even import flour from Cote d'Ivoire where it is sold at 225,000 CFA francs per ton. Furthermore, the results using average international prices estimated at 795 French francs per ton of wheat and 1,214 French francs per ton of wheat flour for the 1999-2001 period, confirm Mali's comparative disadvantage in milling and marketing wheat flour.

Because of Mali's comparative disadvantage in wheat flour supply to the Bamako, the study has not deemed necessary to evaluate Mali's comparative advantage on other Malian markets, let alone markets in northern Cote d'Ivoire and Guinea.

4.3 Financial Profitability of GMM Wheat Flour

On the basis of a the selling price of 310,000 CFA francs per ton of locally produced flour and GMM costs of producing wheat flour, GMM financial profitability may be estimated at approximately 38,905 CFA francs per ton of flour sold to bakeries. It is interesting to note that such profitability is much higher than it would be if GMM kept a 5% profit margin on the cost of locally produced flour. With the 5% margin, GMM could have sold its flour at 284,650 CFA francs per ton during 2001. However, because of the price setting system in place, GMM targets the negotiated price of 310,000 CFA

Tableau 4.1a. Competitiveness of GMM Wheat Flour (TCI de 25%)

Milling ratio of GMM	77%
Taxe Conjoncturelle à l'Importation (TCI)	25%
Fixed price of GMM wheat flour in Bamako (CFAF/ton)	310000
Price of imported wheat flour in Bamako (CFAF/ton)	306710

Calculation of indicators for profitability, distortion and comparative advantage in the Bamako market

	1/ Bamako	2/ Bamako
Financial profitability of GMM wheat flour beyond margin (CFAF/ton)	25349	
Nominal protection coefficient	1.23	1.24
Effective protection coefficient	1.17	1.18
Domestic resource cost	1.18	1.18

1/ Protection coefficients computed from theoretical price of imported flour
2/ Protection coefficients computed from the fixed GMM price

	Financial Cost	**Total Taxes**	**Economic Cost**	**% Tradable**	**Economic Cost Tradable**
A. Cost of wheat in Koulikoro					
Fob price of wheat in France(FF/ton)	*900*	0	*900*	*100%*	*900*
Freight (FF/ton)	185	0	185	100%	185
CIF value, Dakar (FF/ton)	1085	0	1085	100%	1085
Exchange rate (CFAF/FF)	100		100	100%	100
CIF value, Dakar(CFAF/ton)	*108546*	*0*	*108546*	*100%*	*108546*
Financing	2357		*2357*	*100%*	*2357*
Insurance reimbursement	-886		*-886*	*100%*	*-886*
MAERSK reimbursement	-37		*-37*	*100%*	*-37*
KONE Expert Reimbursement	*-182*		*-182*	*100%*	*-182*
License et stamps	*739*	*739*	*0*	*100%*	*0*
License domiciliation	*1*		*1*	*100%*	*1*
CREDOC cost	*1498*		*1498*	*100%*	*1498*
Maritime and land insurance	*1238*		*1238*	*100%*	*1238*
Transport	*40130*	*8025.9*	*32104*	*80%*	*25683.0224*
GAM Honorarium	*909*		*909*	*100%*	*909*
Fixed RIDAL charge	*357*		*357*	*100%*	*357*
SAGA marketing cost	*3325*	*332.5*	*2993*	*50%*	*1496.25*
Faladie passing cost	*314*	*31.4*	*283*	*50%*	*141.3*
Escort-TS visit	*304*		*304*	*50%*	*152*
CIF Value, border	*158613*		*149483.878*	*100%*	*149483.878*
Total import duties	*11896*		*11896*	*100%*	*11895.9542*
Customs Duty (CD) 5%	7931	0	7931	100%	7931
Statistical Tax (ST) 1%	1586	0	1586	100%	1586
Community Levy (CL) 0.5%	793	0	793	100%	793
Community and Solidarity Tax (CST) 1%	1586	0	1586	100%	1586
Total CIF at border (CFAF/ton)	*170509*	*0*	*161380*	*100%*	*161380*
Guaranty fund (0.75% of CIF)	1190	0	1190	75%	892
Unloading in warehouse	445	0	445	0%	0
Transport	1568	392	1176	75%	882
Bag cost	1325	66	1259	80%	1007
Tiers detention	342	0	342	50%	171
Financial charges	383	0	383	50%	192
Wheat cost in Koulikoro	*175761*		*166174*	*100%*	*164524*

Table 4.1b Competitiveness of GMM Wheat Flour (TCI de 25%)

B. Processing cost of wheat into flour in Koulikoro					
Equivalent cost of wheat in flour in Koulikoro	*229124*	*0*	*216626*	*100%*	*214475*
Variables costs					
Fuel and oil	178	44	133	75%	100
Spare parts	1728	432	1296	75%	972
Water & electricity	6110	3055	3055	40%	1222
Maintenance, repair and small tools	236	24	213	25%	53
Total variable costs	*8251*	*3555*	*4696*		*2347*
Fixed costs					
Fixed flour cost	15674	4295	11379	10%	1138
Depreciation	1621	81	1540	10%	154
Total fixed costs	*17295*	*4376*	*12919*		*1292*
Equivalence of production cost in flour	*33302*	*10338*	*22964*		*4744*
Flour cost before tax	*262427*	*10338*	*239590*		*219218*
By-product value	*-3896*		*-9537*	*100%*	*-9537*
C. Marketing cost of flour to Bamako					
Packaging	2225	334	1891	75%	1418
Corrector	6361	2226	4135	100%	4135
Transport	3034	759	2276	75%	1707
Handling	779	0	779	0%	0
Marketing cost	167	33	134	80%	107
C. Total flour marketing cost	12566	3352	9214		7367
Net cost of GMM flour in Bamako	271096	13690	239267		217048
Profit margin of GMM (5%)	13555	0	13555	50%	6777
D. Cost of imported wheat flour from international market					
Fob price of wheat flour, France(FF/ton)	*1249*	0	*1249*	*100%*	*1249*
Freight (FF/ton)	295	0	295	100%	295
CIF Value, Dakar (FF/ton)	1544	0	1544	100%	1544
Exchange rate (CFAF/FF)	100		100	100%	100
CIF Value, Dakar(CFAF/ton)	*154393*		*154393*		*154393*
Bank charges (3.5% of CIF value in Dakar)	5404	0	5404	100%	5404
Transit charges	750	0	750	100%	750
Stamp fees (0.8% of FoB)	999	0	999	100%	999
Guaranty fund (0.60% of CIF value)	926	0	926	100%	926
Selection charge (7500 CFAF for 40 tons)	188	0	188	100%	188
Insurance	1544	0	1544	100%	1544
Transport Dakar - Bamako	33156	8289	24867	80%	19894
CIF, border (CFAF/ton)	*197359*	*8289*	*189070*		*184097*
Customs Duty (CD) 20%	39472	0	39472	100%	39472
Statistical Tax (ST) 1%	1974	0	1974	100%	1974
Community Levy (CL) 0.5%	987	0	987	100%	987
Community and Solidarity Tax (CST) 1%	1974	0	1974	100%	1974
Taxe Conjoncturelle à l'Importation (TCI) 25%	49340	49340	0	100%	0
Total CIF value, border (CFAF/ton)	*291104*	*57629*	*233476*		*228502*
Handling in Bamako	1000	0	1000	0%	0
Cost of imported wheat flour in Bamako	*292104*	*57629*	*234476*		*228502*
Profit margin of trader (5%)	14605	0	14605	50%	7303
Sales price of imported wheat flour in Bamako	*306710*	*57629*	*249081*		*235805*

Table 4.1c Competitiveness of GMM Wheat Flour (TCI de 25%)

Number of baguettes in kneading-through	544.00

Number of baguettes broken (4.26%)	23.20
Number of salable baguettes	520.80
Wheat flour price	306709.72

	Quantity Kneading	Unit price CFAF	Value Kneading CFAF	Value Baguette CFAF	Share %
Raw material					
What flour	100.00	306.71	30670.97	58.89	44.56%
Maize flour	0.00	0.00	0.00	0.00	0.00%
Yeast	1.50	2415.00	3622.50	6.96	5.26%
Bread-improving	1.50	1286.00	1929.00	3.70	2.80%
Salt	2.00	80.00	160.00	0.31	0.23%
Sprinkling flour 5%			1450.00	2.78	2.11%
Oil			620.00	1.19	0.90%
Ice			750.00	1.44	1.09%
Water	64.00		28.38	0.05	0.04%
Subtotal before tax			39230.85	75.33	56.99%
Energy			1235.48	2.37	1.79%
Rent			69.47	0.13	0.10%
Taxes			331.23	0.64	0.48%
Other charges			1426.38	2.74	2.07%
Subtotal			3062.56	5.88	4.45%
Baking cost			42293.41	81.21	61.44%
Manager			1166.60	2.24	1.69%
Personnel			3211.66	6.17	4.67%
DDO			*4895.80*	9.40	7.11%
Fuel			1217.60	2.34	1.77%
Other cost (telephone, office, etc.)			486.88	0.93	0.71%
Subtotal			10978.54	21.08	15.95%
Depreciation			*0.00*	0.00	0.00%
Two trucks			1680.00	3.23	2.44%
Baking materiel			4439.62	8.52	6.45%
Five motorcycles			463.00	0.89	0.67%
Subtotal			6582.62	12.64	9.56%
Total cost at baking			59854.57	114.93	86.96%
Profit margin (15%)			8978.19	17.24	13.04%
Value of a baguette			68832.76	132.17	100.00%
Total value of a baguette of 225 grams				**132.17**	

francs per ton, allowing it to make an additional profit that exceeds 25,000 CFA francs per ton of flour sold.

When the 25% TCI is taken into account, the results indicate that the GMM flour is more competitive than flour imported from the international market. The issue is whether GMM wheat flour would remain competitive if TCI is brought down to 0%. In this case, the imported wheat flour could be sold at 254,905 CFA francs per ton, assuming a 5% profit margin. Even if that margin were increased to 10%, the sales price of imported flour would reach nearly 267,040 CFA francs per ton, thus below GMM cost. In this case, local flour would be non-competitive in Bamako and GMM viability would be in doubt. However, because of Mali's price-setting policy that remains to be clarified, imported flour is rather sold to bakers at a price that is slightly below the amount agreed to by GMM, the bakers and the Ministry of Commerce. One consequence of the current policy is that that consumers do not enjoy the full benefits of the TCI elimination.

If the TCI were really a variable levy providing temporary protection to GMM and if the wheat flour market were liberalized, raising TCI from 0 to 15% would be enough for the locally milled flour to have an edge on imported flour. Under such circumstances, imported wheat flour could be sold at 285,990 CFAF/ton while the sales price of local flour could be 284,650 CFAF/ton, as shown in Table 4.2. At the lower GMM price, the cost of the *baguette* would fall from 132.89 to 127.30 CFA francs, and bread consumers' food security would improve, *ceteris paribus*. Since Malian government cannot set TCI at 15% and the UEMOA rules require that TCI be kept at 0%, alternative policies need to be found to ensure the interests of GMM, bakers and consumers.

V. Alternative Policies to Promote Increased Food Security in Mali

Our discussion of the cost of local wheat flour showed that GMM would face difficulties to compete against imported flour if the TCI were completely eliminated. The TCI is by definition a temporary tax tied to circumstances. According to some information, UEMOA rules that are in conformity with WTO rules require TCI to be applied only for a six months period, with a possible six-month extension. Since TCI was applied from August 1998 to August 2001, its extension seems difficult if not impossible and cannot be a policy option for the Malian government. Given this constraint and the range of opportunities within UEMOA and WTO, the government has to choose between three economic and food policy options: (a) maintain the status quo by keeping a zero TCI and continuing to set fixed prices for flour and bread; (b) envision the creation of a reference price system for wheat flour imported from the international market; and (c) liberalize wheat flour and bread markets in order to allow GMM to sell on the basis of its production costs.

5.1 Status Quo Option

As indicated in a previous section, the major concern of the Malian government was to preserve consumers' purchasing power after the CFA franc devaluation in 1994. In view of this objective and given the rising prices of raw materials in the international market,

Table 4.2a Competitiveness of GMM Wheat Flour (TCI de 15%)

Milling ratio of GMM	77%
Taxe Conjoncturelle à l'Importation (TCI)	15%
Fixed price of GMM wheat flour in Bamako (CFAF/ton)	310000
Price of imported wheat flour in Bamako (CFAF/ton)	285987

Calculation of indicators for profitability, distortion and comparative advantage in the Bamako market

	1/ Bamako	2/ Bamako
Financial profitability of GMM wheat flour beyond margin (CFAF/ton)	25349	
Nominal protection coefficient	1.15	1.25
Effective protection coefficient	1.09	1.18
Domestic resource cost	1.22	1.22

1/ Protection coefficients computed from theoretical price of imported flour
2/ Protection coefficients computed from the fixed GMM price

	Financial Cost	**Total Taxes**	**Economic Cost**	**% Tradable**	**Economic Cost Tradable**
A. Cost of wheat in Koulikoro					
Fob price of wheat in France(FF/ton)	*900*	0	*900*	*100%*	*900*
Freight (FF/ton)	185	0	185	100%	185
CIF value, Dakar (FF/ton)	1085	0	1085	100%	1085
Exchange rate (CFAF/FF)	100		100	100%	100
CIF value, Dakar(CFAF/ton)	*108546*	*0*	*108546*	*100%*	*108546*
Financing	2357		*2357*	*100%*	*2357*
Insurance reimbursement	-886		*-886*	*100%*	*-886*
MAERSK reimbursement	-37		*-37*	*100%*	*-37*
KONE Expert Reimbursement	*-182*		*-182*	*100%*	*-182*
License et stamps	*739*	*739*	*0*	*100%*	*0*
License domiciliation	*1*		*1*	*100%*	*1*
CREDOC cost	*1498*		*1498*	*100%*	*1498*
Maritime and land insurance	*1238*		*1238*	*100%*	*1238*
Transport	*40130*	*8025.9*	*32104*	*80%*	*25683.0224*
GAM Honorarium	*909*		*909*	*100%*	*909*
Fixed RIDAL charge	*357*		*357*	*100%*	*357*
SAGA marketing cost	*3325*	*332.5*	*2993*	*50%*	*1496.25*
Faladie passing cost	*314*	*31.4*	*283*	*50%*	*141.3*
Escort-TS visit	*304*		*304*	*50%*	*152*
CIF Value, border	*158613*		*149483.878*	*100%*	*149483.878*
Total import duties	*11896*		*11896*	*100%*	*11895.9542*
Customs Duty (CD) 5%	7931	0	7931	100%	7931
Statistical Tax (ST) 1%	1586	0	1586	100%	1586
Community Levy (CL) 0.5%	793	0	793	100%	793
Community and Solidarity Tax (CST) 1%	1586	0	1586	100%	1586
Total CIF at border (CFAF/ton)	*170509*	*0*	*161380*	*100%*	*161380*
Guaranty fund (0.75% of CIF)	1190	0	1190	75%	892
Unloading in warehouse	445	0	445	0%	0
Transport	1568	392	1176	75%	882
Bag cost	1325	66	1259	80%	1007
Tiers detention	342	0	342	50%	171
Financial charges	383	0	383	50%	192
Wheat cost in Koulikoro	*175761*		*166174*	*100%*	*164524*

Table 4.2b Competitiveness of GMM Wheat Flour (TCI de 15%)

B. Processing cost of wheat into flour in Koulikoro					
Equivalent cost of wheat in flour in Koulikoro	*229124*	*0*	*216626*	*100%*	*214475*
Variables costs					
Fuel and oil	178	44	133	75%	100
Spare parts	1728	432	1296	75%	972
Water & electricity	6110	3055	3055	40%	1222
Maintenance, repair and small tools	236	24	213	25%	53
Total variable costs	*8251*	*3555*	*4696*		*2347*
Fixed costs					
Fixed flour cost	15674	4295	11379	10%	1138
Depreciation	1621	81	1540	10%	154
Total fixed costs	*17295*	*4376*	*12919*		*1292*
Equivalence of production cost in flour	*33302*	*10338*	*22964*		*4744*
Flour cost before tax	*262427*	*10338*	*239590*		*219218*
By-product value	*-3896*		*-9537*	*100%*	*-9537*
C. Marketing cost of flour to Bamako					
Packaging	2225	334	1891	75%	1418
Corrector	6361	2226	4135	100%	4135
Transport	3034	759	2276	75%	1707
Handling	779	0	779	0%	0
Marketing cost	167	33	134	80%	107
C. Total flour marketing cost	12566	3352	9214		7367
Net cost of GMM flour in Bamako	271096	13690	239267		217048
Profit margin of GMM (5%)	13555	0	13555	50%	6777
D. Cost of imported wheat flour from international market					
Fob price of wheat flour, France(FF/ton)	*1249*	0	*1249*	*100%*	*1249*
Freight (FF/ton)	295	0	295	100%	295
CIF Value, Dakar (FF/ton)	1544	0	1544	100%	1544
Exchange rate (CFAF/FF)	100		100	100%	100
CIF Value, Dakar(CFAF/ton)	*154393*		*154393*		*154393*
Bank charges (3.5% of CIF value in Dakar)	5404	0	5404	100%	5404
Transit charges	750	0	750	100%	750
Stamp fees (0.8% of FoB)	999	0	999	100%	999
Guaranty fund (0.60% of CIF value)	926	0	926	100%	926
Selection charge (7500 CFAF for 40 tons)	188	0	188	100%	188
Insurance	1544	0	1544	100%	1544
Transport Dakar - Bamako	33156	8289	24867	80%	19894
CIF, border (CFAF/ton)	*197359*	*8289*	*189070*		*184097*
Customs Duty (CD) 20%	39472	0	39472	100%	39472
Statistical Tax (ST) 1%	1974	0	1974	100%	1974
Community Levy (CL) 0.5%	987	0	987	100%	987
Community and Solidarity Tax (CST) 1%	1974	0	1974	100%	1974
Taxe Conjoncturelle à l'Importation (TCI) 25%	29604	29604	0	100%	0
Total CIF value, border (CFAF/ton)	*271369*	*37893*	*233476*		*228502*
Handling in Bamako	1000	0	1000	0%	0
Cost of imported wheat flour in Bamako	*272369*	*37893*	*234476*		*228502*
Profit margin of trader (5%)	13618	0	13618	50%	6809
Sales price of imported wheat flour in Bamako	*285987*	*37893*	*248094*		*235312*

Table 4.2c Competitiveness of GMM Wheat Flour (TCI de 15%)

Number of baguettes in kneading-through	544.00
Number of baguettes broken (4.26%)	23.20
Number of salable baguettes	520.80
Wheat flour price	285987.03

	Quantity Kneading	Unit price CFAF	Value Kneading CFAF	Value Baguette CFAF	Share %
Raw material					
What flour	100.00	285.99	28598.70	54.91	43.04%
Maize flour	0.00	0.00	0.00	0.00	0.00%
Yeast	1.50	2415.00	3622.50	6.96	5.45%
Bread-improving	1.50	1286.00	1929.00	3.70	2.90%
Salt	2.00	80.00	160.00	0.31	0.24%
Sprinkling flour 5%			1450.00	2.78	2.18%
Oil			620.00	1.19	0.93%
Ice			750.00	1.44	1.13%
Water	64.00		28.38	0.05	0.04%
Subtotal before tax			37158.58	71.35	55.92%
Energy			1235.48	2.37	1.86%
Rent			69.47	0.13	0.10%
Taxes			331.23	0.64	0.50%
Other charges			1426.38	2.74	2.15%
Subtotal			3062.56	5.88	4.61%
Baking cost			40221.14	77.23	60.53%
Manager			1166.60	2.24	1.76%
Personnel			3211.66	6.17	4.83%
DDO			*4895.80*	9.40	7.37%
Fuel			1217.60	2.34	1.83%
Other cost (telephone, office, etc.)			486.88	0.93	0.73%
Subtotal			10978.54	21.08	16.52%
Depreciation			*0.00*	0.00	0.00%
Two trucks			1680.00	3.23	2.53%
Baking materiel			4439.62	8.52	6.68%
Five motorcycles			463.00	0.89	0.70%
Subtotal			6582.62	12.64	9.91%
Total cost at baking			57782.30	110.95	86.96%
Profit margin (15%)			8667.35	16.64	13.04%
Value of a baguette			66449.65	127.59	100.00%
Total value of a baguette of 225 grams				**127.59**	

the government had decided to fix the sales price of wheat flour to bakeries and grant a subsidy to GMM so that it could cover its production costs. This is how GMM came to be subsidized between June 1994 and August 1998. The subsidy can be estimated at approximately 1.75 billion CFA francs in 1996, 1.86 billion CFA francs in 1997 and 0.86 billion CFA francs in 1998, or a total of approximately 4.47 billion for the 1996-98 period. Because of the burden it represented on the national budget and the Government commitment to WTO and international financial institutions, the subsidy had to be eliminated. Subsequently, it was replaced by the 25% TCI on the CIF value of imported wheat flour. After shortages of wheat flour during the third trimester of 2001, due to various reasons, the Malian government scrapped the TCI in August 2001. Since then, wheat flour imported from the international market is subject to the WAEMU duties only.

Maintaining a zero TCI, together with the current price-setting system of wheat flour and bread, appear to create a real threat to the survival of GMM that has stopped its activities since the policy change. In such a context, price setting of wheat flour and bread will be harmful for a mill that was often protected by the Malian government tariff barriers.

5.2 Creation of a Reference Value System for Wheat Flour

The second option that could be considered by the government, concerned about the competitiveness of Malian firms and trying to maintain and increase job opportunities, could involve instituting a reference price for wheat flour. In accordance with Article 2 of WAEMU regulations, each Union member state is allowed to use a reference price in order to determine the customs value of goods originating from outside the Union. Such a reference value, put forth by the government after consultation with its national experts, is then set officially by the WAEMU Commission and can be applied to products that are exported to the Union market through unfair trading practices or price manipulation, including false customs declarations. The reference value must be shown on the itemized declaration, together with the CIF value, and the higher of the two will be the basis for calculating customs duties and taxes.

The reference value is supposed to be updated every six months by the Commission on the basis of the following formula:

$PREF = PF - B + TF - RE$, where

PREF = Reference value
PF = Domestic price, outside taxes, in the European country exporting bakery flour
B = Amount of French "Bapsa" tax
TF = Cost of transportation to the shipping harbor, FOB costs, sea freight and insurance, and marketing costs prior to customs
RE = European refund

This formula, established by the UEMOA Commission and taking into account the internal European price, still poses a problem as to the choice of a reference price. Will it

be a minimum, an average or a maximum price? Moreover, what is its timeframe (quarter, year, two years, three years, five years, ten years, etc.)?

Several countries, including Burkina Faso, Cote d'Ivoire and Senegal, have applied to the WAEMU Commission for setting up a reference value that, according to the information available. It appears that the reference value of wheat flour has been set at 280,000 CFA francs per ton in Burkina Faso, 210,000 CFA francs per ton in Cote d'Ivoire, and 230,000 CFA francs per ton in Senegal.

While the reference value is a protective measure for WAEMU millers, it might however harm flour consumers to the extent that they have to face a relatively high price resulting from the millers' inefficiency. In a context where food security is the main objective of the Malian government, a decision to adopt the principle of a reference value needs take into account the price of wheat flour outside the European Union, as well as efforts by GMM to reduce its production costs in a market where it enjoys monopoly power in wheat milling.

Once the reference value system is set up, the Malian government will have to keep track of GMM performance by assessing the production costs of the local mill and comparing them to those of the regional millers so as to evaluate the economic impact on Malian consumers. With such a monitoring system that takes into account marketing costs and the value of wheat, which accounts for nearly three-quarters of bread flour cost, would allow GMM to contain its production costs and bring about increased food security.

5.3 Complete Liberalization of Wheat Flour and Bread Markets Without Assistance to GMM

The third option for the Malian government would be to completely liberalize both wheat flour and bread markets, and keep TCI at zero. In this case, the price of local wheat flour would be around 284,650 CFA francs per ton, and the price of imported flour would reach approximately 254,905 per ton, assuming a 5% profit margin for GMM and for importers. With this option, GMM flour would no longer be competitive in the national market, and bread consumers would benefit from a significant price reduction. Even if the Malian government submitted a request to WAEMU to exempt GMM from the 5% tariff on wheat, local flour would remain non-competitive in Bamako. In this context, the viability of the local mill in a liberalized environment would be seriously in doubt. It is even conceivable that Cote d'Ivoire and Senegal export their wheat flour to the Malian market, since they produce flour on a relatively larger scale, induced by the relatively higher urbanization rate, their costs are relatively lower than those Mali. Flour produced in Cote d'Ivoire and sold at 225,000 CFA francs per ton in the domestic market would obviously be well placed to target the Malian market, given the regulations of the Customs Union.

Conclusion

This study has shown that, with administered prices for flour and bread and the 25% TCI, GMM supplies competitive wheat flour to the Bamako market. If TCI is, however, brought down to zero, locally produced wheat flour will lose its competitive edge to the benefit of flour imported from the international market. Given the WTO and WAEMU requirements, TCI must be eliminated and be replaced by an alternative policy designed to make local flour more competitive and ensure better food security for consumers.

Mali has embraced the market-driven economic policies that are the foundation of future trade and food policies, which will drive resource allocation. The ultimate objective is to liberalize flour and bread markets and enable GMM to compete in domestic markets. In this context, GMM will have to work hard at reducing its production and marketing costs. To this end, the study suggests that the Malian government submit a request to the WAEMU Commission for setting up a reference value system that would help determine the customs value of imported wheat flour, as it is currently practiced in some member countries of the Union. The reference value should be, however, applied only for a limited time to ensure that bread consumers pay an affordable price and achieve greater food security in Mali.

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ANNEXES

LIST OF PEOPLE CONTACTED

Amadou Camara	USAID/Bamako
Harouna Niang	Secretary General of the Ministry of Trade, Industry and Handicraft
Cheick Sadibou Keita	Canadian Agency for International Development
Gérard Achcar	Grands Moulins du Mali
Jacques Gallois	Grands Moulins du Mali
Cyril Achcar	Grands Moulins du Mali
Djibril Drame	Food Technology Laboratory, IER
Bakary Traoré	President of Bakers' Union
Vincent Caravello	Boulangerie Malienne
Boubacar Yara	"Miche d'or" Bakery, Sikasso
Seybou Kanté	Djelika Bakery, Hamdallaye, Bamako
Alou Sangaré	TAID Bakery , Bamako
Cheick Oumar Sidibe	Coordinator of the Budget Reform Unit
Martin Sidibe	Division Chied of Studies, Trade Organization and Distribution Department of Trade and Competition (DNCC)
Mahamane Assoumane Toure	Deputy Director of DNCC
Dr. Mbaye Yade	CILSS/INSAH/MSU
Mrs. Mariam Sow	CILSS/INSAH/MSU

COMPTE-RENDU SOMMAIRE DE LA 1785ème REUNION DU COMITE DE GESTION DES CEREALES (LE 15 NOVEMBRE 2001)

Président: L. HOELGAARD
Toutes les délégations sont présentes ou représentées.

1. CEREALES

1.1 SITUATION DU MARCHE

BLE TENDRE

1.2 ADJUDICATION A L'EXPORTATION DE BLE TENDRE (TOUS PAYS TIERS A L'EXCLUSION DE LA POLOGNE). FIXATION DE LA RESTITUTION MAXIMALE A L'EXPORTATION DE BLE TENDRE (REGLEMENT N° 943/2001).

Restitution maximale : 0,00 EUR/t – Quantité acceptée : 149.000 tonnes.

Vote : avis favorable à l'unanimité.

1.3 ADJUDICATION A L'EXPORTATION DE BLE TENDRE (CERTAINS ETATS ACP). FIXATION DU PRIX MINIMUM DE VENTE POUR L'EXPORTATION D'ENVIRON 171.000 TONNES DE BLE TENDRE PANIFIABLE DETENUES PAR L'ORGANISME D'INTERVENTION *ALLEMAND* A DESTINATION DE CERTAINS ETATS ACP (REGLEMENT N°931/2001).

Pas d'offres présentées.

Non soumis au vote.

ORGE

1.4 ADJUDICATION A L'EXPORTATION D'ORGE (TOUS PAYS TIERS A L'EXCLUSION DES U.S.A. ET DU CANADA). FIXATION DE LA RESTITUTION MAXIMALE A L'EXPORTATION D'ORGE (REGLEMENT N°1558/2001).

Restitution maximale : 0,00 EUR/t – Quantité acceptée : 130.000 tonnes.

Vote : avis favorable à l'unanimité.

1.5 ADJUDICATION A L'EXPORTATION D'ORGE (TOUS PAYS TIERS A L'EXCLUSION DES U.S.A. ET DU CANADA). FIXATION DU PRIX MINIMUM DE VENTE POUR L'EXPORTATION D'ENVIRON 1.000.000 TONNES D'ORGE DETENUES PAR L'ORGANISME D'INTERVENTION *ALLEMAND* (REGLEMENT N°668/2001).

Prix minimum : 111,50 EUR/t – Quantité acceptée : 146.012 tonnes.

Vote : avis favorable à l'unanimité.

Augmentation de 500.000 tonnes des quantités disponibles dans cette adjudication.

Vote : avis favorable : 79 pour – 8 abstentions.

1.6 ADJUDICATION A L'EXPORTATION D'ORGE (TOUS PAYS TIERS A L'EXCLUSION DES U.S.A. ET DU CANADA). FIXATION DU PRIX MINIMUM DE VENTE POUR L'EXPORTATION D'ENVIRON 50.000 TONNES D'ORGE DETENUES PAR L'ORGANISME D'INTERVENTION *FINLANDAIS* (REGLEMENT N°1500/2001).

Prix minimum : 104,15 EUR/t – Quantité acceptée : 46.100 tonnes.

Vote : avis favorable à l'unanimité.

Augmentation de 50.000 tonnes des quantités disponibles dans cette adjudication.

Vote : avis favorable : 79 pour – 8 abstentions.

1.7 ADJUDICATION A L'EXPORTATION D'ORGE (TOUS PAYS TIERS A L'EXCLUSION DES U.S.A. ET DU CANADA). FIXATION DU PRIX MINIMUM DE VENTE POUR L'EXPORTATION D'ENVIRON 50.000 TONNES D'ORGE DETENUES PAR L'ORGANISME D'INTERVENTION *IRLANDAIS* (REGLEMENT N°1501/2001).

Refus de toutes les offres présentées.

Vote : avis favorable à l'unanimité.

SEIGLE

1.8 ADJUDICATION A L'EXPORTATION DE SEIGLE (TOUS PAYS TIERS) FIXATION DE LA RESTITUTION MAXIMALE A L'EXPORTATION DE SEIGLE (REGLEMENT N° 1005/2001).

Restitution maximale : 25,74 EUR/t – Quantité acceptée : 1.200 tonnes.

Vote : avis favorable à l'unanimité.

1.9 ADJUDICATION A L'EXPORTATION DE SEIGLE (VERS LES PAYS DE LA ZONE VII: ASIE) FIXATION DU PRIX MINIMUM DE VENTE POUR L'EXPORTATION D'ENVIRON 1.200.000 TONNES DE SEIGLE DETENUES PAR L'ORGANISME D'INTERVENTION *ALLEMAND* (REGLEMENT N° 1490/2000).

Prix minimum : 75,70 EUR/t – Quantité acceptée : 22.313 tonnes.

Vote : avis favorable : 77 pour – 10 abstentions.

AVOINE

1.10 ADJUDICATION A L'EXPORTATION D'AVOINE. FIXATION DE LA RESTITUTION MAXIMALE A L'EXPORTATION D'AVOINE EN PROVENANCE DE FINLANDE ET DE SUEDE (REGLEMENT N° 1789/2001).

Restitution maximale : 0,00 EUR/t – Quantité acceptée : 70.000 tonnes.

Vote : avis favorable à l'unanimité.

IMPORTATION DE SORGHO

1.11 FIXATION DE L'ABATTEMENT MAXIMAL DU DROIT A L'IMPORTATION POUR 200.000 TONNES DE SORGHO EN ESPAGNE (REGLEMENT N° 1811/2001).

Pas d'offres présentées.

Non soumis au vote.

1.12 AVIS SUR UN PROJET DE REGLEMENT ETABLISSANT UN DROIT A L'IMPORTATION DE ZERO EUR/T DANS LE CADRE DU CONTINGENT A L'IMPORTATION DE SORGHO OUVERT PAR LE R. N° 1839/95.

Fixation du montant de l'abattement applicable dans le cadre du régime particulier d'importation de sorgho en Espagne : le montant de l'abattement est égal au montant du droit à l'importation en vigueur lors de la déclaration de mise en libre pratique pour 250.000 tonnes de sorgho. La déclaration de mise en libre pratique doit être faite avant le 31 décembre 2001.

Vote : avis favorable à l'unanimité.

AUTRES POINTS

1.13 DROIT COMMUN : FIXATION DES RESTITUTIONS A L'EXPORTATION POUR LES CEREALES.

Absence de proposition.

Non soumis au vote.

1.14 DROIT COMMUN : FIXATION DES CORRECTIFS AUX RESTITUTIONS POUR LES CEREALES.

Absence de proposition.

Non soumis au vote.

1.15 DROIT COMMUN : FIXATION DES RESTITUTIONS A L'EXPORTATION POUR LE MALT.

Absence de proposition.

Non soumis au vote.

1.15 DROIT COMMUN : FIXATION DES CORRECTIFS AUX RESTITUTIONS POUR LE MALT.

Absence de proposition.

Non soumis au vote.

1.16 OUVERTURE D'UNE ADJUDICATION DE L'ABATTEMENT DU DROIT A L'IMPORTATION POUR 100.000 T. DE MAÏS EN ESPAGNE.

Ouverture d'une adjudication de l'abattement du droit à l'importation de 100.000 tonnes de maïs en Espagne. L'adjudication sera ouverte jusqu'au 20 décembre 2001.

Vote : avis favorable à l'unanimité.

1.17 OUVERTURE D'UNE ADJUDICATION PERMANENTE DE SEIGLE DETENU PAR L'ORGANISME D'INTERVENTION ALLEMAND EN VUE DE LEUR TRANSFORMATION DANS UN AUTRE ETAT MEMBRE QUE L'ALLEMAGNE (RECOLTE 2000).

Reporté.

1.18 ABROGATION DE L'ADJUDICATION POUR L'EXPORTATION D'ENVIRON 1.200.000 TONNES DE SEIGLE DETENUES PAR L'ORGANISME D'INTERVENTION *ALLEMAND* (REGLEMENT N° 1490/2000) ET OUVERTURE D'UNE ADJUDICATION POUR L'EXPORTATION DE SEIGLE DETENUES PAR L'ORGANISME D'INTERVENTION ALLEMAND (RECOLTE 2001).

Reporté.

1.19 DIVERS.

Pas d'autre point.

2. AIDE ALIMENTAIRE

2.1 AIDES NATIONALES.

Aucune communication.

2.2 DIVERS.

Pas d'autre point.

3. RIZ

3.1 ECHANGE DE VUES SUR LA SITUATION ET PERSPECTIVES DU MARCHE DU RIZ.

3.2 FIXATION DE LA RESTITUTION MAXIMALE A L'EXPORTATION DE RIZ BLANCHI A GRAINS RONDS A DESTINATION DE CERTAINS PAYS TIERS (REGL. CE N° 2007/2001).

Restitution maximale : 189 €/t

Quantité : 2.340 tonnes

Vote : Avis favorable à l'unanimité.

3.3 FIXATION DE LA RESTITUTION MAXIMALE A L'EXPORTATION DE RIZ BLANCHI A GRAINS MOYENS ET LONGS A A DESTINATION DE CERTAINS PAYS TIERS DE L'EUROPE (REGL. CE N° 2008/2001).

Restitution maximale : 220 €/t

Quantité : 250 tonnes

Vote : Avis favorable à l'unanimité.

3.4 FIXATION DE LA RESTITUTION MAXIMALE A L'EXPORTATION DE RIZ BLANCHI A GRAINS MOYENS ET LONGS A A DESTINATION DE CERTAINS PAYS TIERS (REGL. CE N° 2009/2001).

Restitution maximale : 200 €/t

Quantité : 100 tonnes

Vote : Avis favorable à l'unanimité.

3.5 FIXATION DE LA RESTITUTION A L'EXPORTATION DE RIZ BLANCHI A GRAINS LONGS A DESTINATION DE CERTAINS PAYS TIERS (REGL. CE N° 2010/2001).

Refus des offres

Vote : majorité qualifiée (79) ; 8 abstentions (ESP).

3.6 FIXATION DE LA SUBVENTION A L'EXPEDITION DE RIZ DECORTIQUE A GRAINS LONGS A DESTINATION DE L'ILE DE LA REUNION (REGL. CE N° 2011/2001).

Refus des offres

Vote : majorité qualifiée (79) ; 8 abstentions (ESP).

3.7 ADJUDICATIONS PERMANENTES POUR LA REVENTE SUR LE MARCHE INTERIEUR DE RIZ DETENU PAR LES ORGANISMES D'INTERVENTION ITALIEN, GREC ET ESPAGNOL POUR L'UTILISATION DANS LES ALIMENTS POUR ANIMAUX: FIXATION DU PRIX MINIMUM DE REVENTE.

Pas d'offres présentées.

3.8 DIVERS.

AVIS SUR UN PROJET DE REGLEMENT RELATIF A L'OUVERTURE D'UNE ADJUDICATION POUR LA REVENTE SUR LE MARCHE INTERIEUR D'ENVIRON 329 TONNES DE RIZ DETENUES PAR L'ORGANISME D'INTERVENTION ITALIEN

Vote : Avis favorable à l'unanimité.

4. PRODUITS TRANSFORMES

4.1 (EVENTUELLEMENT) AVIS SUR LES RESTITUTIONS À LA PRODUCTION AMIDON.

Pas de communication.

4.2 (EVENTUELLEMENT) AVIS SUR LES RESTITUTIONS À L'EXPORTATION, Y COMPRIS POUR LES PRODUITS HORS ANNEXE I.

Pas de communication.

4.3 DIVERS.

Pas de communication.

L. HOELGAARD
Directeur

N.B. Les mesures sur lesquelles le comité a émis un avis font l'objet d'une procédure appropriée pour l'adoption formelle par la Commission.

LISTE DES PARTICIPANTS

Comité de gestion des céréales. Date : 15 novembre 2001

Etat Membre	Ministère ou Organisme	Nombre de personnes
BE	Min. Landbouw	1
DK	DFFE	1
DE	BMVEL BLE	1 1
EL	Ministère de l'Agriculture R.P.	1 1 1
ES	DGA-MAPA	1
FR	Ministère de l'Agriculture ONIC	1 1
IE	DAFRD	1
IT	MI.P.A.F. ENTE RISI	2 1
LU	Représentée par la Belgique	-
NL	Ministerie LNV	2
AT	BMLFUW AMA	1 1
PO	GPPAA INGA	1 1
FI	Ministry of Agriculture	2
SE	Ministry of Agriculture SBA	1 1
UK	DEFRA	2

COMPTE-RENDU SOMMAIRE DE LA 1786ème REUNION DU COMITE DE GESTION DES CEREALES (LE 22 NOVEMBRE 2001)

Président: L. HOELGAARD
Toutes les délégations sont présentes ou représentées.

1. CEREALES

1.1 SITUATION DU MARCHE

BLE TENDRE

1.2 ADJUDICATION A L'EXPORTATION DE BLE TENDRE (TOUS PAYS TIERS A L'EXCLUSION DE LA POLOGNE). FIXATION DE LA RESTITUTION MAXIMALE A L'EXPORTATION DE BLE TENDRE (REGLEMENT N° 943/2001).

Restitution maximale : 0,00 EUR/t – Quantité acceptée : 204.000 tonnes.

Vote : avis favorable à l'unanimité.

1.3 ADJUDICATION A L'EXPORTATION DE BLE TENDRE (CERTAINS ETATS ACP). FIXATION DU PRIX MINIMUM DE VENTE POUR L'EXPORTATION D'ENVIRON 171.000 TONNES DE BLE TENDRE PANIFIABLE DETENUES PAR L'ORGANISME D'INTERVENTION *ALLEMAND* A DESTINATION DE CERTAINS ETATS ACP (REGLEMENT N°931/2001).

Pas d'offres présentées.

Non soumis au vote.

ORGE

1.4 ADJUDICATION A L'EXPORTATION D'ORGE (TOUS PAYS TIERS A L'EXCLUSION DES U.S.A. ET DU CANADA). FIXATION DE LA RESTITUTION MAXIMALE A L'EXPORTATION D'ORGE (REGLEMENT N°1558/2001).

Restitution maximale : 0,00 EUR/t – Quantité acceptée : 25.000 tonnes.

Vote : avis favorable à l'unanimité.

1.5 ADJUDICATION A L'EXPORTATION D'ORGE (TOUS PAYS TIERS A L'EXCLUSION DES U.S.A. ET DU CANADA). FIXATION DU PRIX MINIMUM DE VENTE POUR L'EXPORTATION D'ENVIRON 1.000.000 TONNES D'ORGE DETENUES PAR L'ORGANISME D'INTERVENTION *ALLEMAND* (REGLEMENT N°668/2001).

Pas d'offres présentées.

Non soumis au vote.

Prolongation de cette adjudication jusqu'au 23 mai 2002.

Vote : avis favorable à l'unanimité.

1.6 ADJUDICATION A L'EXPORTATION D'ORGE (TOUS PAYS TIERS A L'EXCLUSION DES U.S.A. ET DU CANADA). FIXATION DU PRIX MINIMUM DE VENTE POUR L'EXPORTATION D'ENVIRON 50.000 TONNES D'ORGE DETENUES PAR L'ORGANISME D'INTERVENTION *FINLANDAIS* (REGLEMENT N°1500/2001).

Pas d'offres présentées.

Non soumis au vote.

1.7 ADJUDICATION A L'EXPORTATION D'ORGE (TOUS PAYS TIERS A L'EXCLUSION DES U.S.A. ET DU CANADA). FIXATION DU PRIX MINIMUM DE VENTE POUR L'EXPORTATION D'ENVIRON 50.000 TONNES D'ORGE DETENUES PAR L'ORGANISME D'INTERVENTION *IRLANDAIS* (REGLEMENT N°1501/2001).

Prix minimum : 105,27 EUR/t – Quantité acceptée : 51.851 tonnes.

Vote : avis favorable à l'unanimité.

SEIGLE

1.8 ADJUDICATION A L'EXPORTATION DE SEIGLE (TOUS PAYS TIERS) FIXATION DE LA RESTITUTION MAXIMALE A L'EXPORTATION DE SEIGLE (REGLEMENT N° 1005/2001).

Refus de toutes les offres présentées.

Vote : avis favorable à l'unanimité.

1.9 ADJUDICATION A L'EXPORTATION DE SEIGLE (VERS LES PAYS DE LA ZONE VII: ASIE) FIXATION DU PRIX MINIMUM DE VENTE POUR L'EXPORTATION D'ENVIRON 1.200.000 TONNES DE SEIGLE DETENUES PAR L'ORGANISME D'INTERVENTION *ALLEMAND* (REGLEMENT N° 1490/2000).

Prix minimum : 76,05 EUR/t – Quantité acceptée : 4.995 tonnes.

Vote : avis favorable : 77 pour – 10 abstentions.

AVOINE

1.10 ADJUDICATION A L'EXPORTATION D'AVOINE. FIXATION DE LA RESTITUTION MAXIMALE A L'EXPORTATION D'AVOINE EN PROVENANCE DE FINLANDE ET DE SUEDE (REGLEMENT N° 1789/2001).

Restitution maximale : 0,00 EUR/t – Quantité acceptée : 65.000 tonnes.

Vote : avis favorable à l'unanimité.

IMPORTATION DE SORGHO

1.11 FIXATION DE L'ABATTEMENT MAXIMAL DU DROIT A L'IMPORTATION POUR 200.000 TONNES DE SORGHO EN ESPAGNE (REGLEMENT N° 1811/2001).

Pas d'offres présentées.

Non soumis au vote.

AUTRES POINTS

1.12 DROIT COMMUN : FIXATION DES RESTITUTIONS A L'EXPORTATION POUR LES CEREALES.

Absence de proposition.

Non soumis au vote.

1.13 DROIT COMMUN : FIXATION DES CORRECTIFS AUX RESTITUTIONS POUR LES CEREALES.

Absence de proposition.

Non soumis au vote.

1.14 DROIT COMMUN : FIXATION DES RESTITUTIONS A L'EXPORTATION POUR LE MALT.

Absence de proposition.

Non soumis au vote.

1.15 DROIT COMMUN : FIXATION DES CORRECTIFS AUX RESTITUTIONS POUR LE MALT.

Absence de proposition.

Non soumis au vote.

1.16 OUVERTURE D'UNE ADJUDICATION PERMANENTE DE SEIGLE DETENU PAR L'ORGANISME D'INTERVENTION ALLEMAND EN VUE DE LEUR TRANSFORMATION DANS UN AUTRE ETAT MEMBRE QUE L'ALLEMAGNE (RECOLTE 2000).

Reporté.

1.17 ABROGATION DE L'ADJUDICATION POUR L'EXPORTATION D'ENVIRON 1.200.000 TONNES DE SEIGLE DETENUES PAR L'ORGANISME D'INTERVENTION *ALLEMAND* (REGLEMENT N° 1490/2000) ET OUVERTURE D'UNE ADJUDICATION POUR L'EXPORTATION DE SEIGLE DETENUES PAR L'ORGANISME D'INTERVENTION ALLEMAND (RECOLTE 2001).

Abrogation du règlement (CE) n° 1490/2000 concernant l'exportation de seigle vers la zone VII (Asie) détenue par l'organisme d'intervention allemand. Cette abrogation sera publiée à partir du 14 décembre 2001.

Vote : avis favorable à l'unanimité.

Ouverture d'une adjudication permanente pour l'exportation de 300.000 tonnes de seigle (récolte antérieur à 2001) vers tous pays tiers à l'exclusion de la zone VII (Asie). La première adjudication est prévue pour le 20 décembre 2001.

Vote : avis favorable : 83 pour – 4 abstentions.

Ouverture d'une adjudication permanente pour l'exportation de 700.000 tonnes de seigle de la récolte 2001 vers la zone VII (Asie).). La première adjudication est prévue pour le 20 décembre 2001.

Vote : avis favorable : 77 pour – 10 abstentions.

1.18 ECHANGE DE VUES SUR UNE MODIFICATION DU RYTHME DES COMITES DE GESTION DES CEREALES.

Reporté.

1.19 DIVERS.

Pas d'autre point.

2. AIDE ALIMENTAIRE

2.1 AIDES NATIONALES.

Aucune communication.

2.2 DIVERS.

Pas d'autre point.

3. RIZ

3.1 ECHANGE DE VUES SUR LA SITUATION ET PERSPECTIVES DU MARCHE DU RIZ.

3.2 FIXATION DE LA RESTITUTION MAXIMALE A L'EXPORTATION DE RIZ BLANCHI A GRAINS RONDS A DESTINATION DE CERTAINS PAYS TIERS (REGL. CE N° 2007/2001).

Restitution maximale : 189 €/t

Quantité : 1.950 tonnes

Vote : Avis favorable à l'unanimité

3.3 FIXATION DE LA RESTITUTION MAXIMALE A L'EXPORTATION DE RIZ BLANCHI A GRAINS MOYENS ET LONGS A A DESTINATION DE CERTAINS PAYS TIERS DE L'EUROPE (REGL. CE N° 2008/2001).

Restitution maximale : 218 €/t

Quantité : 370 tonnes

Vote : Avis favorable à l'unanimité

3.4 FIXATION DE LA RESTITUTION MAXIMALE A L'EXPORTATION DE RIZ BLANCHI A GRAINS MOYENS ET LONGS A A DESTINATION DE CERTAINS PAYS TIERS (REGL. CE N° 2009/2001).

Refus des offres.

Vote : Avis favorable à l'unanimité

3.5 FIXATION DE LA RESTITUTION A L'EXPORTATION DE RIZ BLANCHI A GRAINS LONGS A DESTINATION DE CERTAINS PAYS TIERS (REGL. CE N° 2010/2001).

Restitution maximale : 290 €/t

Quantité : 2.475 tonnes

Vote : Avis favorable à l'unanimité

3.6 FIXATION DE LA SUBVENTION A L'EXPEDITION DE RIZ DECORTIQUE A GRAINS LONGS A DESTINATION DE L'ILE DE LA REUNION (REGL. CE N° 2011/2001).

Refus des offres

Vote : Avis favorable à l'unanimité

3.7 ADJUDICATIONS PERMANENTES POUR LA REVENTE SUR LE MARCHE INTERIEUR DE RIZ DETENU PAR LES ORGANISMES D'INTERVENTION ITALIEN, GREC ET ESPAGNOL POUR L'UTILISATION DANS LES ALIMENTS POUR ANIMAUX: FIXATION DU PRIX MINIMUM DE REVENTE.

Refus des offres

Vote : Avis favorable à l'unanimité

3.8 DIVERS.

4. PRODUITS TRANSFORMES

4.1. AVIS SUR LES RESTITUTIONS À LA PRODUCTION AMIDON.

Le résultat du calcul appliqué selon les mêmes règles visées ci-dessus continue à aboutir à zéro, de sorte qu'aucune décision était à prendre.

4.2. AVIS SUR LES RESTITUTIONS À L'EXPORTATION, Y COMPRIS POUR LES PRODUITS HORS ANNEXE I.

4.2.1. Produits transformés

Une nouvelle fixation des restitutions s'impose parce que l'écart convenu de 5 €/t de céréales par rapport à la dernière fixation n'étant dépassée pour les deux céréales bénéficiant encore des restitutions, soit le maïs et le seigle.

Pour le maïs le calcul est basé sur un prix intérieur dans l'Union plafonné à 115 % du prix d'intervention pour tous les marchés de référence, c'est à dire Bordeaux, Bayonne, Alexandrie et Padova.

Les montants valables à partir du 23 novembre 2001 s'élèvent comme suit :

(EUR/t de produit mis en oeuvre)

	Ancienne	Nouvelle
Glucose	19,08	14,24
Avoine	-	-
Maïs et fécule	25,44	18,99
Seigle	27,86	21,44
Blé	-	-
Orge	-	-
Brisures de riz	40,-	40,-

Le Comité du 22 novembre n'a pas rendu d'avis avec 7 voix en faveur (FI, S) et 80 abstentions (UK). Les abstentions ont été exprimées en cause d'un maintien de la non élimination du plafond du 115 % du prix d'intervention.

Vote du comité : Absence d'avis 7 voix en faveur et 80 abstentions.

4.2.2. Hors Annexe I

Les restitutions pour les produits hors annexe I sont adaptées comme pour les produits transformés à l'exception des boissons spiritueuses où la restitution est dorénavant calculée sur base de l'écart prix intérieur FOB et prix extérieur CAF (au lieu de FOB/FOB) pour le maïs.

Vote du Comité

Comme pour les produits transformés.

4.2.3. Aliments composés

Par analogie au résultat du calcul pour les produits transformés, les restitutions pour les aliments composés ont été adaptées ainsi :

Produits à base de maïs : 18,99 contre 25,44 €/t
Produits à base d'autres céréales : maintien à zéro €/t.

Vote du Comité
Comme pour les produits transformés.

4.3. DIVERS.

5. AUTRES PRODUITS

5.1. AVIS SUR UN PROJET DE REGLEMENT PORTANT L'OUVERTURE ET MODE DE GESTION D'UN CONTINGENT TARIFAIRE COMMUNAUTAIRE POUR L'ANNEE 2002 (RACINE DE MANIOC, THAÏLANDE).

Le présent projet de règlement ouvre pour l'année 2002 un contingent tarifaire pour 5,5 mio tonnes de manioc originaire de Thailande.

Vote : Avis favorable à l'unanimité.

L. HOELGAARD
Directeur

N.B. Les mesures sur lesquelles le comité a émis un avis font l'objet d'une procédure appropriée pour l'adoption formelle par la Commission.

LISTE DES PARTICIPANTS

Comité de gestion des céréales. Date : 22 novembre 2001

Etat Membre	Ministère ou Organisme	Nombre de personnes
BE	Min. Landbouw Econ. Zaken	2 1
DK	DFFE	1
DE	BMVEL BLE	1 1
EL	Ministère de l'Agriculture R.P.	1 1
ES	DGA-MAPA	2
FR	Ministère de l'Agriculture ONIC	1 1
IE	DAFRD	1
IT	MI.P.A.F. ENTE RISI	2 1
LU	Représentée par la Belgique	-
NL	Ministerie LNV	2
AT	BMLFUW AMA	1 1
PO	GPPAA INGA	1 1
FI	Ministry of Agriculture	2
SE	Ministry of Agriculture SBA	1 1
UK	DEFRA	2