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April 26, 2005

ABOUT TRADEMALI

Prépare le Mali pour le monde – Amène le monde au Mali.

TradeMali works to increase Mali's market positions regionally and internationally. The project is organized around two vital campaigns: The first, "Prepare Mali for the World," will assist Mali to create an inspiring policy environment and provide technical and managerial training to associations, agribusinesses, and selected government units to take advantage of potential opportunities. The second, "Bring the World to Mali," will generate real trade prospects by linking products and market buyers. Targeted products will include cereals, livestock, fruits and vegetables, and other agricultural-based products.

TradeMali is a three-year project with two option years at USAID/Mali's discretion. With offices in Bamako, Sikasso, Mopti, Segou, and Timbuktu, it is one of three long-term projects funded by the United States Agency for International Development/Mali working to improve agricultural productivity and incomes in Mali. TradeMali focuses on increasing trade in targeted agricultural sectors. Mali Finance works to provide wider access to financing for agricultural sectors and PRODEPAM seeks ways increase outputs of agricultural producers.

TradeMali
Contract No. 688-C-00-03-00068-00

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ABOUT THIS REPORT

This semi-annual report is the second for TradeMali and details progress the project has made between September 2004 and February 2005. Based on the second year work plan and performance monitoring plan, this report compares targeted objectives with actual activities. This report also provides insight into TradeMali's future priorities.

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

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ACRONYMS

ADM	Aéroports du Mali
ADRAO	West Africa Rice Development Association
AEG	Accelerated Economic Growth
AFD	Agence Française de Développement
BRC	British Retailers Consortium
CBI	Centre for the Promotion of Imports from Developing Countries
CIC	Centre International du Commerce
CNPI	Centre National pour la Promotion de l'Investissement
DGD	Direction Générale des Douanes
DGRC	Direction Générale de Réglementation et Contrôle
DNCC	Direction Nationale du Commerce et de la Concurrence
DNI	Direction Nationale de l'Industrie
DTIS	Diagnostic Trade Integration Strategy
ECOWAP	ECOWAS Common Agricultural Policy
ECOWAS	Economic Community of West African States
GIE	Groupement d'Intérêt Economique
GoM	Government of Mali
HACCP	Hazard Analysis and Critical Control Points
IER	Institute d'Economie Rurale
IR	Intermediate Result
JITAP	Joint Integrated Technical Assistance Program
MA	Ministère de l'Agriculture
MCC	Millennium Challenge Corporation
MEP	Ministère d'Elevage et de la Pêche
MIC	Ministère de l'Industrie et Commerce
PCDA	Projet de Compétitivité et de Diversification Agricole
PMP	Performance Monitoring Plan
PR	Performance Result
SNV	Société Néerlandaise Volontaire
SO	Strategic Objective
SOGAS	Société de Gestion des Abattoirs au Sénégal

TEM	Tropical Expressions Mali
UEMOA	Union Economique et Monétaire Ouest Africaine
UNCTAD	United Nations Conference for Trade and Development
UNDP	United Nations Development Program
VSF	Vétérinaires sans Frontières
WTO	World Trade Organization

EXECUTIVE SUMMARY

This semi-annual report for the USAID-funded TradeMali project covers the period from September 1, 2004, to February 28, 2005. By cultivating a policy environment favorable to trade, facilitating market linkages, and building supply chain capacity, TradeMali seeks to facilitate Mali's sustainable economic growth through increased trade of agricultural products.

TradeMali's activities since project start-up 18 months ago have reaffirmed the importance of competitive farm-gate prices, products meeting market quality standards, and cohesive commodity sectors to sustained export growth. TradeMali's increasingly nuanced understanding of Mali's trade environment has enabled us to sharpen our focus during the current reporting period, resulting in targeted efforts to identify potential export markets, transmit market information to production-oriented partners, strengthen commodity sectors to better respond to market demand, upgrade supply chains to timely deliver products of improved quality, and develop the institutional environment. For some "ready to go" products this has been an easier task to accomplish. While "ready to go" products mainly needed strengthening in identifying export markets and refining the product according to the market criteria, other products demand patience and more in depth work to develop the product from initial stages into an advanced commodity that can meet sub-regional and international standards and demand.

TradeMali's efforts in the potato sector are changing the way business is done. During the current reporting period TradeMali established four potato cooperatives based in the Sikasso region, which are shifting the sector's trading basis from *ad hoc* transactions to a coordinated and systematized operation. The potato sector will now lobby more effectively, enjoy greater access to financing, negotiate more favorable terms with transporters, and coordinate marketing efforts. This represents a major advance for the Malian potato sector: trade volumes will ultimately be more profitable, which is critical to the sector's growth since export volumes are currently constrained by relatively low production yield and surface area. Additionally, one cooperative is comprised exclusively of women, enabling the donor community to provide more targeted training and assistance to the sector's female actors. TradeMali has supplemented the cooperative initiative with a series of marketing investigation trips to Burkina Faso, Cote d'Ivoire, and Mauritania. In addition to providing important information regarding production cost targets, these trips have resulted in several significant pre-orders. With the 2005 campaign just beginning, we look forward to providing detailed statistics in the Year 2 annual report.

The current reporting period has yielded important results for Mali's red meat sector. Aided by a series of sub-regional marketing trips and our network of contacts, TradeMali finalized the market assessments and cost structure analysis initiated in Year 1; results for both are detailed in Section IIIC. Since high production costs pose a significant barrier to sub-regional exports, TradeMali has focused on channeling market information to our production-oriented partners, strengthening the sector's institutional environment, and upgrading the post-production commodity chain. The sector is now guided by a comprehensive action plan and a public-private sector monitoring committee, Mali's red meat quality standards will soon be harmonized with those of neighboring countries, and we remain prepared to support the *Union Economique et Monetaire Ouest Africaine's* (UEMOA) laboratory upgrade and certification program with technical assistance. TradeMali has also intensified support to area abattoirs and potential

exporters, providing market information and guidance, and technical assistance to improve operations and increase access to finance for infrastructure upgrades.

This semester has proven especially important for TradeMali's rice efforts. In November we finalized an analysis indicating that Malian rice has questionable competitiveness in sub-regional markets, especially on price. With USAID/Mali's concurrence, TradeMali thus intensified its focus on domestic rice markets. This move has produced significant results; despite the poor rice harvest, we have expanded our *Credit Stockage Vivrier* program to include five lending institutions and 20 villages in *Office du Niger*, *Office Riz Segou*, *Office Riz Mopti*, and the Timbuktu region. This program is successful not only because it allows the producers to store their rice until they can sell at higher prices; but also provides them with funding to continue production. Results during the first year of activity revealed that participants in five villages sold rice for 30% above the price they would have otherwise received. With their increased revenues, participating producers have more disposable income for health, education, and counter crop investments. TradeMali also recently designed the *Programme Commercialization du Vente du Riz*. Scheduled to begin officially in April, if prices and volumes justify, this activity will assist women in procuring financing to purchase rice, potentially add value through product transformation, and then later sell the product for profit. We continue to strengthen the rice sector's institutional environment; our subcontract with *Office des Marches Agricoles* (OMA) provides information regarding sub-regional rice markets and serves as an excellent manner for OMA to test the expansion of its range of services. By strengthening the domestic rice market, TradeMali is laying the foundation for future exports to the sub-region.

TradeMali's activities in the mango sector have been record breaking stimulating interest and excitement in the process; with the success of Mali's 2004 campaign—a nearly 200% increase over 2003 export levels—and the emphasis on multi-modal logistics, TradeMali is establishing a replicable development model based on supply chain management. During the current reporting period we have continued to strengthen Mali's multi-modal logistics capacity by working with Malian exporters, transport companies and other donors; with assistance provided by TradeMali, the World Bank and Dutch cooperation have agreed to construct a permanent logistics platform in Bamako, which will facilitate an increase in mango exports and trigger the growth of other fruit and vegetable export sectors. Equally important, TradeMali has launched the Quality Program to prepare Malian exporters to meet EurepGAP quality and traceability standards; we expect one of our clients to receive certification in December 2005 and several others will likely follow soon thereafter. We have also strengthened contacts with European importers and input supplies, resulting in improved exporter credit mechanisms and new levels of attention to packaging requirements and attractive designs. The 2005 campaign, now beginning, promises to be strong.

TradeMali has expanded efforts in Mali's Northern region during this second year. With the addition of three *experts juniors*, we have strengthened our focus on anis, cumin, and rice storage, and redirected our camel cheese efforts. And while none are currently prepared to export significant volumes, we have made important advances in each sector, creating potential for increased trade in future years. Anis and cumin – both new commodities for the donor community – are particularly promising; initial market assessments indicate that the Ghanaian, Togolese, and Burkinabe markets are all viable with manageable handling upgrades. In addition

to these primary activities, TradeMali has continued to identify opportunities to support the regional economy, facilitating several short-term activities to increase marketing opportunities and incomes. We also continue to explore other Northern-grown commodities with potential for increased trade.

TradeMali's work in the policy sector provides an important complement to our commodity promotion activities. We have continued to facilitate public/private dialogue and partnerships to improve the policy environment and disseminate norms and standards governing exports. And in collaboration with our partners, TradeMali continues to drive the Integrated Framework development process, resulting in several short-term activities proposed for United Nations Development Program (UNDP) funding. Equally important, TradeMali proposed an ambitious plan to restructure Mali's *Direction Nationale de Concurrence et Coordination* (DNCC) to more effectively coordinate trade efforts. Based on a recommendation by the Project Advisory Committee to further develop the DNCC, we are also preparing to host two DNCC employees at TradeMali's ACI 2000 offices, which will provide an excellent opportunity to strengthen that institution's capacity through "hands-on" learning. This exciting new initiative will begin during the second semester, and we look forward to including it in our Year 2 annual report.

TradeMali has also made important advances in gender programming, shifting from a "Women in Development" approach to gender mainstreaming. This new strategy, which will be based on a thorough analysis of gender roles in the targeted commodity sectors, seeks to reduce entry barriers for both genders. The strategy is producing exciting results, particularly in the rice and potato sectors. The previously mentioned *Programme Commercialization du Vente du Riz* is a prime example of TradeMali's commitment to integrating women into the evolution of trade in Mali. More examples of our gender activities are reflected in the current report—since gender activities vary by sector, we include gender commentary in each section.

TradeMali's financial and administrative systems continue to operate effectively. As previously discussed with USAID/Mali, the project's fixed price contract mechanism has reduced our ability to respond quickly to changing market conditions. We have appreciated USAID/Mali's support throughout the mechanism change process, and we look forward to finalizing the modification during the second semester. Exchange rate fluctuations have increased the complexity of contract management; the decline of the US Dollar against the FCFA has cost approximately \$300,000 since start-up, compelling TradeMali to monitor resource allocations particularly closely.

TradeMali is pleased to present three success stories below based on the results of the current and prior reporting periods. For USAID/Mali's reference, we have also included information regarding fund leveraging, export financing strategies, and progress against work plan objectives in the annexes at the conclusion of the report.

A. Mango Sector (PR 4)

A leader in Mali's mango industry, Tropical Expressions Mali (TEM) enjoyed a record-breaking 2004 campaign showing a more than 600% increase over its 2003 total—its relatively poor showing in 2003 reflects the logistical problems that TEM had with its transport through the Ivory Coast. TradeMali's assistance in improving pisteur harvest operations, training in quality

control in the pack-house, clarifying procedures for the temporary admission of packaging materials destined for re-export, and our training in EurepGap certification requirements and quality/traceability issues contributed to TEM's shipments of some 1,468 MT of Malian mangoes to Holland and to its current season's excellent outlook. TEM already has contracts in hand for over 3,000 MT of mango shipments for the 2005 campaign—including from a new client that TradeMali help broker.

TEM's prospects for the 2006 campaign are less certain if compliance with EurepGAP is not assured. EurepGAP standards, to be enforced this June, will enhance the quality of goods entering European markets; but they also require sophisticated quality management and traceability systems, which Malian producers and exporters must satisfy to maintain their European market share. Compliance will prove difficult, since most Malian exporters lack both the resources to implement systems and the size to integrate supply chains.

With assistance from TradeMali, the GIE TEM will be the first Malian exporter to fully comply with EurepGAP standards. Together we have designed and implemented an innovative organizational structure that integrates producers, harvester-consolidators (pisteurs), and exporters in the quality management process. TEM employees – working in over 45 mango orchards – are beginning to see themselves as quality control agents, and enjoy cash incentives for superior service. Because of this structure, and technical assistance and training provided by TradeMali, the GIE TEM expects to be certified as a EurepGAP-compliant exporter in December.

The value of this activity goes far beyond GIE TEM's EurepGAP certification. Not only does the new structure ensure quality and traceability, it also provides a model for other operators. Since EurepGAP compliance requires a fundamental mentality shift on the part of the entire supply chain, the value of a pre-existing model situated within the Malian context can hardly be overstated. A second exporter, this time in Bamako (Mali Primeurs), has asked us for assistance to follow the development model designed for GIE TEM. The APEJ agency has approached us for similar support in implementing their export centers in Yanfolila and Bougouni, Helvetas Mali is asking for help in dealing with EurepGAP and traceability issues for its activities in Yanfolila, Bougouni and Kolondiéba, and the Yanfolila mango producers' cooperative wants assistance for a traceability and orchard management program with an eye to future EurepGAP certification.

The stakes for the Malian mango industry (as well as for future fruit and vegetable exports) are high; as TEM illustrates, it is successfully evolving to meet new European quality requirements, enabling it to not only retain current market share, but penetrate a larger portion of the fastest growing segment.

B. Potato Sector (PRs 4 & 5)

Mali's Sikasso region has long produced potatoes for export, with totals in recent years reaching several thousand MT; but the potato sector's best days are yet to come. West African countries import tens of thousands of Dutch-grown potatoes annually. Despite the naturally high quality of the Malian potato, however, the country has yet to exploit the significant opportunities the

sub-region presents; the sector's diffused structure means that transactions are ad hoc, often inefficient, and seldom guaranteed.

TradeMali is changing this. In advance of the 2005 potato harvest TradeMali teamed with producers and exporters in the Sikasso region – the center of Mali's potato industry – to organize the 11 principal trading villages into four cooperatives. Comprising nearly 175 members, the cooperative structure gives members unprecedented access to finance, leverage to advocate policy reform, and ability to maximize efficiency by sharing transport costs. The structure also facilitates capacity building; TradeMali is providing training on quality management, handling, and planning; and PRODEPAM and Mali Finance, TradeMali's partners in USAID/Mali's economic growth portfolio, have begun to target the cooperatives for agricultural production and finance interventions.

Just several weeks into the cooperatives' first season, initial reports provide reason for cautious optimism. Sub-regional importers appear likely to increase shipment orders from 2004 levels. Transactions can now be more systematized and profitable, further increasing the likelihood of repeat buyers in future years and increasing reinvestment rates. Importantly, the structure is replicable, which will enable future potato exporters to initiate their own cooperatives.

C. Strengthening the Institutional Environment for Trade (PR 1)

The effectiveness of policy reform is inherently difficult to quantify and, sometimes, even more difficult to notice.

Since project start-up TradeMali has worked closely with Mali's *Direction Nationale de Coordination et Concurrence* (DNCC), the entity within the Ministry of Industry and Commerce (MIC) with primary responsibility for coordinating the country's trade promotion efforts. This is a critical role; not only is the DNCC responsible for developing Mali's national trade strategy, but it also ensures Government policies enable sub-regional and international trade. The DNCC, however, lacks the technical and infrastructural resources to perform effectively, placing an unneeded institutional constraint on Mali's export sectors.

This dilemma is well-illustrated by the ongoing Integrated Framework development process. Supported by USAID and other donors, the Integrated Framework—spearheaded by the DNCC—will play a central role in Mali's economic growth by providing a national trade strategy. But it is also more than that: by detailing interventions necessary to achieve and sustain Malian economic growth, the Integrated Framework provides a blueprint for and ensures coordination of future funding priorities. Nonetheless, the process was effectively stalled between February and September 2004, until TradeMali pushed it forward.

Based on the need for an effective trade policy and promotion institution, and at the request of the Secretary General of the Ministry of Industry and Commerce, TradeMali commissioned a study to propose new organizational structures for the DNCC. Submitted to the Ministry of Industry and Commerce in November 2004, TradeMali's study advocates an ambitious reorganization plan, essentially dividing the DNCC into two organizations: one, with *Direction Generale* status, to coordinate the Government's trade policies, and the other a private-public sector organization to cohere commodity sector promotion efforts.

TradeMali's proposal has widespread support within the private sector. But the plan is also politically sensitive: *Direction Generale* status would ensure greater human and financial resources for the new entity, rivaling other public organizations for funding but providing more leverage to implement effective policies. This is an important reform, and TradeMali is a strong supporter. We anticipate a final decision by the Government's Council of Ministers this summer.

And what of the Integrated Framework process? TradeMali has continued to help push it forward, too and is on the steering committee translating proposed funding priorities into realistic projects. Two proposals addressing issues in the mango sector are being put forward for UNIDO financial support and a donor roundtable scheduled at mid-year will channel funds into selected trade projects.

SECTION I

Introduction

TradeMali is operating under its Year 2 work plan, which received preliminary approval from USAID/Mali in December. TradeMali has enjoyed an active and successful Year 2 to date, building on foundations laid in Year 1 to achieve a sustainable and significant increase in Mali's exports to sub-regional and international markets.

This section briefly presents the vision guiding TradeMali's programming, reviews Mali's current trade environment, and concludes with an overview of the project's Year 1 accomplishments and challenges. Sections II through IV provide a detailed account of TradeMali programming and results during the semester. Section V concludes the report with a summary of key lessons learned and an overview of TradeMali's priorities for the third year of implementation.

As previously discussed with USAID/Mali, this report does not include quantitative data on indicators articulated in the project's performance monitoring plan (PMP). This information, along with IEHA data, will be featured in TradeMali's Year 2 annual report.

A. TradeMali's Vision

TradeMali works to stimulate Mali's long-term economic growth through a range of integrated interventions designed to enhance the competitiveness of selected agricultural commodities and create an institutional and policy framework favorable to exports. TradeMali's efforts are guided by USAID/Mali's strategic objective (SO) 9, accelerated economic growth; intermediate result (IR) 2, trade of targeted agricultural products increased; sub-IR 2.1, political and institutional environment for trade enhanced; sub-IR 2.2, competitiveness of agribusinesses and associations increased; and the following performance results (PR):

- PR 1. Improved capacity of export promotion institutions
- PR 2. Improved public-private partnership for export promotion
- PR 3. Improved capacity of norms and standards dissemination institutions
- PR 4. Increased opportunities for selected agricultural product exports
- PR 5. Improved partnerships for selected agricultural product exports
- PR 6. Improved capacity of market information systems for selected agricultural products

B. Current Trade Environment

Mali is, in many ways, at a critical juncture in its economic development. This is unquestionably a time of great opportunity; globalization and regional integration have significantly increased potential markets for Malian exports. Indeed, Mali produces in large quantity many of the commodities its neighboring countries import. The Malian mango is of high quality, and has sold successfully, but not up to its potential, in European markets. Mali is, furthermore, well-positioned to respond to agricultural export opportunities, and, while certainly a humanitarian

tragedy, the crisis in Cote d'Ivoire has forced Mali to search for alternative shipping routes. The Government of Mali (GoM) has also demonstrated its commitment to political and economic liberalism, undertaking a range of measures to improve livelihoods and stimulate growth. The Government's recent invitation to submit a funding proposal to the Millennium Challenge Corporation (MCC) is testament to this, and presents a significant opportunity as well.

Yet this is also a time of challenges, which Mali must overcome to achieve its potential. Public/private dialogue must be strengthened. Mali's comparative advantage is tenuous, vulnerable to external shocks and partially neutralized by high transport and production costs. The Government's recent reforms have also not been fully consolidated; until they translate into palpable increases in living standards, political support will remain uneven.

Mali's agricultural exports to sub-regional markets have largely been informal transactions. Many export commodity sectors lack the structure to coordinate efforts, negotiate effectively with transporters, or lobby the Government for favorable policy. And while Mali can continue this – and perhaps even modestly increase export volumes – a sustainable and significant increase requires professionalizing commodity sectors and upgrading supply chains.

C. Year 1 in Retrospect

C1. Commodity Sectors

TradeMali began its efforts to address these opportunities and challenges in Year 1. Shortly after start-up TradeMali selected five commodity sectors to target: mangoes, potatoes, red meat, rice, and shea butter, and the Northern region received particular attention. TradeMali undertook analyses of each sector's supply chain and potential export markets, and began to facilitate market linkages. Results are described briefly below:

Mango sector.

Although Mali has exported mangoes to European markets for over 20 years, the supply chain was inadequately prepared to deliver large, timely shipments of high quality mangoes. TradeMali began its efforts to change this in Year 1, emphasizing multi-modal logistics, cold storage, and quality standards. Our hands-on coaching of exporters, facilitation of contacts with new importers, having experienced project field staff in orchards, training of harvester-consolidators (pisteurs) and packing-station personnel in handling for improved quality shipments, the supply of packaging materials, the establishment of an in-market information system for Malian mango arrivals and competitive products, seasonal repairs and operation of the airport packing station, the use of the Bamako-Dakar corridor for sea shipments, and facilitation of multi-modal shipments through rebel territory in the Ivory Coast did much to improve last season's sales and prospects for the coming years. After TradeMali's first campaign, Mali's mango exports more than doubled, jumping to over 3,000 MT. The exporters with whom TradeMali directly work had nearly 2,400 MT of this total.

TradeMali's Approach in Brief

- Identify potential target markets for export
- Work throughout commodity chains
- Transmit information to partners focusing on production and marketing
- Develop a supply chain management model of trade development that can be replicated by other agricultural commodity sectors
- Structure supply chain interventions to respond to target export market demands
- Develop winners and make them models for others
- Upgrade cold storage and containerized logistics, since they benefit all fruit and vegetable sectors

Potato sector.

Mali has traditionally exported potatoes to Cote d'Ivoire, but sub-regional markets are dominated by the Dutch, who send more than 80,000 MT to Mali's neighbors annually. Since TradeMali's September 2003 start-up did not allow sufficient lead time before potato harvest to launch a full 2004 campaign, TradeMali focused Year 1 activities on identifying target markets, defining parameters, and professionalizing the supply chain to deliver large shipments of quality potatoes.

Rice sector.

Despite the large sub-regional rice market, TradeMali's analysis concluded that Malian rice is not price competitive. With USAID/Mali's concurrence, TradeMali planned to orient Year 2 activities towards strengthening the domestic rice market, tracking rice exports and monitoring the export situation, and transmitting market information to our production partners as appropriate.

Red meat sector.

Although Mali has the largest cattle and small ruminant population in West Africa, exports have traditionally been limited to livestock. Aware that poor infrastructure and high production costs could constrain exports for several years, TradeMali conducted a market assessment during Year 1 – finalized early in Year 2 and detailed in Section III – to identify potential markets and define parameters. We also inaugurated important partnerships with two Malian abattoirs and other potential exporters, and, in cooperation with the *Ministère d'Élevage et de Pêche* (MEP) and the *Direction Nationale de l'Industrie* (DNI), began to formalize quality standards.

Shea butter sector.

Mali is a major producer of shea butter. However, after analyzing the commodity sector—the strong local market situation, village-level processing conditions, the number and type of current project interventions, the international market structure, demand and requirements and the role that TradeMali could play—the project came to the conclusion that its efforts and resources would be more productive if concentrated on its other targeted sectors. With the concurrence of the AEG team, the shea butter sector was eliminated.

Northern initiatives.

TradeMali devoted special attention to Mali's Northern region. We identified anis, cumin, and camel cheese as having potential for increased profitability and export trade, and initiated activities to understand market demands and quality requirements. TradeMali also initiated several other activities, including a rice storage and marketing program—to stimulate the local economy and understand Northern dynamics.

C2. Institutional and Policy Framework

As our sectoral analyses revealed fundamental supply chain weaknesses, so too did TradeMali's analysis of the policy environment compel longer-term efforts to resolve underlying problems.

Improved capacity of export promotion institutions (PR 1).

Mali must develop a coherent national trade strategy, and then sustain coordination, to become a leading sub-regional exporter. The DNCC, tasked by the *Ministère de l'Industrie et du Commerce* to coordinate the Integrated Framework process, has limited technical and logistical

resources to do so effectively. As the DNCC's counterpart, TradeMali along with the USAID Mission played a key role in advancing the Framework; and the project proposed an ambitious structural reorganization for the DNCC, both of which are critical to improving Mali's export environment.

Facilitating public/private dialogue (PR 2).

Effective public/private dialogue is critical for trade coordination, and TradeMali has made this a priority. Year 1 activities focused on regulatory procedures, quality guidelines, sector coordination, and transport corridor obstacles. In addition to providing an important framework upon which to build, TradeMali's efforts produced a tax holiday on imported utility vehicles.

Dissemination of norms and standards (PR 3).

TradeMali intends to establish the Malian origin as synonymous with quality in targeted product sectors. With TradeMali's support, the DNI began to review and harmonize its norms and quality standards for the rice, potato, and red meat sectors to ensure consistency with neighboring countries. This effort was complemented by our efforts to foster a "quality counts" attitude. With preparations for EurepGAP certification underway, Mali has begun the work to establish itself as high quality exporter.

SECTION II

Strengthening the Policy and Institutional Environment for Trade (Sub-IR 1)

A favorable policy and institutional environment is critical to achieving significant export growth. The policy sector is thus key to TradeMali's objectives, and we have consciously sought to integrate both long- and short-term considerations into our programming. Year 2's activities have been exciting, with many of the long-term initiatives begun in Year 1 nearing fruition and several incremental advances in shorter-term activities. The current section details TradeMali's second year activities in support of PRs 1, 2, and 3, placing them in the context of long-term objectives and previewing priorities for the coming semester.

A. Strengthening Export Promotion Institutions (PR 1)

A1. Integrated Framework

Cognizant of the importance of a coherent national trade strategy to Mali's long-term economic growth and export development, TradeMali has made the successful articulation of the Integrated Framework its top policy priority. Building upon the first year's progress, TradeMali continued to serve, with USAID, as a key player in the Integrated Framework's development, providing technical and logistic support as necessary.

After helping to finalize the Diagnostic Trade Integration Study (DTIS) draft in Year 1, TradeMali assisted with the organization, presentations, and follow ups for the National Validation Workshop in November and December. The DTIS strategy and activity schedule was approved as drafted, and the steering committee (with TradeMali as a member) proposed quick, results-oriented activities in December 2004 for immediate funding from the United Nations Development Program's (UNDP) *Window II*. Due to TradeMali's success in the mango sector, the two main activities proposed were: a credit guarantee program for mango exporters and one to assist mango producers in managing their orchards.

The approval of the DTIS marked an important turning point in the development of Mali's national trade strategy. By assembling a list of funding priorities based on public, private, and donor community consensus and then translating them into realistic development projects, the approved DTIS activity matrix provides a reliable guide for increasing trade and stimulating

Key Accomplishments in the Policy Sector

Integrated Framework

- Helped mobilize the public and private sectors and donor community to advance the Integrated Framework development process
- Worked with the steering committee to develop proposals for trade-related activities for UNDP funding

DNCC

- Upgraded DNCC market information and communications capacity
- Proposed and lobbied for ambitious reorganization plan
- Identified future training priorities

Public/Private Dialogue

- Advanced efforts to harmonize Mali's norms and standards with neighboring countries

Norms and Standards

- Neared completion of an exporters' handbook
- Began dialogue regarding ECOWAS's Common Agricultural Policy with the MIC and DNCC

long-term economic growth. The donor roundtable scheduled for July represents the next important step, when leading donors have the chance to commit funds to DTIS activities.

A2. Technical Assistance to the DNCC

To complement our activities in support of the Integrated Framework, TradeMali also works to enhance the short- and long-term effectiveness of the DNCC.

Reorganization process.

As first articulated in the DTIS, TradeMali recognizes the need for significant organizational reform if the DNCC is to effectively assist Mali's trade efforts. TradeMali thus commissioned an analysis towards the end of Year 1 to determine potential organizational changes that would most effectively facilitate the DNCC's objectives. This analysis was completed in November and, indicating its broad support, validated by representatives from the public and private sectors in December.

The approach proposed by TradeMali's analysis and unanimously approved by the Validation Workshop is ambitious. Drawing from the sub-region's trade and export promotion bureaus, the proposal advocates creation of a new agency with *Direction Générale* status to assume major responsibility for the Malian government's trade policy. Though politically sensitive, TradeMali believes this elevation to *Direction Générale* status is important; with a larger budget and staff, the new entity will ensure better cohesion between Mali's export industries and public sector. Importantly, the proposal also calls for an independent trade promotion agency to facilitate dialogue between Malian exporters and the public sector to more effectively coordinate trade promotion activities.

With the proposal currently under review by the Government, TradeMali will continue to encourage elevation to *Direction Générale* status. We anticipate a Government decision regarding the DNCC reorganization by August 2005.

Capacity building.

With reorganization discussions ongoing, the MIC and TradeMali have decided to pursue a short- and long-term strategy to build DNCC capacity. As negotiations regarding the Economic Community of West African State's (ECOWAS) Common External Tariff approach, TradeMali has focused short-term DNCC capacity building efforts on trade policy and commercial negotiations. TradeMali first participated in the JITAP training program (Trade Map, Product Map and Market Access Map) for DNCC representatives, organized by the International Trade Center (ITC). During the training TradeMali initiated preparatory discussions with the ITC to expand the training to encompass the topic of commercial negotiations for members of the private sector and staff from relevant public sector organizations. Discussions continued with representatives of the WTO and the UNCTD and a seminar is planned prior to August.

In an effort to capitalize on enacted reforms, the MIC and TradeMali have agreed to base our long-term DNCC capacity building strategy on the outcome of the reorganization process; our primary goal will be enabling the new organization to operate effectively. Discussions were also held with the Secretary General of the MIC and DNCC leadership regarding the Common External Tariff, during which we agreed to conduct an analysis of the Tariff's impact on the

competitiveness of several agricultural commodities. In addition, we remain prepared to provide technical support to the DNCC as it installs the 22 computers recently donated by USAID. Particularly exciting, TradeMali has also made initial plans to house two DNCC employees at TradeMali's ACI 2000 offices, which will provide an excellent opportunity to build capacity of DNCC personnel.

B. Facilitating Public/Private Dialogue and Partnerships (PR 2)

TradeMali continues to believe that enhanced public/private dialogue is critical for long-term export growth. We have thus launched a number of initiatives during the current reporting period to stimulate discussion of, and further clarify, regulatory policies.

Handbook for exporters.

TradeMali and the DNCC are currently developing the Handbook for Exporters, which will clarify Mali's commodity export process. We have thus far received valuable input from the DNI, Direction Générale des Douanes (DGD), Direction Générale de Réglementation et Contrôle (DGRC), ITC, and CNPI, from exporters and from examples from neighboring countries thus allowing the DNCC and TradeMali to improve upon the initial DNCC drafts. We hope to finalize the guide towards the end of Year 2.

Dialogue regarding ECOWAS's Common Agricultural Policy (ECOWAP).

Adopted in January by the heads of state of ECOWAS member countries, TradeMali recently organized a workshop to inaugurate a frank and ongoing discussion of the Policy's implications for Mali. The workshop was well-received by the public and private sectors, and a consensus emerged to work closely with Malian policy-makers as they consider the Common External Tariff.

Commodity steering committees and professional associations.

TradeMali recognizes that strong and cohesive commodity steering committees and professional associations are critical for achieving sustainable increases in exports. Supporting such steering committees and associations are important to TradeMali's efforts to strengthen commodity supply chains and build a national strategy. In this vein, TradeMali approached the Ministry of Private Investment Promotion to liaise with its Comité Consultative d'Orientation et de Coordination de la Politique de promotion des filières agro-industrielles (COC/PPFA). Based upon an agricultural commodity study done by a prior USAID project, CAE/SEG, the GoM approved sector action plans for several agricultural products. The COC/PPFA was created, in the Ministry, with several subcommittees to monitor the action plan's implementation. An examination of the national strategy and COC/PPFA documents confirmed that the TradeMali efforts conformed but also that the committee was not operating effectively. A meeting was then held with COC/PPFA to revitalize this comité de pilotage; and during the meeting it became clear that its sub commissions were not functioning as planned. It was agreed to enlarge the participation of the private sector and development projects to coordinate and harmonize activities. A follow-up meeting was scheduled for early in the second semester. (To provide a more cogent account of commodity sector activities, these initiatives are further discussed in detail in Section III by sector.)

Advisory committees.

TradeMali's two advisory committees provide an important forum to stimulate dialogue between the public and private sectors. The Project Advisory Committee met in early March to discuss Year 1's accomplishments and challenges and sharpen Year 2's priorities. The Committee also recommended that there be at least 2 meetings each year, and TradeMali suggests that by discussing a theme of mutual interest, the advisory committee would better foster private-public sector dialogue.

After reviewing the first year gender efforts, the project decided to restructure its Gender Advisory Committee to reflect an emphasis on women in the targeted commodity sectors and our revised gender mainstreaming approach. The new committee's composition draws heavily from the private sector. The Committee's first meeting will be held in early April, when we will discuss TradeMali's revamped approach.

C. Disseminating Norms and Standards (PR 3)

As indicated in the Year 2 work plan, disseminating information regarding norms and standards is among TradeMali's top policy priorities.

Norms and standards.

During the current reporting period we have continued our joint efforts with the DNI to synchronize Mali's quality standards for mangoes, rice, potatoes, and red meat with those of neighboring countries both UEMOA and non-UEMOA members. This process, we believe, will also reenergize the existing norms and standards technical committees for these commodities. We expect to complete this process during the next few months. For more information regarding TradeMali's efforts to improve and disseminate norms and standards for specific commodity sectors, please see Section III.

Laboratories.

Shortly after the project's September 2003 start-up, TradeMali determined that the *Union Economique et Monetaire Ouest Africaine* (UEMOA) Quality Program was currently pursuing international recognition and accreditation for national laboratories and inspection agencies, with participating laboratories already selected and equipment upgrades underway. TradeMali has since opted to allocate resources elsewhere, thus avoiding duplication. We continue to monitor UEMOA's program and are prepared to provide technical assistance if necessary.

D. Policy Interventions in Commodity Sectors

Many of TradeMali's commodity sector interventions require significant policy components; to provide a more complete description of commodity activities during the reporting period, we present commodity-specific policy interventions according to sector in Section III.

E. Outlook and Challenges

Given the sustained effort policy reform requires, the intensity of Year 2's first semester has been rewarding; the Integrated Framework process continues to advance steadily and our DNCC reorganization proposal is now under Government review. TradeMali's influence over both,

however, is diminishing, and our subsequent role will likely be confined to facilitation, where possible, and quiet advocacy. This reduced role will free resources to pursue other policy interventions. As detailed in Annex C Table 1, TradeMali intends to pursue several policy activities during the second semester that this reporting period did not permit.

As noted in Section IIC above, TradeMali has supported the DNI's efforts to harmonize Mali's quality standards for mangoes, rice, potatoes, and red meat with those of its neighbors and markets. Obtaining relevant regulations from surrounding countries, however, has proven more difficult than anticipated. TradeMali has increasingly relied on its personal contacts in neighboring governments, which are proving successful; we expect to gather the necessary information within the coming weeks.

SECTION III

Increasing the Competitiveness of Selected Commodities (Sub-IR 2)

TradeMali's commodity sector activities represent the core of our efforts to increase the competitiveness of Mali's agricultural commodities in target export markets. The current section describes TradeMali's activities by commodity sector during this first semester; within each section we discuss TradeMali's efforts to identify potential export markets for targeted commodities, increase product competitiveness, and strengthen the sector's institutional framework. We conclude each section with a brief account of challenges encountered during the semester and a synopsis of future programming.

For more detailed information regarding TradeMali's results during the reporting period, please see the tables in Annex C.

A. Mango Sector

Although its mangoes have penetrated European markets for over 20 years and despite the growth of the European market, Malian export volumes have stagnated. Transport logistics are a major problem; Malian mango shipments are limited mostly to expensive air freight, which targets a small, high quality segment of the French market willing to pay more for fresher mangoes. Mali's mango export sector is also less developed than it may appear: of the 18 Malian companies that export mangoes, 2004's campaign was dominated by just four companies, which collectively represented 80% of total exports. With EurepGAP standards to be enforced in June, and the new European phyto-sanitary requirements as of March 2005, Mali must professionalize and upgrade its mango sector to maintain and, eventually, increase its current market share.

A1. Market Assessment / Year 1 Analysis

Ending shortly before Year 1's conclusion, the 2004 mango campaign was Mali's most successful in recent memory. Eighteen companies exported 2,404 MT of mangoes to Europe, North Africa, and other Mediterranean countries, with an additional 778 tons shipped to sub-regional markets. Mali's estimated total mango exports of 3,182 MT represent a huge increase over 2003, when total exports amounted to 1,219 MT—a figure which may not capture total mango exports due to a weak monitoring system in Malian institutions in charge of collecting data. Nevertheless, 2004 shows a sharp increase in exports mainly due to sea freighted shipments by Tropical Expressions Mali (TEM) in Sikasso.

The 2004 campaign was also enlightening. As expected, Malian mangoes can compete successfully in the European market. Prices are competitive and, if the product arrives to market in good condition, the product is well received and importers are interested in increasing orders. TradeMali's analysis, first year experience and lessons learned resulted in several conclusions that have guided Year 2's activities in our logical systematic approach:

Exploration of new markets

TradeMali's testing of sub-regional markets is worth expanding. Regional markets are less demanding in terms of quality and can be approached without the involvement of the cold chain. The first season's test shipment of mangoes to Senegal, our estimates of informal exports and information gleaned from other markets justified a more depth exploration of the demand in Mauritania during the reporting period.

Exploration of new markets in Europe is also warranted. A significant portion of Mali's mangoes are sent to the Rungis market in France where exporter leverage is constrained. TradeMali's efforts at diversification during the 2004 campaign resulted in good initial contacts with important Belgium and German buyers which intensified during the semester.

Emphasis on quality

TradeMali's first year emphasis on quality and EurepGap requirements served the sector well. Malian exporters are now seen, by the market, as attempting to improve quality and this is generating importer and donor interest. Perhaps most significantly, EurepGAP will have significant implications for Mali's mango sector when enforcement begins in mid-2005. Without EurepGAP certification, exporters will be constrained to sales to smaller vendors in Europe, effectively blocking any significant increases in export volumes. In addition to establishing traceability systems, EurepGAP compliance will require comprehensive quality management upgrades that impact conditioning, packaging, and shipping but most importantly production—in other words the whole supply chain. Prior to TradeMali's 2004 involvement, inadequate attention was paid to this new measure, very little information was available to the local industry and the steps and procedures necessary to secure compliance unknown.

Production level assistance

TradeMali's field-level contacts and advice to producers during the first year was instructive. Mali may have thousands of tons of mangoes grown (or "self-grown") every year but it does not have thousands of tons of exportable ones. For the most part, Mali's orchards are not managed and this is reflected in the low yields, inappropriate varieties for export and low volumes of quality fruit marketed. To get suitable tonnage of exportable product requires treating mango production as a business, and not "a gift from grandpa". Producers want to improve their yields and revenues but there is limited technical assistance available to provide instruction on plantation operations. Though production activities are not in TradeMali's mandate, we need a quality product to export and are therefore providing some production level assistance. Our immediate answer to this problem is to rely, once again on our field personnel, experienced in the Ivorian mango sector, to foster improvements in the maintenance of the orchards and pay adequate attention to market forces dictating varieties to be grown. The involvement of GoM and donor structures in the production (and post-harvest) aspects is the longer-term more sustainable approach. TradeMali, based on our first year relationships, has developed mechanisms for training and increasing their participation.

Market information

Appropriate and timely market data is crucial. Since the Malian and Ivorian mango seasons coincide, the two countries compete against each other in European markets. Depending on arrival time and destination, Ivorian and Malian mangoes—compounded with other origins--can

saturate the European market, thus depressing market prices. Accurate information systems are thus a powerful decision tool for Malian exporters but price information alone is not sufficient. With this in mind, TradeMali has once again implemented a service providing timely information on fruit condition, arrivals and prices in Mali's main European markets. This TradeMali market information system revealed its usefulness during the first campaign by confirming Mali's competitiveness but also revealing several important defects. First, Malian mangoes are inconsistently colored and therefore less attractive than South American competitors. Malian mangoes also frequently possess defects that, while relatively minor, diminish competitiveness in the European market. Third, the increasing importance of packaging and presentation in European markets, heretofore not fully appreciated by Malian exporters, was highlighted.

Sea freight logistics and new export corridors

Future expansion of mango exports will come through sea freight. Air freighted Malian mangoes have limited scope for development being constrained by high transport costs and a limited market window. The 2004 volume increase is largely attributable to the surge in sea freight exports by *Tropical Expressions Mali* (TEM), a TradeMali client who has continued to ship via the Abidjan corridor. Sea freight has allowed TEM to significantly increase its volume, minimize transport costs, and penetrate European markets outside France but the reliance on the Sikasso-Abidjan route has also caused TEM significant problems, which it has just recovered from, and still has uncertainty over future operations that unrest in the Ivory Coast would cause. TradeMali's first year efforts in quality, EurepGap requirements, short and medium-term cold chain infrastructure, shipping trials with new sea freight exporters, and exporter tests of the Dakar corridor were designed to increase interest in boated mangoes and the use of alternative export courses. These efforts expanded during the current reporting period.

Importers, potential investors, models and professionalism

Not only does the involvement of more experienced professionals (importers and exporters) increase the prospects of expanded sales, it increases the number of replicable models available to be copied by local exporters. Our first year contacts with importers and investors are paying off. TradeMali's work with TEM during the first season engendered confidence and solidified our relationship. TEM is a business run by a businessman. It is an operation worth following and one which we are holding up to others to emulate. TradeMali's first campaign has also increased

The Malian Mango Sector: Before and After TradeMali's Year 1

Before

- Mangoes were mostly air-freighted to France, but in small volumes (less than 1,000 MT/year)
- Timid attempts to ship mangoes by sea freight led to mixed results
- One exporter (TEM) experienced a sharp drop in export volumes due to the Ivorian crisis
- Product quality was inconsistent and sometimes poor
- Exporters had little influence on relevant trade policies
- Malian market share had stagnated due to reliance on air freight, despite the growth of European markets for sea freighted mangoes
- Malian exporters were not prepared to meet EurepGAP and other quality standards and regulations

After

- Exporters are professionalizing and possess improved management skills
- Operators are aware of the necessity to implement traceability and quality management systems that comply with EurepGAP standards
- As a pilot improved the airport cold chain which is paving the way for a more permanent solution
- Malian mangoes are penetrating several segments of the European market
- Export volumes doubled after the first season

the sense of realism, not all businesses succeed: not everyone should be an exporter and not all exporters will survive. For several the opportunity costs of concentrating their management efforts on mangoes is too great but for others it is more a question of improving their level of professionalism. Following a concrete model like TEM is a useful exercise in this regard.

Another example is our burgeoning relationship with SIPEF—a major Belgium importer and also mango producer/exporter with operations in Guinea. Through our involvement last year with a Senegalese exporter operating for the first time in Mali, TradeMali became acquainted with SIPEF. The introduction of TEM to SIPEF reinforced the areas of mutual interest; and the visit of SIPEF to TradeMali early in the 2005 season presents the opportunity for Malian exporter visits to a highly experienced operator in neighboring Guinea and the prospects for future technical assistance in establishing a cold-chain multi-modal infrastructure in the Bamako area.

Financing

Last season, we explored with Mali Finance the possibilities of local bank financing for exporters and others in the sector. Though small amounts may be available from the microfinance institutions, significant amounts from bank sources will continue to be difficult to secure given the poor experience in the past. However, bank financing is not completely necessary since non-bank sources of financing can be exploited if the exporter is reliable and has a good reputation. With planning, management and realistic projections combinations of exporter, supplier, importer, transporter, producer, and pisteur credit can be made to work, and our first year efforts bringing together exporters and importers have facilitated financing options for the coming period.

A2. Upgrading and Professionalizing the Supply Chain – The Quality Program (PR 4)

TradeMali's central priority in Year 2 is overcoming the challenges to the mango sector's growth identified last year. We aim to do this by working on two levels:

- Upgrade product quality by providing support throughout the supply chain
- Improve the sector's institutional framework and business climate

Given the importance of increasing quality standards to keeping and expanding European market share – and the potential loss resulting from EurepGAP non-compliance – TradeMali's Quality Program is critical to ensuring the continued viability of Malian mangoes in the European market.

Year 2's Quality Program was inaugurated in November. After four information and training workshops on quality, a quality audit of eight export operations and an analysis of the 2004 campaign, TradeMali focused the Program on establishing traceability systems and ensuring EurepGAP compliance. The Year 2 Program was launched shortly thereafter. Later on TradeMali partnered with the Rotterdam-based Centre for the Promotion of Imports from Developing Countries (CBI) to host a Dutch EurepGAP specialist. Funded by CBI, the EurepGAP consultant, and TradeMali staff, trained over 40 producers, pisteurs (harvester-consolidators), exporters, and technicians in EurepGAP standards. This training emphasized that quality management involves all actors. The CBI training was among several synergies with a range of donors. CBI will remain an important partner having agreed, based on TradeMali presence, to provide regular support to six Malian exporters, throughout the 2005 campaign, on

quality management, commercial strategy and trade fair presentation. In addition, the Dutch bilateral cooperation has agreed to fund the setting up of a cold chain facility, and engaged a foreign specialist for a feasibility study with TradeMali assistance. The World Bank has (1) financed a comprehensive study of Malian marketing infrastructures, again with TradeMali participation; and (2) agreed to fund the design of a complete logistical center for fruits and vegetables. TradeMali has also partnered with la Société Néerlandaise Volontaire (SNV), a Dutch NGO, to improve production techniques and seed varieties in the Koulikoro region.

Following the EurepGAP training TradeMali provided an international consultant and two mango technicians to support mango operators as they implement traceability and quality management systems required for EurepGAP certification. With project assistance, one exporter has established such a program in Sikasso by forming a Quality GIE composed of the exporting company, several pisteurs and producers. Key activities include:

- Identifying and registering mango plantations
- Cleansing orchards of parasites
- Implementing compliant registration and traceability systems
- Increasing orchard yields by, among other interventions, upgrading orchard management and fruit-picking techniques
- Improving post-harvest handling, storage, and shipping techniques
- Introducing campaign planning and financing strategies

The results of TradeMali's Quality Program are encouraging. TEM, based in Sikasso, has moved quickly to establish systems needed to earn EurepGAP certification. TradeMali has facilitated this by providing intensive support; with our assistance, TEM has organized itself, eight of its pisteurs, and 45 mango suppliers into a *Groupement d'Intérêt Economique* (GIE) to facilitate quality management and traceability systems. TradeMali foresees TEM serving as a model for other Malian mango exporters—during the period, TradeMali has been working with producers, pisteurs and exporters in the Koulikoro region to interest them in a similar grouping, and at least one such operation shows promise of emerging during the latter part of the season. Besides supporting extensively the GIE TEM, we are monitoring TEM's system – from production to export – to reinforce its replication value.

Cartons and other commercial inputs

TradeMali is actively assisting mango exporters to improve their packaging. The 2004 campaign revealed that the competitiveness of Malian mangoes depends on other elements, including the cartons and other inputs used for shipment. Regular contacts with major carton producers, both in France and in the sub-region (as there are no reliable packing suppliers in Mali), have improved the quality of packaging materials. In preparation for the 2005 campaign, TradeMali partnered with the Paris-based Smurfit-Socar company to introduce new carton models to Malian exporters. The visit to Mali of Smurfit-Socar, the largest producer in France, convinced two exporters to entirely change their image while modernizing and enhancing the quality of their cartons. These two exporters then succeeded in securing a deferred payment arrangement, allowing them to purchase cartons and lower the pressure on their cash flow (please see Annex A for more information regarding this).

In March 2005, a new regulation regarding wooden packing and palleting materials will be enforced. All wooden packing materials to be exported to Europe will have to be treated and certified. TradeMali has held meetings with the *Direction Générale de la Règlementation et du Contrôle* (DGRC) to develop a standard (*Cahier de charges*), and with exporters to ensure compliance. For the time being, there is no accredited company in Mali to treat wooden pallets as required by European regulation, TradeMali will assist the *Direction des Services Phytosanitaires* to build a *Cahier de charges* and assist exporters to import treated wooden pallets from the Ivory Coast.

Gender activities.

TradeMali is also continuing its work strengthening the contributions of the sector's women pisteurs who play an increasing role in quality control and traceability requirements. This activity also facilitates the major mentality shift – that quality control is everyone's responsibility – which EurepGAP requires. TradeMali recently partnered with Mali Finance to support the pisteurs' efforts to gain financing from Nyesigiso; the lending institution will finalize its decision in mid-April.

TradeMali also had discussions with three former women fruit and vegetable exporters (MultiChem, Continental Transit and Société Assanky) on their interests in becoming re-involved in mango exports. The three are considering forming a GIE, and with project help they are reviewing various volume and profitability scenarios.

A3. Upgrading and Professionalizing the Supply Chain – Institutional Framework (PRs 4 & 5)

TradeMali has coupled its pre and post harvest technical assistance with a range of equally important interventions to improve the mango sector's institutional framework; key priorities include transport logistics, marketing connections, market information, certifications, and sector cohesion.

Transport logistics (PR 4).

Mali's mango sector must master sea freight and multi-modal logistics to penetrate the growing European market. The longer transit time, however, makes a continuous cold chain indispensable, the lack of which decreases Mali's competitiveness against other exporters.

TradeMali has thus sought to leverage donor community funds; we recently partnered with the Dutch cooperation and World Bank's *Projet de Compétitivité et de Diversification Agricole* (PCDA) for two infrastructure development studies, which affirmed an upgraded mango supply chain's benefit for other fruit and vegetable sectors. Based on our partnership, PCDA and the Dutch cooperation have agreed to install a permanent logistics platform in Bamako during the coming semester; TradeMali will support this activity (for more information regarding fund leveraging, please see Annex A). TradeMali will

The Transversal Supply Chain

TradeMali's emphasis on the mango sector is strategic. As discussed throughout Section III, Mali's export commodity sectors lack the structure critical to sustaining large volumes of high quality exports. TradeMali's efforts in the mango sector are thus not only designed to increase mango exports, but also to establish a replicable development model based on supply chain management. The facilities created to support the mango sector will trigger the growth of an expanded and diversified fruit and vegetable sector.

provide technical assistance to produce a business plan for the logistics platform and to design and support implementation of required management systems in the center.

The most expeditious route to Europe is the Senegalese corridor, and negotiating it will improve the competitiveness of Malian mangoes in European markets. TradeMali has thus continued discussions with Maersk, SDV-Delmas-Geodis, and CrossLinks to explore partnerships for transporting refrigerated containers. The unreliability of the rail line and the lack of “clip-on” generators for reefer containers have thus far precluded agreements. However, negotiations are well underway with TransRail and Maersk to secure multi-modal logistics for the 2005 season.

Marketing connections (PRs 4 & 5).

To complement efforts to increase product quality and improve transport logistics, TradeMali has continued to network with European mango importers. In February TradeMali participated in Berlin’s Fruit Logistica forum, the premier trade fair for the European fruit and vegetable import industry. TradeMali sent a four-person delegation to the fair, exposing Malian exporters to industry trends, alternative marketing strategies, new regulatory requirements, and advanced cold storage technologies. We expect to hold a workshop in April with sector stakeholders to discuss this new information.

The Fruit Logistica Fair and previous visit to the French Rungis market – a traditional market for Malian mangoes – enabled Malian exporters to develop new contacts with European importers. Three new contacts have since resulted in firm trade agreements for the upcoming campaign. Three importers also intend to visit Mali later in the season to prospect future investment: France-based Anarex, Belgium-based SIPEF, and Holland-based TFC. These contacts are significant, and may lead to future investments in Mali’s supply chain infrastructure (for more information regarding TradeMali’s fund leveraging efforts, please see Annex A).

Although secondary, TradeMali has also utilized potato marketing trips in the sub-region to promote Malian mangoes; though most sub-regional trade is informal, several contacts initiated last year reportedly intend to increase their mango imports during the 2005 campaign.

Norms and standards (PR 3).

Since Mali’s public institutions must have the capacity to certify mango exports, TradeMali has planned a July training for the DGRC, the public agency that issues phyto-sanitary certificates to Malian products; the DGRC is essential to ensuring that compliance with European regulations and to quality standards are met before leaving Mali. TradeMali also supports UEMOA’s work with Malian laboratories with technical assistance when needed.

Sector cohesion (PR 5).

The scope of the mango sector and the supply chain management model TradeMali is enshrining require significant resources, making partnerships essential to implementing and synchronizing activities. Following TradeMali’s *Journées Mangues* last August, TradeMali formed a *Comité d’Initiative* comprised of exporters, pisteurs, and producers; its mandate was to develop, in the short-term, a common strategy for the 2005 mango campaign and, in the medium-term, to help establish a representative national organization to strategize for future mango seasons. The *Comité’s* action plan was then integrated into TradeMali’s work plan for the sector.

TradeMali also initiated a donor roundtable – including Dutch, French, Swiss, Canadian, and American bilateral aid programs, as well as the World Bank – to support the mango sector after August’s *Journées Manges*. The roundtable has enabled donors to harmonize activities, and has already led to several opportunities for fund leveraging (please see Annex A for more information). TradeMali also recently received a Spanish delegation, which offers a credit line of 10 million euros for infrastructure projects in horticulture sectors.

Campaign monitoring.

Similar to last year, TradeMali will conduct a market information and monitoring program for the 2005 European campaign. The program will begin in mid-March, last 20 weeks, and provide weekly information on market prices and “condition of arrival” including digitized photos. TradeMali will disseminate this information to our sector partners via email.

A4. Outlook and Challenges

With the 2005 mango campaign beginning, TradeMali will focus its efforts during this second semester on ensuring the campaign’s success. We will continue to network with European importers, while also working with Malian operators to comply with European regulations and standards as well as market demands. Our partnership with PCDA and the Dutch will also intensify as the construction of a logistics platform in Bamako proceeds and provisions are made for the interim period.

Perhaps most significantly and surely the sector’s most difficult challenge, TradeMali will continue its Quality Program to prepare Malian mango operators for EurepGAP certification; indeed, the demands of EurepGAP require a fundamental mentality change, which TradeMali has limited power to compel. Malian producers, pisteurs, and exporters have traditionally viewed the mango as a *produit de cueillette*, rather than the result of careful growing, harvesting, and packaging techniques. This view has been reinforced by previous export shipments to France, when quality control was often less stringent.

With some major exceptions, Malian operators have been slow to adopt the thorough quality management and traceability systems that EurepGAP requires and TradeMali stresses. Although we cannot force compliance, we have attempted to emphasize the disastrous results of non-compliance for the Malian mango sector. We have also used marketing trips – including the Fruit Logistica fair in Berlin – to increase awareness of Mali’s competition while stimulating excitement about Mali’s potential.

B. Potato Sector

Along with the mango, TradeMali identified the potato as one of our two primary target products. Indeed, Mali produces a high quality potato, with a good taste and an attractive appearance. Cote d’Ivoire has long imported significant quantities of Malian potatoes; with its ongoing conflict, however, potato exports have diminished, and Mali’s potato sector must find and penetrate alternative markets. The sub-region presents several opportunities, with Senegal, Burkina Faso, Cote d’Ivoire, and Mauritania all importing large quantities of Dutch-grown potatoes.

TradeMali's Year 1 activities provided an essential foundation for Year 2; TradeMali understands the large Senegalese market, established contacts with potential Senegalese importers, and understands their pricing and packaging requirements. Year 2 activities have sought to expand this sub-regional picture by visiting additional markets and through a range of interventions to formalize the potato sector, an important precursor to increasing trade profitability. Since overcoming production challenges is also key to sustainably increasing potato exports, TradeMali has continued to transmit information to production-oriented partners.

B1. Target Markets (PR 4)

TradeMali's Dakar market test and subsequent marketing trips to Burkina Faso, Cote d'Ivoire, and Mauritania have affirmed sub-regional seasonal opportunities for the Malian potato; its prices are generally competitive with Dutch imports, and it can meet quality thresholds in all four markets. While transport barriers do exist, trade routes are well-established and illicit taxes are not of the magnitude to negate Mali's competitiveness. TradeMali has also established initial contacts with Ghanaian importers, who traveled to Mali in early March to further explore options for imports.

Although export volume increases are limited by production yields and the competition from a good Malian domestic market, the traditional informal nature of Mali's potato export sector has also limited its potential. Since production interventions are outside TradeMali's scope, we focus on professionalizing the potato sector to better respond to current demand, thus increasing the potential for increased sales volumes.

B2. Professionalizing and Upgrading the Supply Chain (PRs 4 & 5)

The Sikasso cooperatives.

TradeMali initiated a series of meetings in Sikasso, towards the end of last year, to discuss opportunities for growth of the potato sector. Based on subsequent meetings, TradeMali helped the 11 principal exporting villages in the Sikasso region organize and become legally recognized in four cooperatives, totaling nearly 175 participants. The cooperatives are distinguished by sales corridor – one focusing on Cote d'Ivoire, one Burkina Faso, one domestic sales, and one comprised exclusively of women – and unified by a coordinating bureau, to help ensure consistency and facilitate short- and long-term planning.

This represents a major advance for Mali's potato industry, with long-term implications for the sector's health. These four cooperatives are the first in Mali to organize and professionalize the potato export industry, beginning to shift its trading basis from *ad hoc* transactions to a systematized, coordinated, sustainable, and replicable operation. The potato industry now has the potential for:

- Greater access to financing
- Wielding more leverage in lobbying the Government
- Being more forceful with CONOESAM, which will help revolve illicit tax disputes
- More easily working with development partners such as Mali Finance and PRODEPAM
- Effectively negotiating with transporters

- Ensuring trucks departing for market are filled, maximizing profits and minimizing costs

Formed several months ago, the cooperatives have enjoyed a quick start. With assistance from the project, all four have drafted business plans and, after Mali Finance's review, submitted loan requests to the *Banque Malienne de Solidarite* (BMS); the loan requests are pending. TradeMali also began a series of training seminars to prepare cooperatives for the February harvest and subsequent 2005 campaign. The seminars have focused on campaign programming, including planning techniques and cost evaluation; quality management for sub-regional markets; and conditioning and transport techniques. All trainings have been well-attended and provided important information for the current campaign.

In addition to the organizational assistance and training sessions, the cooperatives participated in planning sessions for the season where estimated volumes and schedules of sales were laid out, and contacts and the opening of accounts were facilitated with the BMS bank. Cooperative representatives were involved in the marketing research trips to Burkina Faso, Ivory Coast and Mauritania and visits arranged with Ghanaian importers.

Based on November's gender mainstreaming consultancy, TradeMali is undertaking a gender mainstreaming analysis of the potato sector to help ensure that both genders enjoy equal access to project activities. Until then, we have helped form an exclusively female cooperative to increase our responsiveness to special training needs. Although initial results are strong, we look forward to providing more information regarding this approach, and our sector mainstreaming strategy, in the Year 2 annual report.

Other partnerships (PRs 4,5, & 6).

TradeMali has initiated several important partnerships to support the potato sector. The *Office des Marchés Agricoles* (OMA), under subcontract to TradeMali, tracks potato and rice exports from Mali, provides price information from sub-regional markets, and then broadcasts this information on its local radio station programs. CONOESAM representatives have participated in the TradeMali potato training sessions and helped plan and facilitate the recent market exploratory visits to Burkina Faso and Ivory Coast. The project is in the process of signing a protocol with the BMS bank which will firstly target the potato sector—the bank has experience (not always successful) with financing exports in this area.

While Malian potatoes continue to penetrate sub-regional markets without it, a modern cold storage facility would benefit the sector by extending the export marketing season. TradeMali has thus supported Mali Finance's work with a Sikasso-based seed potato importer to build such a facility in the region. PRODEPAM and Mali Finance are members of the TradeMali potato task force and our Sikasso office is based at PRODEPAM. TradeMali also intends to explore other potential partnerships to enhance Mali's production capacity during the second semester. For instance, our frequent contacts with the Dutch cooperation in the mango sector have given us opportunities to relate on potatoes as well. The Dutch provide assistance to IER which is undertaking potato production research in Sikasso and we were able to provide information and help direct the efforts of a recent Dutch short-term production consultant.

B3. Outlook and Challenges

Despite the promise of the cooperative model, the Malian potato sector must increase its yields to significantly expand export volumes. If current production conditions and levels persist, Mali's domestic demand, and consequent market prices, may increase such that Malian potatoes are no longer price competitive in sub-regional markets. TradeMali is thus supporting efforts to increase production yields and cultivated area by transmitting market and sector information, and by advancing new ideas. For instance; the Kayes region, which does not currently produce potatoes, being so close to Senegal would provide an excellent launch into the Senegalese market especially with the continued improvement of the road and rail network.

C. Red Meat Sector

Mali's national cattle herd exceeds seven million head, with small ruminants numbering over 15 million. And while live animal exports have more or less been continuous, both formal and informal, and generally profitable, the sector has not produced the routine high volume shipments of red meat to sub-regional markets that is desirable.

During the first semester of Year 2, TradeMali continued to work towards realizing the sector's export potential with potential exporters and importers, focusing primarily on cost structure, production output, potential target markets, norms and standards, and professionalization. This section describes those efforts and then concludes with a brief description of future priorities.

C1. Cost Structure

With support from the public and private sectors, TradeMali determined that red meat costs, FOB-abattoir, averaged between 950 and 1,250 FCFA/kg carcass. Depending on the sub-region corridor, logistics and transport expenses add another 85 to 175 FCFA/kg, and along the Bamako – Abidjan corridor 212 FCFA/kg carcass; air freight increases costs even further, with shipment to Abidjan via DHL totaling between 275 and 375 FCFA/kg.

C2. Production Quality and Quantity

Production costs thus represent about 60% of the sector's cost structure; if estimated customs and illicit tax estimates are deducted, production costs represent more than 85% of the cost structure.

Although production interventions are beyond TradeMali's scope, we recognize that effective

COST STRUCTURE OF THE RED MEAT SECTOR FCFA/KG CARCASS, HIGH SEASON

<u>Production</u>	
• 5-year old adult male at 150 kg/vif	933
• Market transport price	1000
• Final Market price	1060
Total, Fattened for 80 days and sold	1167
<u>Logistics and Handling</u>	
• Transport to the slaughterhouse	8
• Handling and weighing	45
• Additional transport costs	8
• Fifth quarter sale	-85
• Cold storage fee	4
• Cutting and packaging	2
Total, Logistics and Handling	22
<u>Export Corridor</u>	
• Bamako – Abidjan by road	212
• Est. customs & illicit taxes	* 500
Total, Export Corridor	712
Cumulative Total, Delivery Price	1861
Abidjan Market Price	1005
Margin (loss)	(- 856)

*Estimate; actual total may vary according to the security situation

communication with production-oriented partners is essential if the Malian red meat sector is to viably export; and the national steering committee has provided a valuable forum for discussions. These efforts have been facilitated by TradeMali's former red meat specialist, Dr. Dick Cook, who, until recently, split his time between PRODEPAM and TradeMali, thus enhancing opportunities for synergy. The steering committee meets frequently to monitor the sector's progress, and TradeMali will continue to play a leading role.

C3. Potential Target Markets (PR 4)

With a clearer understanding of the red meat sector's cost structure, TradeMali has intensified efforts to identify and define potential target markets for red meat exports. Our primary focus to date has been sub-regional markets, where non-price entry barriers are more likely to be overcome, disease profiles are similar, commercial trade and zoo-sanitary agreements often exist, and exchange rate fluctuations can be less severe. This initiative has proven important; in addition to providing important information regarding export market standards, it is facilitating the sector's efforts to identify a target export price and evaluate the risks and benefits. The results of TradeMali's market assessments and trade missions with importers and exporters are below:

Congo-Brazzaville.

Central African nations are among the largest importers of red meat and related products in sub-Saharan Africa. With the Congo-Kinshasa market depressed, Congo-Brazzaville is among the largest markets in the central African region, importing more than 20,000 tons of red meat annually. Congolese trade barriers, however, apply a 40% customs duty to Malian red meat, making it prohibitively expensive in the Brazzaville market. The corridor is also logistically demanding, and multi-modal transport methods have yet to be defined.

Gabon.

The Gabonese market is less attractive than Congo-Brazzaville and less developed, with segments of high quality European cuts and lower quality frozen meat from Latin America present. Libreville's domestic producers have only recently begun to fill the opening for moderately priced fresh meat, presenting a potential opening for Malian exports. Like Brazzaville, the absence of formal commercial, tariff, and zoo-sanitary agreements between Mali and Gabon pose significant entry barriers, which are further complicated by the lack of multi-modal logistics.

Ghana.

The Ghanaian market on the surface appears more attractive than its Congolese and Gabonese counterparts. Although it imports less – between 14,000 and 16,000 tons of red meat annually – Ghana's trend line is favorable and a bilateral trade relationship has been established. Like Brazzaville and Libreville, the Ghanaian market is stratified into three levels, with the moderately priced fresh meat segments the largest. This segment is currently supplied by imported livestock slaughtered locally, and lower quality frozen meat from Latin America furnishes the lower end of the scale.

The Ghanaian market, however, presents its own significant challenges and reaffirmed by the recent visit of potential Ghanaian importers. Although the supply chain is more straightforward

and bilateral zoo-sanitary agreements exist, the Accra red meat market remains highly competitive. Chilled meat retails for between 1000 to 1500 FCFA/kg, and boned and boxed cuts sell for between 1450 and 1800 FCFA/kg. Currency exchange rates are also problematic; since the Ghanaian *cedi* is pegged to the US Dollar, the possibility of severe fluctuations exists making the competitiveness of Malian products problematic. Strong competition from South American exporters also weighs heavily on the perception of marketing opportunities.

Guinea.

Though not as large as other potential markets and in spite of the lack of a trade agreement, Guinea's geographic proximity and new paved highway warrant a good look. Its common borders with Sierra Leone and Liberia could also serve as an intermediate market for both markets. As we discovered during our recent trade mission with *Abattoir Frigorifique de Bamako*, however, the Guinean market poses significant obstacles. First, the Conakry market alone is not sufficiently large to allow the economies of scale to make exporting on a high volume low margin basis attractive, and Conakry lacks the cold storage facilities necessary to increase shipment volumes or to serve as an intermediate market. Finally, the deprecation of the Guinean franc against the FCFA has made Malian imports prohibitively expensive.

Senegal.

The Senegalese market profile features several attributes. It represents, first, a potential intermediate market for Mauritania, Gambia, and Cape Verde; second, the two nations enjoy several commercial and zoo-sanitary agreements; and, third, transportation routes between Bamako and Dakar are well-developed. In reality, however, the Dakar market may prove most difficult for Malian red meat to penetrate. Senegal is developing its domestic meat industry, with imported livestock, slaughtered locally. The *Société de Gestion des Abattoirs au Senegal* (SOGAS) was recently modernized, providing Dakar technologically advanced slaughtering and conditioning facilities. Senegal thus seems to be positioning itself as a commercial processor and supplier of animal-based products. This is good news for Malian exporters of live animals but not conducive for red meat exports.

Cote d'Ivoire.

Traditionally the largest import market for Malian livestock, cattle, and small ruminants, Cote d'Ivoire is perhaps the most attractive potential market for Malian red meat exports. The two governments are parties to several common commercial and zoo-sanitary agreements, and supply chains are well-established. As demonstrated above, however, Malian red meat is not currently price competitive in the Ivorian market. Production costs remain high and, since the Ivorian conflict resumed in September 2001, the Bamako-Abidjan corridor has become more risky and less attractive. The insecurity situation is manifest by the confiscation of goods and payments of excessive bribes, erecting non-tariff trade barriers against Malian products.

Mauritania

Trips to markets in Mauritania were arranged late in the period and visits made early in the second semester. Information on possible opportunities will be provided to potential exporters and available in the annual report.

Burkina Faso

Visits to markets in Burkina Faso were set up late in semester and visits made in March. Information on possible opportunities will be provided to potential exporters and available in the annual report.

C4. Institutional Environment, Norms, and Standards (PRs 3 & 5)

In addition to defining parameters of potential target markets, TradeMali is working to improve the institutional environment of the red meat sector to grasp trade opportunities if production costs and prices become more competitive.

Sector action plan (PR 5).

In conjunction with the MEP, TradeMali organized a two-day forum in October to develop an 18-month sector action plan. The event was widely attended by representatives from the public, private, and donor communities, including *Abattoir Frigorifique de Bamako*, *Abattoir de Salibougou*, SMPCA, FEBEVIM, and PRODEPAM. The ambitious plan is based on TradeMali's systematic analysis of the red meat supply chain, with particular attention to the sectoral cost structure and intervention areas. TradeMali will continue to supply critical market information, promote formal commercial contracts, and encourage sector integration.

Harmonize red meat norms and standards (PR 3).

TradeMali has continued to collaborate closely with the DNI to harmonize Mali's red meat quality standards with those of neighboring countries; we expect to complete the analysis during the next semester.

Establish certification procedures (PR 3).

TradeMali continues to support the efforts of the MEP to put in place certification procedures that are consistent with OIE regulations. These efforts are also expected to assist UEMOA in harmonizing norms and standards for animal based products.

C5. Partnering to Upgrade and Professionalize the Commodity Chain (PR 5)

If Mali is to penetrate potential medium to high quality export market segments, in addition to lowering livestock production costs, the Malian red meat sector must professionalize its post-production commodity chain. Improving and professionalizing Malian abattoirs is key to this, and TradeMali has devoted considerable resources to teaming with *Abattoir Frigorifique de Bamako*, SMPCA, Compagnie Panafricaine pour le Développement de l'Élevage et le Commerce du Bétail et de la Viande, and *Abattoir de Salibougou*.

Abattoir Frigorifique de Bamako.

During the current reporting period TradeMali has provided a range of technical assistance to *Abattoir Frigorifique de Bamako* to improve its operations. We arranged and accompanied *Abattoir Frigorifique de Bamako* on a marketing trip to Guinea to determine the parameters of the market, and, after our joint mission to Dakar in Year 1, AFB has begun to explore partnership opportunities with the Dakar-based SOGAS to penetrate international markets and with two chains of supermarkets based in Guinea. Unfortunately, price and volume considerations

currently preclude agreements with the Guinean buyers and SOGAS is interested in buying hides and skins at this time. Based partially on market information gleaned from these activities, we have continued our technical assistance by providing guidance to the Abattoir as it develops its investment plan with Mali Finance.

Abattoir de Salibougou.

Shortly after its inauguration in December TradeMali began providing technical guidance to *Abattoir de Salibougou*. As it defines its technical needs over the next several months TradeMali will consider providing further technical assistance when appropriate.

SMPCA.

As SMPCA solicits additional private capital, TradeMali has continued to support improvements to its operations and transformation capacity. During the current reporting period we have affirmed our partnership, signing a protocol to participate in market exploratory trips, discussing options for slaughtering facilities (construct a new or purchase a privatized abattoir) and supporting, with Mali Finance, a proposal for financing the construction of an abattoir.

C6. Outlook and Challenges

Based on regional visits with TradeMali, with the Minister of Livestock and Fisheries (ABF), and on their own market research, the abattoirs of Salibougou and Bamako and the SMPCA company all recently opted to primarily focus their efforts on the domestic red meat market—though leaving open the possibility of investigating profitable export opportunities as they arise. Given our understanding of export market requirements, risks and domestic supply chain deficiencies, the move is not altogether surprising; indeed, the growth and profitability of the domestic red meat market makes the risk and opportunities for exporting less attractive.

These decisions collectively underline the challenges to exporting Malian red meat. First, and more than other sectors, potential red meat export markets are limited by differing disease profiles; North African markets, for example, are difficult for Malian red meat to penetrate. Second, red meat exporting requires strong logistic methods, making central African markets less feasible. Most significantly, the domestic red meat market is more profitable than target export markets and less risky. With current production techniques, domestic demand exceeds domestic supply, inflating the sale price of Malian red meat in internal markets. Furthermore, many sub-regional target markets enjoy substitutes such as poultry and fish, therefore these mass consumer markets are highly price competitive. Since Mali's red meat delivered costs exceed those market prices, Malian exporters are forced to target high quality niche markets instead; such markets are not large and require increased infrastructural and training investment, further reducing margins and increasing risks and opportunity costs. Reviewing these export issues in light of a profitable and growing domestic market, with quick payments, quality standards already attained, and requiring little or no added investment of money or management talent, it is clear why concentration on domestic markets is the preferred choice for promoters.

TradeMali is tackling these issues in several ways. During the second semester the project will look at profitable ways of using the animal's "fifth quarter" as a means to make the red meat sales price competitive in sub-regional markets. In agreement with interested potential exporters, a red meat export test(s) will be carried out in the sub-region (not to Ivory Coast which has

already had export tests); and a review of exiting North African agreements, and follow up actions, will be undertaken with the red meat *comité de suivi*.

D. Rice Sector

From 1995 through 2001 the annual growth rate of Malian rice production rose 10% annually, reflecting both an expansion in cultivated area and an increase in farm yields. During the same period the West African sub-region imported several million MT of rice, mostly produced in Asia. The sub-regional market is thus large and, given the sector's importance to the domestic economy, USAID/Mali and TradeMali agreed to focus on the rice export sector.

D1. Market and Supply Chain Analysis / National Trade Strategy (PRs 4 and 5)

This semester has been important for TradeMali's rice activities. We commissioned a report towards the end of Year 1 to determine the rice sector's potential – particularly that grown in the Office du Niger, which represents 50% of Mali's rice production – to penetrate sub-regional export markets; the study was completed in November and then validated by representatives from the public, private, and donor communities at a workshop in Segou that month. Key participants included PRODEPAM, ADRAO, Office du Niger, USAID/Mali, CONOESAM, the *Ministere de l'Agriculture* (MA), and large rice millers.

Based on this study, the concurrent analysis of the *Agence Francaise de Developpement* (AFD), discussions with cereal exporters and OMA, and TradeMali's Year 1 experiences, the group concluded that the price of Malian rice makes it currently unable to compete with imported Asian rice in sub-regional markets. The primary constraints to exports are:

- Domestic rice consumption currently exceeds domestic production, which increases domestic market prices
- Malian consumers prefer locally-grown rice to cheaper Asian imports, thus inflating Malian rice prices in sub-regional markets where Asian rice is acceptable
- The international market price of rice has dropped since 1988, due largely to increases in Asian rice production
- The relative strength of the FCFA against the US Dollar makes Asian rice – denominated in US Dollars – even more attractive to sub-regional countries¹

¹ According to ADF, Mali is becoming a significant importer of Asian rice. One of the large mill owners, also an importer, stated that it was more attractive to import Asian rice —being more profitable and less costs in terms of time and money.

Production interventions and domestic market considerations are key to increasing the medium- to long-term competitiveness of Malian rice, rendering critical close collaboration with PRODEPAM, Office du Niger, Office Riz Segou, and Office Riz Mopti. Accordingly, during November’s validation workshop we worked with our partners to assemble an 18-month sector action plan, elements of which were incorporated into the project’s work plan. In agreement, USAID/Mali and TradeMali have expanded the focus to include domestic market strengthening. TradeMali continues to provide market research to *Credit Stockage Vivrier* participants, and through OMA local radio programs, to a larger audience, and to assist in harmonizing sector quality standards with those of neighboring countries.

D2. TradeMali’s Response

Cognizant of the importance of rice to the domestic economy, TradeMali, in agreement with AEG, has broadened its focus to include domestic market strengthening. By doing so, TradeMali is taking important steps to increase incomes and build longer-term potential for market expansion. And, as detailed below, we have also focused on expanding access to women rice marketers.

Credit Stockage Vivrier.

Small rice producers have traditionally faced a quandary at harvest time; they can either sell their crops at low prices to pay off debts or, risking loan default, hold crops until prices are more attractive. The *Credit Stockage Vivrier* program provides a solution; by providing a bridging loan, small rice producers are able to store their crops until market prices improve, with the stored rice as a loan guarantee.

The implications for the larger community are significant. Rice producers have more disposable income for health, education, and counter-seasonal crop investments. Participating communities now have a way (through a source of guarantee—stored paddy rice under lock and key) of beginning relationships with financial institutions, increasing potential access to finance and professionalizing the sector. The financial institutions, in turn, expand their range of products and services. The program also strengthens facilitates product marketing by providing an accessible locale and verifiable quantity information for bulk commercial transactions. Finally, and equally important, the program is easily replicable, enabling neighboring communities to initiate similar programs.

The Rice Sector in Brief

Opportunities

- Unprecedented production levels
- Significant sub-regional imports from Asia

Challenges

- Domestic rice consumption exceeds domestic production, increasing domestic market prices
- Malian consumers prefer locally-grown rice, further inflating prices
- International market price of rice has fallen since 1988 due to increases in Asian-produced supply
- Imported Asian rice is quoted in US Dollars, making it more attractive to the FCFA market

TradeMali’s Response

- Elaborated sector action plan with partners
- Expanded program to domestic rice marketing, expanding the CSV program
- Signed financing protocols with 5 micro-finance institutions and 3 local Government partners (Offices)
- Continued efforts to harmonize norms and standards of Mali’s rice industry with those of neighboring countries
- Continued market information services
- Evaluating marketing activity for women traders
- MOU with PRODEPAM for sharing “expert juniors” on marketing and production activities

Future Programming

- Implementing recommendations of the gender mainstreaming analysis
- April CSV training program
- Warehouse construction and rehabilitation reviews
- Expansion of CSV program next season

Initiated in Year 1, TradeMali expanded the activity during the current reporting period, despite the locust attack and poor rains. This second year is encouraging in spite of the effects of low river levels² and locusts attacks:

- Protocol agreements were signed with Office du Niger, Office Riz Segou, and Office Riz Mopti. After careful analysis we interviewed a short-list of 39 interested village organizations (AVs), groupements féminins and groupements des exploitants de petits perimeters irrigués villageois (GEPPIV). Twenty of these groups had sufficient paddy to participate. Preliminary figures show over 800 small producers holding 600 tons of paddy and milled rice. The volume of financing is estimated at 50 million Fcfa.
- Since several communities in the Office Riz Segou region had sufficient rice to store but lacked warehouse facilities, TradeMali worked with the Office to determine alternative storage facilities to enable participation. Similar collaboration occurred in the Office Riz Mopti zone. During the second semester we will begin to evaluate the need for warehouse rehabilitation and construction paying particular attention to PRODEPAM's areas of intervention.
- Supported by Mali Finance, we signed protocols with five lending institutions – Nyesigiso, FCRMD, CAREC, Africare DOT, and Kondo Jigima – across several regions, increasing the amount of financing available for the period and significantly increasing future potential. Though discussions were held with the BNDA, the bank was still hesitant in participating, and one group in Timbuktu self-financed the storage operation due to their aversion to bank credit.
- We have hired and signed a memorandum of understanding with PRODEPAM to support expert *juniors*, in the Segou and Timbuktu regions, working part of the time on the credit storage program and part time on PRODEPAM rice production activities.
- We will also provide business and management training; several participating groups opened their first bank accounts with TradeMali assistance and, after a planning session in April with our partners, we will begin conducting another round of training oriented to storage, storage management, recordkeeping and marketing.

Finally, TradeMali's close collaboration with local Government partners and the financial institutions help to ensure the sustainability of the activity. The protocols signed between TradeMali and the Offices foster close cooperation, facilitate long-term planning, and present opportunities for technical capacity building. Project protocols with the financial institutions afford the banks and producer groups an opportunity to develop working relations and mutual confidence, and to gain experience using forms of credit guarantees not usually employed in Mali—and perhaps allowing use of other storable agricultural products in the future.

Increasing marketing opportunities for women.

Women are active marketers in the Malian rice economy, but lack of capital often limits the size and scope of their involvement. TradeMali is thus initiating the *Programme Commercialization du Vente du Riz*. This activity will assist women rice traders in procuring financing to purchase rice at times of attractive prices, potentially adding value through product transformation, and then selling the product for a profit later. The program's concept is straightforward: several

² Last year's participating groups in Djenné had no production this season; production in the ORM was below normal and ORS and ON harvest were also lower.

women's organizations in each of the three regions will receive loans from micro finance organizations to purchase rice in favorable periods. Participants will have eight months to reimburse the lending institutions with payments due each month with amounts loaned ranging between 1,500,000 and 2,000,000 FCFA per women's organization per period; these borrowed amounts, however, may be increased during subsequent years. We have been identifying groups in Timbuktu, Segou and Mopti with the assistance of the Offices and local organizations; though several are interested, this year's rice situation is limiting potential participation. We do however see this activity becoming popular and successful. It will further develop the domestic rice market while also expanding female participation and income from the area's economy.

D3. Institutional Environment for Exports (PRs 3 & 6)

TradeMali has complemented our domestic rice marketing initiatives and the production interventions of our partners by continuing to focus on the institutional environment surrounding the rice sector. As with other commodities, we continue to work with the DNI to synchronize Mali's rice quality standards with those of neighboring countries. This process should be completed during the next few months.

To facilitate transmission of export market information to the sector, OMA, under subcontract to TradeMali, tracks Malian rice exports, provides price information in sub-regional markets, and then broadcasts this information on its local radio station programs. The subcontract also enables TradeMali to build OMA's interest, and the interests of the population being served, to continue similar services after the project's close. Additionally, to better understand sub-regional rice markets, TradeMali will conduct a study on informal cross-border rice movements during the coming semester.

D4. Outlook and Challenges

TradeMali is pleased with the expansion of the *Credit Stockage Vivrier* program and excited about the possibilities of the *Programme Commercialization du Vente du Riz*. Indeed, the success of Year 1's *Credit Stockage Vivrier* program has enabled TradeMali to secure additional financing agreements for this second year, increased incomes among participants, and facilitated domestic rice marketing.

Given the type of current production most rice producers do not grow counter seasonal crops and are compelled to maximize profit margins per kilogram of product produced. Lack of land or financial resources prevents producers from expanding production volumes and yields, further adding to the pressure to maintain high farm-gate prices. Compounding this are the higher costs associated with inefficient milling by small decorticators—the predominant source of milled rice in the country. Asian rice, denominated in US Dollars and subsidized by exporting governments, reaches sub-regional markets at considerably less cost than Malian rice and is purchased in increasing quantities over the last few years—with domestic demand for rice exceeding the domestic supply, Mali is also becoming a more important importer of Asian rice. If the prices paid for imported rice in Mali are significantly lower than the locally grown product, then imported rice will be a tough competitor to beat in the domestic market as well. The challenge for all involved in the sector, therefore, is to increase rice production while reducing prices to the

consumer to more competitive levels and without decreasing the total revenue and profit earned by the small producer.

E. Northern Initiatives

Vast and sparsely populated, Mali's Northern region has suffered from drought, limited economic opportunities, and political instability. The possibility of regional tension imported from abroad has made accelerated economic growth and job creation an especially high priority. TradeMali has thus intensified efforts in the North during the current reporting period to determine and develop commodities with the greatest potential for trade. TradeMali's efforts are currently supported by one full-time Regional Coordinator in Timbuktu and supplemented by interns, called *experts juniors*, and subcontract arrangements with local institutions.

TradeMali spent part of Year 1 identifying commodity sectors with the greatest potential to increase revenue for participants; anis, cumin, camel cheese, and the rice *Credit Stockage Vivrier* program emerged as the most viable commodities for increased trade and income growth, and have been the target of Year 2 activities to date. TradeMali has initiated several smaller activities in other sectors during the reporting period to encourage regional economic growth. We also made conscious efforts to support female participation in these activities.

E1. Anis and Cumin

Grown together and by the same Malian producers—depending on seasonal factors—anis and cumin seeds are complementary products. Raised exclusively in the North, annual production of both products exceeds approximately 775 tons serving both domestic consumption and informal exports to sub-regional markets. Quality, however, is inconsistent and production is limited by low yields. During the reporting period TradeMali continued to work closely with the sector's steering committee—which it help initiate last year—as the committee implements its action plan. Our activities have featured two priorities: exploring a range of sub-regional and international markets, and improving harvesting and post-harvesting techniques to increase yields, quality, and volume.

Key Activities in the North

Anis and Cumin

- Initiated marketing trips in the sub-region to determine quantity and quality requirements
- Concluded that current production techniques do not meet sanitary standards of European markets based on laboratory analyses
- Began collaboration with PRODEPAM and other partners to improve product quality and production levels

Credit Stockage Vivrier

- Expanded program to six villages with more probable in better crop years
- Signed financing protocols with two micro-finance institutions in the region

Camel Cheese

- Finished test program initiated in Year 1
- Identified potential domestic and sub-regional markets
- Confirmed profitability
- Identified opportunity to begin operations in Timbuktu region

European market research.

Towards the end of Year 1 and in response to marketing efforts initiated with the steering committee, DUCROS, a major European importer, requested a trial sample of Malian anis. In preparation, TradeMali sponsored a series of laboratory tests in late 2004 to determine product quality; these analyses revealed that the product does not currently meet European standards--showing the presence of mold and fecal streptococci in the samples. Though disappointing, the result nonetheless validated the improvements in Mali's testing facilities and prevented a disastrous first encounter with the European market.

Quantity and quality issues.

To address the quantity and quality issues, TradeMali entered into an arrangement with IER, SLACAER (in Diré) and ADRAO to provide research and extension services; hired an expert junior for assistance to producers; and initiated a protocol with PRODEPAM and Africare, to share the costs of these expenses—facilitating a significant cost-savings for each of the partners. IER and SLACAER were particularly interested since this marks the first time that the GoM agencies are involved with the commodity. PRODEPAM is concerned since water management is a critical ingredient in the choice of crop and production levels, while Africare is present in many of the producer villages. The results of the research will be available in the second semester.

Sub-regional market studies.

Mali has traditionally exported anis and cumin to sub-regional markets, although quantities have been low and of moderate quality and sales sporadic. TradeMali's Regional Coordinator recently traveled with a local exporter to Niger, Togo, Ghana, and Burkina Faso to determine quality and quantity requirements for each market and identify potential opportunities. We concluded:

- Although Malian anis and cumin are of higher quality than domestic supply in the Niger market, tariff barriers currently make Malian exports non-competitive. If these barriers can be removed the Niger market would have significant potential.
- The Ghanaian and Togolese markets demand a higher quality of product than the Niger market, but trade barriers are minimal, Malian imports are price competitive, and the Burkina Faso corridor allows increased shipment volume and serves as a viable intermediate market. To penetrate Accra and Lome, however, Mali must improve post-harvest handling.

Although all four markets appear viable in the medium-term, TradeMali has opted to focus our immediate efforts on the larger and more profitable Ghanaian, Togolese, and Burkinabe markets. During the second semester we will continue working with regional partners and producers to improve handling techniques; we look forward to reporting on our progress during the next semester in the Year 2 annual report.

E2. Camel Cheese

With one of Africa's largest camel herds and the apparently strong North African demand for camel milk-based products, camel cheese represents a potentially viable economic opportunity for Mali's nomadic population. To determine the viability of camel cheese exports, TradeMali launched a pilot program with a Kidal-based NGO to train local groups in improved production

techniques. More than 260 women and 240 men participated in the pilot, producing approximately 250 kg of cheese sold in the border markets of Halil, Tinzawatene, and Ansongo, and the urban markets of Bamako, Kidal, and Gao. The pilot also enabled us to submit product samples for laboratory testing. Among the primary conclusions:

- Consumers report that camel cheese has a pleasant taste
- At a production cost of 2200 FCFA/kg and a market price of 4000 FCFA/kg, camel cheese is profitable for producers
- Production technology is simple and adds value to camel milk, making it a viable product for producers—a large number of whom are women
- The camel cheese stored well though camel milk does not
- Demand is significant in all three border markets and the urban market of Kidal
- Laboratory testing showed that the cheese was hygienic, free of noxious bacteria, and that raw camel milk was not hygienic and could cause digestive upset.

Based on the Mission’s instruction to not pursue the activity in Kidal—since it is not currently a cost-effective intervention area—TradeMali investigated opportunities for starting the program in the Timbuktu region where we have other activities. The project held discussions with two groups: the NGO with which we worked in Kidal and the *Vétérinaires Sans Frontières* (VSF). Both are interested in providing production level support. Upon the agreement of USAID, we will expand discussions in the next semester.

E3. Rice Storage

Although farm gate paddy and ex-mill prices of Malian rice remain high – and thus currently unrealistic for export – TradeMali introduced the *Credit Stockage Vivrier* program to increase the revenue and liquidity of Northern rice producers. As noted above, small rice producers have traditionally faced a quandary at harvest time; they can either sell their crops at low prices to pay off debts or, risking loan default, hold crops until prices are more attractive. The *Credit Stockage Vivrier* program resolves this problem with a bridging loan, enabling small rice producers to store their crops until market prices improve, using the stored rice as a loan guarantee. Results during the first year of the activity were significant, with participants in five villages selling rice for 30% above normal.

In spite of low water levels and resulting lower production and locust damage, during the current reporting period TradeMali expanded the activity, making access to financing opportunities for participants a top priority. We thus initiated a study to determine the quantity of marketable rice, storage capacity of local warehouses, and financing requirements for each association and *groupement*; the study’s results were then presented to micro-finance institutions, resulting in financing agreements with Nyesigiso and Africare DOT. As elsewhere, an MOU was signed with PRODEPAM to fund and use an expert junior in our joint rice activities.

While lobbying area financial institutions, in collaboration with Mali Finance, to supply necessary loans, TradeMali has worked to expand the *Credit Stockage Vivrier* program, with information sessions held in eight villages and for six women’s groups. Of these, six had sufficient rice to commit to the program. Year 2 results to date are positive, with a total of 76.56 tons of rice paddy currently in storage and 6,701,660 FCFA in credit procured. During the

upcoming semester TradeMali intends to examine storage facility needs of village associations that would like to participate in the future and continue training seminars for participants. Results by association appear below:

Locality	Group/Association	Beneficiaries	Stock (tons)	Credit (FCFA)	Micro-finance institution
Bourem Inaly	Groupement Feminine de Djindjina Koira	4 men 131 women	5.28	452,760	DOT
Bourem Inaly	Cooperative Agricole de Milala	25 men 0 women	2.96	226,625	DOT
Dire	Groupement de Femmes Vendeuses de Riz de Dire	0 men 10 women	16	1,470,000	Niesigiso
Bourem Sidi Amar	Cooperative Agricole de Hara Hara 1	28 men 0 women	24	1,023,750 1,023,750	Niesigiso Personal funds
Bourem Sidi Amar	Groupement de Femme de Bourem Sidi Amar Wafakoye	0 men 31 women	14.8	1,262,625	Niesigiso
Bourem Sidi Amar	Groupement de Femme de Sadjilamou Fafadoboye	0 men 32 women	13.52	1,242,150	Niesigiso
TOTAL	6 organizations	261 individuals - 57 men 204 women	76.56 tons	6,701,660 FCFA	3 sources

E4. Other Activities

Cognizant of the importance of the Northern region to Mali's long-term economic development and stability, TradeMali has continued to explore other viable trade products and activities with potential for revenue increases.

Handicrafts.

Cognizant of the importance of handicrafts to the Northern economy but their currently limited marketing opportunities, TradeMali partnered with the *Chambres des Metiers* in Timbuktu, Gao, and Kidal to expand marketing capabilities. USAID/Mali and TradeMali agreed to provide a computer, printer, photocopier, fax machine, and digital camera to each of the *Chambres* if they initiated a series of technical and logistic upgrades. The Timbuktu *Chambre* recently completed the improvements, and USAID installed the IT equipment; TradeMali is scheduled to begin a series of training seminars during the coming weeks. Similar improvements and subsequent installation and training are to be made in Kidal and Gao during the second semester. TradeMali will contact USAID's West African Trade Hub to determine whether it can provide technical assistance after the conclusion of USAID/Mali and TradeMali's efforts.

The *Association des Femmes Amis de l'Art et du Livre*—with its reproductions of manuscript art from the Centre Ahmed Baba—has a long history in Timbuktu. Despite the relatively high quality of the reproductions, marketing opportunities have been limited, confined largely to Timbuktu tourists and libraries temporarily hosting the manuscripts. TradeMali thus offered the

Association its assistance in organizing an exposition at the American Cultural Center in Bamako. Featuring 65 of the best works, the *Association* sold 38% of its supply over a 14-day period, with total sales equaling 600,000 FCFA; the average sale price of 31,500 FCFA represented a 210% increase over Timbuktu prices. The exposition provided valuable feedback from buyers, enabling members to determine additional training needs. The Association will continue to be supported by AMARAD, a local NGO. Though our services have ended, TradeMali will contact USAID's West African Trade Hub to determine opportunities for continued technical assistance.

BusinessForum.

During the prior reporting period we organized a BusinessForum in Timbuktu to determine how TradeMali could contribute to regional business practice upgrades. The BusinessForum facilitated several contacts with area businesses, including the *Chambre des Metiers*. During the period the forum's monitoring committee, supported by the project, converted itself into an NGO to follow through on the workshop's recommendations. USAID/Mali and TradeMali have since agreed, however, that project resources should be concentrated on agricultural trade related activities.

E5. Outlook and Challenges

TradeMali will continue efforts during the second semester to identify other agricultural commodities with potential for increased trade. We are currently gathering information on Northern-grown potatoes and onions, both of which will be finalized during the coming weeks. TradeMali will determine subsequent priorities based on these results.

The North is an environment where commodity sectors are relatively underdeveloped and the scope of the region strains resources. TradeMali has worked to minimize the obstacles posed by each. TradeMali's Regional Coordinator is well-placed to assess commodity sector potential and plan interventions accordingly, having lived and worked in the region for several years; his significant expertise is illustrated by TradeMali's anis and cumin activities, representing the first systematic attempts by the donor community or the GoM to develop the sectors.

Overcoming the resource demands of the Northern landscape has required creative thinking. TradeMali introduced the *expert junior* program, and negotiated a MOU with PRODEPAM to share the program's costs in our anis (personnel and research costs) and rice activities (personnel costs). We have also geographically consolidated our activities, focusing primarily on the Timbuktu region—which we know more thoroughly—rather than Kidal or Gao.

F. Potential Export Commodities

In agreement with the TradeMali second year work plan, we are looking at additional agricultural commodities for their export potential. The development of a short list involves the following methodology. Items on the short-list will be analyzed in more detail.

- EUROSTAT statistics to review West African exports to Europe
- Malian customs statistics for exports to West Africa
- Review of agricultural trade studies and reports

- Discussions with exporters and commodity sector actors
- Meetings with sub-regional importers

Sorting criteria for the commodities are:

- Mali's production volume
- Volume available for export
- Mali and external market demand
- Mali's current and historic export volumes
- Major commodity sector issues
- Pros and cons of the sector
- Market and producer prices
- Special marketing concerns

The following is a list of products being initially reviewed:

- Carrots, tomatoes, cabbage, green beans, hot peppers
- Oranges, watermelon, melon, papaya
- *Pois sucre*
- Ginger
- Cashew nuts
- Gum Arabic
- Sesame
- Hides and skins
- Fonio

SECTION IV

Project Management

As USAID's and TradeMali's understanding of export constraints to Malian agricultural commodities has sharpened, the project has responded by shifting resources accordingly. This, along with the inflexibility of the fixed-price mechanism, has added management complexity to an ambitious project. Our systems have nonetheless responded effectively, enabling TradeMali to produce the technical accomplishments detailed above.

A. Personnel Management

Technical resources.

Year 1 revealed the depth of supply chain upgrades necessary to make Malian agricultural products competitive in sub-regional and international markets. Accordingly, TradeMali has opted to extend Ms. Louise Deslauriers, director of the TradeLinks unit, for a third mango and potato season. We also hired field staff for our Sikasso operation. Mr. Dagnoko, with good experience with the fruit and vegetable sector in Sikasso and its projects was engaged. This is important; we will continue to expand our marketing linkage and supply chain upgrade activities through the 2006 campaign, allowing more time to consolidate and enshrine advances.

To accommodate this, TradeMali reduced the contract of Mr. Criss Juliard, our business development specialist, from its originally scheduled three years. Mr. Juliard successfully transferred his responsibilities to other colleagues prior to his March 2 departure. We are happy to report that Mr. Juliard is now chief of party of the USAID/Morocco-funded AAD project.

Administrative and financial resources.

TradeMali has moved to maximize administrative resources as well. Early in the reporting period we decided that a locally-hired operations manager – rather than a more expensive expatriate – was most cost-effective. Upon Ms. Alice Schulz's departure in November, we selected our previous accountant, Mr. Gédéon Dembélé, to be TradeMali's new operations manager. Mr. Dembélé was trained by a Chemonics Home Office employee in November and continues to perform well in his new position.

Shortly after Mr. Dembélé's promotion to operations manager TradeMali selected Ms. Madina Dia, TradeMali's assistant accountant, to fill the vacated accountant post. Ms. Dia's transition has also been smooth, and was facilitated by a week-long training provided by a member of the Chemonics Home Office accounting department.

Staff development.

TradeMali recognizes that staff development is an important component of development projects, facilitating both immediate project objectives and strengthening long-term local capacity. During the reporting period TradeMali began to explore training opportunities – online and in the sub-region – for our IT specialist, Mr. Modibo Touré. We hope to identify a satisfactory training during the coming weeks and begin it shortly thereafter.

TradeMali is also offering English training to project employees. Since English remains the language of trade, proficiency is invaluable for TradeMali's work and Mali's long-term economic growth.

B. Financial and Administrative Management

The financial and administrative management required to effectively implement the TradeMali contract has been significant, requiring resources otherwise allocated to technical work.

B1. Contract Mechanism Change

Competitiveness in a globalized world requires that economic actors – including development projects – respond quickly to changing market conditions. The fixed-price contract has constrained this, and TradeMali has appreciated USAID/Mali's commitment to and cooperation during the shift to a cost-reimbursement mechanism. TradeMali looks forward to formalizing the mechanism change during the second semester.

B2. Financial Management

As detailed above, TradeMali's sharpened technical priorities have compelled us to reevaluate resource allocations. Additionally, the significant decline of the US Dollar against the FCFA have significantly increased local expenses – we estimate by close to \$300,000 to date – since the proposal stage. TradeMali thus monitors its budget closely, frequently assembling internal budget scenarios to evaluate the cost-effectiveness of various resource shifts.

SECTION V

Moving Forward

TradeMali concludes this Year 2 semi-annual report with a brief summary of the key lessons learned and a synopsis of upcoming priorities.

A. Key Lessons Learned

Power of replicable models.

One of TradeMali's most successful innovations has been our emphasis on creating replicable models for increased trade – this “go with the potential winners” approach focuses project efforts on Malian exporters who are most serious and willing to invest in necessary upgrades to satisfy export quality standards. The model has been particularly successful in the mango sector, where TEM's efforts to develop quality and traceability systems are inspiring other exporters to make similar investments. TradeMali has also applied a similar model to the potato and rice sectors; by strengthening potato cooperatives and rice marketers, TradeMali is creating powerful economic units that others can replicate to boost incomes and trade.

Usefulness of the supply chain management approach.

The lack of strong supply chains has proven perhaps the greatest barrier to facilitating a significant and sustained increase in Mali's sub-regional and international exports. This coupled with the strength of Mali's domestic market does not provide an incentive for business operators to target foreign markets, which, for many Malian exporters, is seen as economically “imprudent”; mainly because they do not have the capacity to supply sub-regional and international market demand: lack of competitiveness (price and quality), incomplete knowledge or non-compliance with market requirements. In three sectors targeted by TradeMali, competitiveness problems originate at production level. In the red meat sector, price is not competitive due to high feed and other production costs and, the domestic red meat market is large and supports a higher sale price than sub-regional markets, without the risk of exporting. Until the price structure is mastered, exporters have opted to concentrate mainly in the domestic area. Production costs of Malian rice are also prohibitively expensive for export, particularly against cheap Asian imports. The potato sector is more attractive but it too enjoys good local demand. TradeMali's efforts to professionalize the potato sector will increase its efficiency and profitability; nonetheless, export possibilities remain limited by production yields and marketable volumes.

TradeMali's activities in the mango sector have proven path-breaking. While more than doubling export volumes during Year 1, TradeMali is engineering a mentality change throughout the commodity supply chain, with significant implications for other fruit and vegetable sectors. Mali's producers, pisteurs, and exporters have tended to view fruit and vegetables as “non-value added” objects; now, the sector's actors are beginning to understand the importance of quality management throughout the supply chain, and the need to grow, handle, and ship their products accordingly.

Importance of partnerships.

TradeMali's successes in the mango sector have created new excitement in the community. The magnitude of interventions required to upgrade the supply chain, however, are beyond any single resource base. TradeMali's partnerships with the World Bank and Dutch cooperation have proven essential, and are now leading to the construction of a logistical platform for fruit and vegetable exports in Bamako and the involvement of experts in European trade fairs. Our partnership with the Swiss and local organizations will improve mango production and provide the systems necessary for quality exports.

B. Priorities for Year 3 and Beyond

Ultimately, TradeMali's value is in its sustainable and enduring impact on the lives of Mali's citizens. Since project start-up TradeMali has consciously designed and implemented programming in the context of our exit strategy, first articulated in the Year 1 work plan. This strategy has five components:

- Increase the financial involvement of the private sector in project activities
- Strengthen capacity of private sector to dissect trade-related issues and influence design and implementation through improved lobbying and advocacy techniques
- Emphasize sustainable commercial linkages by improving quality and ensuring on-time delivery, thus inspiring confidence between importers and exporters.
- Build commercial partnership between importers and exporters using a formal and legally enforceable contracting mechanism
- Build capacity of public institutions to create policy compatible with the Multilateral Trading System

TradeMali is pleased with our progress against these goals. Although several commodity sectors are unlikely to significantly increase export volumes until production yields rise and costs diminish, the structures that TradeMali has developed and the broad partnerships we have initiated will enhance the long-term health of Malian commodity sectors; operators can increasingly find market information, modify their supply chains accordingly, and lobby for conducive trade policy. And, importantly, the models we have established are replicable by other sectors actors and, indeed, other commodity sectors. Our Government counterparts, too, are increasing their capacity to support Mali's trade industry with effective policy. They are also committed to continuing the public/private dialogue TradeMali has facilitated. These advances, however, must be institutionalized; this will be our central priority moving beyond the second semester and into Year 3.

ANNEX A

Other Information

TradeMali presents the following information for USAID/Mali's reference.

A. Fund Leveraging, Donor Collaboration, and GDA Activities

TradeMali has worked closely with other donors and partners since project start-up. This collaboration has presented valuable opportunities to leverage funds. The section below details fund leveraging activities; all figures are estimates.

A1. Mango Sector

Maersk support during the 2004-05 season.

Maersk is providing a pre-cooling facility that can be rented for mango exports. Though constructed in 2004, the facility was not used last year. With an improved management for the 2005 season, the facility holds promise as an immediate means for initiating larger scale sea shipments. We estimate total funds leveraged as a result of this activity to be \$30,000.

World Bank support for cold storage facility and infrastructure for fresh fruit and vegetable exports (Section IIIA3).

In addition to conducting a feasibility study of a cold chain and logistics facility (in which TradeMali participated), the World Bank's PCDA project is providing support to the mango sector for its development. We estimate total funds leveraged as a result of this activity to be \$25,000.

Dutch-funded study regarding airport cold storage upgrading (Section IIIA3).

The Dutch Cooperation recently completed a study exploring opportunities to upgrade the airport's cold storage facilities or to establish a new operation. We estimate total funds leveraged as a result of this activity to be \$10,000. An additional \$260,000 has been allocated to implement the operation.

Dutch support to TradeMali's Quality Program (Section IIIA2).

CBI provided a EurepGAP quality specialist to assist in launching TradeMali's Year 2 Quality Program. We estimate total funds leveraged as a result of this activity to be \$10,000. An

Leveraged Funds	
<u>Mango Sector</u>	
• Maersk support for pre-cooling facility for mango exporters	\$30,000
• World Bank PCDA involvement in cold chain facilities	\$25,000
• Dutch study regarding airport cold storage upgrading	\$10,000
• Dutch support for TradeMali's Quality Program	\$10,000
• Dutch support for TradeMal's Quality Program	\$260,000
• CBI allocated program for mango exporters	\$ 50,000
<u>Rice</u>	
• Expert Juniors with PRODEPAM, CARE	\$ 5,000
<u>Northern Initiatives</u>	
• Anis and cumin research with PRODEPAM, CARE, Africare	\$ 4,000
Estimate of Funds Leveraged or Allocated	
\$394,000	

estimated additional \$50,000 has been allocated to assist six mango exporters improve their marketing abilities.

A2. Rice Sector

Assistance from Office Riz Segou (Section IIID2).

Office Riz Segou, Office de Niger and Office Riz Mopti provide their employees to assist in TradeMali's *Credit Stockage Vivrier* program, which ensures sustainability and enables us to expand the program beyond our resources. Since this support has been provided over a period of several months and by a variety of personnel, we are unable to provide a fund leveraging estimate. The CARE/APEJ organizations provide two interns ("experts juniors") for the rice storage activity. PRODEPAM shares the field and support costs with TradeMali. We have placed an estimated value of \$5,000 on this activity.

A3. Northern Initiatives

Anis and cumin assistance (Section IIIE1). TradeMali is collaborating with PRODEPAM, IER, SLACAER de Dire, Africare, CARE and ADRAO to improve the quality and volume of anis and cumin production. An "expert junior" provided by CARE/APEJ works on the project and costs are shared with PRODEPAM. A \$4,000 value is estimated.

A4. Opportunities for the Second Semester

The second semester will present additional opportunities to leverage funds. Donor projects, NGOs and Offices will provide technical assistance in mango operations. The DTIS comité du suivi has proposed two mango support activities for funding by UNDP. The Dutch Cooperation will provide a short-term potato production consultant to work in Sikasso. TradeMali will jointly support red meat export trials and market research with potential exporters. And the rice credit storage program will continue with Office assistance.

ANNEX B

Performance Tables

As in previous reports, TradeMali presents the following Gantt charts for USAID/Mali's review. The charts attached measure TradeMali's progress against activities included in TradeMali's Year 2 work plan.

The charts thus follow the structure of TradeMali's work plan charts; they are organized by commodity sector rather than performance result, which enables USAID/Mali and TradeMali to monitor progress in commodity sectors more closely. Performance results are indicated where relevant.

Tables 7, 8, and 9 reflect transversal activities, which are integrated into TradeMali's commodity sector programming and discussed above where appropriate. We include gantt charts here for these sectors based on the format of the Year 2 work plan.

A. Table 1. Policy Sector

B. Table 2. Mango Sector

C. Table 3. Potato Sector

D. Table 4. Red Meat Sector

E. Table 5. Rice Sector

F. Table 6. Northern Initiatives

G. Table 7. Gender

H. Table 8. Communications

I. Table 9. Monitoring and Evaluation

A. Table 1. Planned and Realized Activities for the Policy Sector

Activity	Planned during period	Actual	Results	Comments
Activity 1.1, PR 1: Improved Capacity of Export Promotion Institutions	1.1.1 Support to the MIC and the DNCC to advance the Integrated Framework	Held workshop to validate the DTIS report; then validated the activities matrix with the Steering Committee	Several priority projects with the potential for high impact, short-term results have been submitted for financing by the UNDP's Window II	The Integrated Framework development process is advancing; the Donor Roundtable is scheduled for the second semester and donors will have the opportunity to support priority projects.
	1.1.2 A proposal to restructure the DNCC is submitted and validated	TradeMali's institutional study has been finalized and validated by representatives from the public and private sectors	Reforms were recommended to the MIC	After meeting with the Ministry of Public Functions and Institutional Analysis, the MIC will communicate its recommendations to the Council of Ministers
	1.1.3 Support to the DNCC to review texts regarding exportation laws in light of target export markets	Scheduled for second semester		Currently determining, with the DNCC and exporters, which texts to review
	1.1.4 Technical assistance to the DNCC	Assisted DNCC in organizing November CEN-SAD forum; Planning trainings in trade policy negotiations and preparing for the secondment of two DNCC staff at TradeMali	Increased DNCC's capacity to work with international groups	
Activity 1.2, PR 2: Improved Public/Private Partnerships for Export Promotion	1.2.1 Providing training to DNCC personnel, other public agencies, and private sector organizations in commercial negotiations	Participated in JITAP training program with the International Trade Center and supplied IT products to the DNCC	Reaffirmed need for continued capacity building	Currently planning a training seminar on commercial negotiations with the WTO and UNCTAD; scheduled for second semester
	1.2.2 Inform national and sub-regional officials regarding non-compliance to sub-regional commercial agreements	The Secretary General of the MIC has been notified	WAEMU asked potato exporters to notify it officially regarding the VAT imposed on Malian products in Burkina	The potato cooperatives sent an official notification to WAEMU
	1.2.3 Distribute exporter handbook detailing information on application procedures, regulations, and standards	Currently collecting applicable texts		This activity should be finalized during the upcoming semester

A. Table 1. Planned and Realized Activities for the Policy Sector

Activity	Planned during period	Actual	Results	Comments
	1.2.4 Support public and private sectors as they implement recommendations from previous workshops to reduce and eliminate illicit transport barriers	Scheduled for second semester		Eventually professional associations involved in exporting will assist their members to resolve problems directly with public authorities in neighboring countries
	1.2.5 Support professional associations and the public sector to communicate effectively regarding infrastructure investment priorities	Held ongoing discussions about infrastructure investment priorities	Initiated a partnership with PCDA and the Dutch to construct fresh fruit and vegetable logistics platform in Bamako	Exporters formed a GIE to sign an agreement with the Dutch to operate and manage the facility
Activity 1.3, PR 3: Improved Capacity of Norms and Standards Dissemination Institutions	1.3.1 Support to the Comite Technique Fruits et Legumes to elaborate norms for the Mangué du Mali in light of EurepGAP, HACCP, and BRC	Scheduled for second semester		
	1.3.2 Elaboration and implementation of control systems at conditioning stations	Scheduled for second semester		
	1.3.3 Train and support phyto-sanitary control personnel to improve certifications	WAEMU's Quality Program is primarily responsible for this	TradeMali is prepared to provide technical assistance to UEMOA when needed	
	1.3.4 Support to the DNI and technical committee as they elaborate quality standards for exports of the project's targeted commodities	TradeMali has provided ongoing support to DNI as it harmonizes Mali's quality norms with neighboring countries	The data collection process should conclude early in the second semester	TradeMali will follow up with subsequent support as necessary
Activity 1.4, PR 6: Improved Capacity of Market Information Systems	1.4.1 Support to OMA to improve data collection and trade monitoring services	TradeMali's subcontract with OMA to collect and disseminate market information for potatoes and rice continues	OMA collects, and distributes sub-regional price and market information on its local radio programs	Rice and potato sector actors possess greater information regarding sub-regional markets

B. Table 2 - Planned and realized activities for the Mango sector

Activity	Planned during period	Actual	Results	Comments
ENVIRONMENT				
Activity 2.1, PR 5 : Better collaboration between public and private sectors for the development of mango sector	2.1.1 Analyze Malian agri-business promotion policy to determine interface with TradeMali's work plan	Policy was analyzed with the Coordinator of the <i>Comité d'Orientation et de Coordination pour la promotion des filières agro-industrielles</i>	Coherence between policy and TradeMali work plan was confirmed	Committee is responsible for several agricultural sectors but had not met for a considerable period. We will explore ways to make committee more effective. Coordinator scheduled meeting with committee for March.
	2.1.2 Meet with Ministry of Investment to discuss/harmonize TradeMali priorities according to national Action Plan and Horticulture Strategy	A meeting with the Coordinator of the <i>Comité d'Orientation et de Coordination pour la promotion des filières agro-industrielles</i> was set up to discuss sector's priorities and implementation monitoring plan	Meeting held TradeMali provided project work plan and annual report	
	2.1.3 Monitor implementation of mango sector activities	Ongoing		
Activity 2.2, PR 5: Actions Plans for 2005 and 2006 include priorities to better position Malian Origin on European and regional markets	2.2.1 Elaborate Action Plan for 2005 and 2006	Mango Action Plan for 2005 was elaborated with the <i>Mango Comité d'Initiative</i>	Actors and TradeMali share priorities and implementation strategies	Technical committees are required to establish <i>fora</i> for stronger synergies between public / private sector and TradeMali around priorities (i.e. quality, conditioning station, logistics, commercial inputs, etc.)
	2.2.2 Evaluate results of the 2005 campaign	Scheduled for end of mango season during next semester		
Activity 2.3, PR 5: Strategy to build capacity of professional organizations is in place	2.3.1 Organize professional meetings to discuss/validate recommendations from <i>Journées Mangué</i>	Two meetings were held early this semester	A <i>Comité d'Initiative</i> (see 2.2.1 above) was formed to follow up implementation of recommendations	The <i>Comité d'initiative</i> mainly focused its actions on the creation of a national structure (federation),
	2.3.2 Monitor implementation of mango sector Action Plan			The <i>Comité d'Initiative</i> is idle until after the season.
Activity 2.4, PR 5: Effective system to collect export data set up	2.4.1 Develop a data collection system drawing from different sources, including phyto-sanitary services, transporters, exporters, suppliers, buyers, support agencies, projects, bilateral	Additional data was collected on 2004 exports	Statistics have been updated with a broader spectrum of data	A system has been put in place to systematize the regular collection of data, feed the monitoring and evaluation system of TradeMali and provide professionals in the <i>Mango filière</i> with

B. Table 2 - Planned and realized activities for the Mango sector

Activity	Planned during period	Actual	Results	Comments
	missions, Eurostat, trade journals, studies and consultants			timely and accurate information
Activity 2.5, PR 5: A national structure to better coordinate development of Mango sector put in place	2.5.1 Organize working sessions to assist professional associations (producers, <i>pisteurs</i> and exporters) set up a national structure representative of mango sector	Support was provided to <i>Comité d'Initiative</i> to discuss relevance of creating a national structure with professional associations	Field mission aimed at the relevance and mechanisms to set up a national structure was conducted by the members of the <i>Comité d'Initiative</i>	Although the idea originated during the <i>Journées Mangu</i> , the <i>Comité d'Initiative</i> did not succeed in convincing the actors in the mango trade that a national organization would better lobby for the agenda of the mango professionals. In fact, apart for a small group of exporters, there is a strong reticence among actual professional associations to merge or to vouch for the creation of a national structure.
Activity 2.6, PR 5: A Donor Round Table to ensure harmonization and complementarity of activities is operational	2.6.1 Organize quarterly work sessions with donors engaged in mango sector	One meeting was held with donors to share information, coordinate interventions and leverage funds TradeMali participated in PCDA meetings to discuss investment priorities along with professional associations, public and banking sectors	The Dutch bilateral cooperation has (i) funded a study to set up cold chain facilities and (ii) agreed to procure the equipment for the logistics center. In addition, the CBI has co-funded a training on EurepGAP and accepted to support six leading exporters to improve their export marketing strategy and their participation in FRUIT LOGISTICA 2006 The World Bank has (i) funded a detailed study on Malian infrastructures in which TradeMali participated, and (ii) accepted to contract a consultant for the design of the management system of the logistics centre.	
Activity 2.7, PR 5 - 6: Capacity to collect market information improved	2.7.1 Train personnel of trade promotion agencies and professional associations in NTIC and database usage	Activity planned but reported to next semester as participants were available after the mango season	SOW has been prepared according to training needs identified with exporters and professional associations.	Though most exporters see the necessity of training in NTIC to gain better knowledge of markets, few have computers or access to Internet

B. Table 2 - Planned and realized activities for the Mango sector

Activity	Planned during period	Actual	Results	Comments
			TradeMali has begun to send weekly marketing reports from our Europe based consultant to exporter email addresses. TradeMali makes available several computers and its internet connection to exporters.	
Activity 2.8, PR 5 - 6: Market information shared with operators on a regular basis	2.8.1 Implement export market information system accessible to public and private sectors	Weekly data is currently collected by a TradeMali consultant, based in France, on market trends and regulations, export volumes, quality and price fluctuations of Malian mangoes compared to competing origins in four European markets (France, Germany, Belgium and Holland) Mission was organized to Berlin's FRUIT LOGISTICA with three exporters (one from each exporters association) and the project's TradeLinks Coordinator	Data is disseminated to all exporters who have an email address or come to pick up the weekly note at TradeMali Working sessions are also organized with exporters to share and discuss the data, and improve weaknesses	A newsletter containing relevant information for exporters, <i>pisteurs</i> and producers, as well as for the public sector, could be developed and distributed on a regular basis by an exporter association or by the DNCC At the request of the exporters workshops / information sharing sessions will be organized on a more frequent basis. A restitution workshop on FRUIT LOGISTICA is scheduled for the second semester
Activity 2.9, PR 4 - 5: Financing mechanisms better understood by operators	2.9.1 Collaborate with Mali Finance, and others, to promote credit schemes to fund the export campaign	A one-day training session on credit architecture and cash flow management was provided to exporters and bankers, as well as to Mali Finance staff. Discussions held with carton suppliers and importers to provide	Although exporters' knowledge of financial architecture has improved, many still have problems to complete their financing for the 2005 season due to bad credit histories, poor relations with their importers or unrealistic seasonal plans. 4 exporters assessed by COFACE (credit insurance) with 1	Follow up is needed by Mali Finance to assist exporters in finding financing mechanisms, implementing budgeting and cash flow management systems. Discussions with Mali Finance are under way. Support to exporters is provided to gain knowledge of financing

B. Table 2 - Planned and realized activities for the Mango sector

Activity	Planned during period	Actual	Results	Comments
		<p>guarantees and advance payments</p> <p>Training sessions given to pisteurs on simple management, accounting and financial management. Assistance provided in developing loan request and meeting microfinance bank officials</p> <p>DTIS Comité du Suivi developed 2 requests in the mango sector (exporter loan guarantees and orchard management)</p>	<p>getting approval</p> <p>Loan request is being evaluated</p>	<p>options (i.e., credit insurance, suppliers' credit) and prepare better proposals.</p> <p>Many pisteurs are hesitant about seeking bank credit though they expressed the need for additional working capital</p>
Activity 2.10, PR 4 - 5: Logistic corridor Bamako-Dakar opened (rail or road)	2.10.1 Support professional organizations and the public sector in discussions with TransRail	Ongoing discussions are held with TransRail and Maersk Lines	Maersk Lines is negotiating with TransRail the possibility of guaranteeing delivery times. Even if TransRail has not signed any formal guarantee, the rail service has greatly improved.	<p>A better collaboration is established with Maersk and prospects for the 2005 season are encouraging.</p> <p>Furthermore, Maersk is considering offering pre-cooling and container stuffing services at their terminal. TradeMali is waiting for Maersk's cost breakdown.</p>
Activity 2.11, PR 4 - 5: At least one conditioning station with cold chain is operational in Bamako	<p>2.11.1 Collaborate with the Dutch Cooperation to renovate the conditioning station at the Bamako airport</p> <p>2.11.2 Identify potential investors and negotiate with them to begin</p>	<p>Study was completed during the semester on modernization requirements.</p> <p>Discussions with importers and with potential exporters</p>	<p>Dutch cooperation has agreed to finance construction of cold chain facility in Bamako but not at Sénou airport (see 2.6)</p> <p>(1) 3 women entrepreneurs are considering forming a</p>	Originally, the logistics centre complete with conditioning equipment was to be located at the Sénou airport. However, given that the cold chain is necessary for sea freighted exports, and the airport authority retains ownership of all installed equipment, exporters have decided to move closer to the railway station. Several of the leading exporters are creating an exporters' GIE to operate the facility.

B. Table 2 - Planned and realized activities for the Mango sector

Activity	Planned during period	Actual	Results	Comments
	<p>exporting activities from Mali</p> <p>2.11.3 Collaborate with Mali Finance to secure start-up funds for conditioning station in Bamako</p>	<p>were conducted in Mali, at Fruit Logistics and by phone and email.</p> <p>Discussion started with the APEJ project to assist them in the implementation of their planned pack houses and exporting companies in Bourgourni and Yanfolilo</p>	<p>GIE to begin mango exports. (2) A leading Belgium importer, SIPEF, having production operations in Guinea, will visit Mali in 2nd semester</p>	<p>Agreement likely to be signed in second semester</p> <p>Discussions on start-up funds will happen next semester as the plans, participants and structure becomes clearer.</p> <p>Construction will begin during the next semester, or in time for the 2006 season</p>
<p>Activity 2.12, PR 4 -5: The norm <i>Mangue du Mali</i> is elaborated and applied by producers, <i>pisteurs</i> and exporters</p>	<p>2.12.1 Support the committee responsible for elaborating the <i>Mangue du Mali</i> norms in light of EurepGAP, HACCP, and BRC standards</p> <p>2.12.2 Collaborate with partners to establish a <i>Mangue du Mali</i> technical committee</p> <p>2.12.3 Train operators and support structures in relevant norms</p> <p>2.12.4 Implement control systems in conditioning stations</p>	<p>Preliminary discussions have taken place with DNI technical committee for normalization, DGRC and LCV</p> <p>A draft norm has been elaborated</p> <p>Hands-on training is taking place to build capacity within support structures (local offices, NGOs, village associations), <i>pisteurs</i> and producers</p> <p>Activity postponed to next semester</p>	<p>Although the norm and standard have not been finalized, good agricultural practices are being enforced in the field by the project's and other mango technicians.</p>	<p>The <i>Mangue du Mali</i> committee must be constituted to finalize the norms and standards, and define mechanisms to enforce its application by all interested in the development of a label <i>Mangue du Mali</i></p>

B. Table 2 - Planned and realized activities for the Mango sector

Activity	Planned during period	Actual	Results	Comments
	2.12.5 Train personnel of phyto-sanitary control agencies to enhance the credibility of certificates 2.14.6 If needed, collaborate with Malian agencies to improve good laboratory practices	Postponed to next semester TradeMali has opted out to avoid duplication with UEMOA's Quality Program implemented by DNI.		The project will provide ad hoc support when requested and when able.
Activity 2.13: At least one recommendation from the mainstreaming study on Gender applied	2.13.1 Analyze gender dimension of programming and propose recommendations to better respond to the importance of gender equity	Consultant's report submitted in March, additional information requested after 1 st draft	Mindful of gender programming, TradeMali is assisting women <i>pisteurs</i> in Bamako obtain credit and women entrepreneurs consider mango exporting	Collaboration with Mali Finance to facilitate contact with microfinance banks and to submit loan requests
Activity 2.14, PR 5: Regulation on temporary admission known and applied	2.14.1 Disseminate information to exporters regarding temporary admission regulations and procedures to obtain exoneration	Continuation of last semester's activity, on request	Exporters have a better knowledge of mechanisms to obtain duty exemptions on imports of commercial inputs	
PRODUCTION				
Activity 2.15, PR 4: Mapping of mango plantations and assessment of production levels done in Sikasso and Koulikouro regions	2.15.1 Identify and make inventory of mango plantations 2.20.2 Prepare maps and disseminate information 2.20.3 Evaluate production yields and determine sale capacity by orchard	Data is currently being collected Activity postponed to next semester Ongoing	Around 500 ha have been identified with GPS, data on each plantation has been recorded and filed for future treatment and analysis	Collected data will be centralized and treated in collaboration with the GIS specialist at USAID. Maps will be produced and published
Activity 2.16, PR 4: Good Agricultural Practices (GAP) applied by at least 5 producers and <i>pisteurs</i>	2.21.1 Define good agricultural practices 2.21.2 Establish a training pilot program for zone leaders 2.21.3 Train a group of national trainers 2.21.4 Inform support agencies of good agricultural practices	Activity postponed to next semester Ongoing Activity postponed to next semester Activity postponed to next semester		GAP will be part of the Malian standard (<i>Cahier de charges</i>) The program is currently being tested in several zones: Sikasso, Bougouni, Yanfolila, Kati, Darra, Baguineda, etc. Protocoles will be signed with support structures, i.e., Helvetas, IPR, Offices

B. Table 2 - Planned and realized activities for the Mango sector

Activity	Planned during period	Actual	Results	Comments
Activity 2.17, PR 4: At least 2 producers certified to EurepGAP Standard	2.17.1 Collaborate with CBI to implement a quality management and traceability system conforming to EurepGAP standards	TradeMali and CBI hosted a Dutch EurepGAP specialist to inaugurate the second phase of Quality Program TradeMali is assisting one GIE (TEM) to obtain its EurepGAP certification before the end of the year Information on a new regulation concerning the mandatory treatment of all wooden packaging materials (pallets)--to be enforced March 1 st - was passed to all exporters.	Most exporters, <i>pisteurs</i> and producers associations are aware of the urgency to obtain a EurepGAP certification. They are also informed of the mandatory and proposed requirements TradeMali assisted in the creation of the GIE TEM and is providing technical assistance to meet EurepGap requirements Short-term arrangements have been made to comply with the regulation. Longer-term solutions are being discussed. A GoM arête was drafted.	Another GIE will be assisted in the next semester (Mali Primeurs). Though exporters have yet to realize the importance of attaining EurepGap certification, these GIE will serve as a model for similar organizations in the near future.
Activity 2.18, PR 4: New varieties introduced or new orchards created by at least 2 producers	2.18.1 Support creation of new orchards, industrial types 2.18.2 Support the introduction of new seed varieties	Belgium investor, SIPEF, visiting Mali in April Discussions started with IER, SNV and orchard owners in Koulikouro but activity is postponed to next year		
Activity 2.19, PR 4: Input procurement tested with a group of producers	2.19.1 Support the implementation of a pilot inputs supply system	Activity postponed to next semester		
Activity 2.20, PR 4: Collective harvest-box procurement & field to station transport systems tested	2.20.1 Support the implementation of a pilot field to station transportation system for <i>pisteurs</i>	Activity postponed to next semester		
Activity 2.21, PR 4: Mango cost structure and profitability known by producers and <i>pisteurs</i>	2.21.1 Train producers and <i>pisteurs</i> in simple accounting systems	Training provided in collaboration with Mali Finance (Making Cent\$) to a group of <i>pisteurs</i> and producers in Sikasso	Skills evaluated next semester during follow-up sessions	Training of this type is greatly needed and will be included in next semester's activities. Similar sessions planned for Bamako <i>pisteurs</i>

B. Table 2 - Planned and realized activities for the Mango sector

Activity	Planned during period	Actual	Results	Comments
COMMERCIALIZATION				
Activity 2.22 PR 3-4-5: <i>Mangue du Mali</i> norm and standard applied by leading exporters	2.27.1 Train pack house staff and exporters in technical requirements of the <i>Mangue du Mali</i> norms 2.27.2 Support leading exporters in establishing quality management and traceability systems 2.27.3 Train <i>sociétés d'agrégage</i> in <i>Mangue du Mali</i> norm 2.27.4 Support exporters in sea freight techniques	Activity postponed to next semester Ongoing activity with two exporters (see 2.17.1) Activity postponed to next semester Activity postponed to next semester for start of season		Training has to be hands-on and practical; it requires starting during mango season--mid-March for air freight exports and mid-April for sea freighted shipments
Activity 2.24, PR 4 - 5: Transport logistics organized on various corridors	2.29.1 Support exporters in establishing transport logistics 2 .29.2 Train exporters in various areas, including export documentation and networking with importers 2.28.1 Train exporters in cold chain techniques	See 2.10 – Discussions with various freight forwarders in Abidjan, Conakry and Dakar, in addition to Maersk-Mali and TransRail Activity postponed to next semester Activity postponed to next semester	A comparative analysis made and distributed to exporters (costs, transit time, conditions, services provided, etc.)	Training has to be hands-on and practical; it requires starting during mango season--mid-March for air freight exports and mid-April for sea freighted shipments
Activity 2.25, PR 4: Exporters' seasonal planning skills enhanced	2.30.1 Support exporters in programming activities	Planning tools were designed and discussed with exporters	Exporters shared export programs with TradeMali, & is the basis for negotiating costs or credit conditions with freight forwarders, suppliers, cash flow management	
Activity 2.26, PR 4: Cash flow and funds management skills developed by exporters	2.26.1 Train exporters in financial management	See 2.9		
Activity 2.27, PR 4: Agreements between operators respected and confidence established	2.27.1 Support producer- <i>pisteur</i> -exporter partnerships to ensure production and timely delivery from plantations to conditioning stations	Contract templates developed and explained Technical support to partnerships	Results will be seen during season next semester	Utilization of contracts needs to be verified

B. Table 2 - Planned and realized activities for the Mango sector

Activity	Planned during period	Actual	Results	Comments
<p>Activity 2.28, PR 4 - PR 5: New markets are identified</p>	<p>2.28.1 Identify opportunities to diversify target markets</p>	<p>Prospective mission (TradeLinks Coordinator and 3 exporters) attended the Berlin FRUIT LOGISTICA Fair and made several contacts with importers</p> <p>Contacts are continuously made / maintained with importers from several countries both in Europe and Africa. Marketing trip made to Mauritania with a follow-on trip made by an importer, and Ghana importers invited.</p> <p>Support is given to Malian exporters in their deal makings with importers and support agencies</p>	<p>Better understanding of markets requirements (i.e., standards, trends, competition, technologies). Occasion for Malian exporters to meet face to face with their European buyers and finalize details of 2005 their export programs. One French buyer came to Mali and had a thorough working session with TradeMali on how to improve Malian exports</p> <p>Valuable new contacts with importers from countries other France</p> <p>Better knowledge and linkages with support programs (Dutch CBI, EurepGAP, AgroFair, Coleacp)</p> <p>Meetings with CBI allowed the design and fine tuning of the collaboration between CBI and TradeMali for 2005-06</p>	<p>FRUIT LOGISTICA is the most important annual event in Europe in the fruits and vegetables trade, with 1,355 exhibitors from 64 countries and 28,500 visitors from 100 countries.</p> <p>Working closely with exporters will enable TradeMali to assess the immediate and medium-term impact of contacts made at the fair, as well as direct contacts with European buyers.</p> <p>SIPEF a Belgian importer is in regular contact with TradeMali and may provide support Malian exporters, once the packing center is opened. Representatives will visit Mali in April.</p> <p>Part of CBI program with Malian exporters is focused on their participation to the Fruit Logistica in February 2006.</p>

C. Table 3. Planned and Realized Activities for the Potato Sector

Activity	Planned during period	Actual	Results	Comments
Activity 3.1, PRs 2 & 5: Implement Sector-wide Action Plan to Coordinate Interventions	3.1.1 Meet with the sector steering committee to discuss and harmonize priorities	<p>Policy was analyzed with the Coordinator of the <i>Comité d'Orientation et de Coordination pour la promotion des filières agro-industrielles</i></p> <p>A meeting with the Coordinator of the <i>Comité d'Orientation et de Coordination pour la promotion des filières agro-industrielles</i> was set up to discuss sector's priorities and implementation monitoring plan</p> <p>Task force meetings are held monthly with PRODEPAM, Mali Finance, USAID/Mali, and other groups as appropriate</p> <p>Collaborating with Dutch Cooperation in their support of production activities with IER</p> <p>Gathering information on potato production in the Timbuktu region</p> <p>Hired staff for Sikasso office</p>	<p>Coherence between policy and TradeMali work plan was confirmed</p> <p>Meeting held TradeMali provided project work plan and annual report</p>	Committee is responsible for several agricultural sectors but had not met for a considerable period. We will explore ways to make committee more effective. Coordinator scheduled meeting with committee for March.
Activity 3.2, PRs 2 & 4: Reduce Transport Costs	3.2.1 Contribute to sub-regional initiatives to reduce illicit transport barriers	Marketing trips in the subregion problem areas	Sikasso potato cooperatives sent a letter to UEMOA notifying them of illicit taxes applied in Burkina	Since illicit taxes are imposed outside Mali's borders. Though TradeMali has limited leverage to affect change it will work to ensure that exporters comply with legal exporting and importing requirements
Activity 3.3, PR 3: Elaborate Norms and Standards for Malian Exports	3.3.1 Support the DNI and technical committee to elaborate quality standards in the potato sector	Several working meetings were held to evaluate Malian norms and ensure conformity with sub-regional standards	Currently collecting sub-regional quality standards from neighboring countries	To be finalized during the second semester

C. Table 3. Planned and Realized Activities for the Potato Sector

Activity	Planned during period	Actual	Results	Comments
	3.3.2 Disseminate norms and standard guidelines to Malian exporters	Scheduled for second semester		
Activity 3.4, PR 4: Support to the Potato Supply Chain	3.4.1 Organize exporters into professional associations	Sikasso potato exporters grouped into four cooperatives with a coordinating committee	The cooperatives have received legal recognition	This recognition provides many benefits, including greater access to finance
	3.4.2 Organize a sector working group to coordinate activities	See 3.1.1 above		
	3.4.3 Collaborate with Mali Finance to finance modernization of export infrastructure	A Sikasso seed potato importer is considering investing in a cold chain. Protocol drafted with BMS bank and NGO ACOD to assist potato cooperatives in developing business plans and loan requests. BMS will consider test loans to potato exporters this season. Sources specializing in financing women commercial operations are being contacted for the female potato exporters cooperative funding requirements	The importer is discussing this with Mali Finance Loan requests will be considered in second semester.	TradeMali provides technical guidance when appropriate TradeMali was assisted in their discussions with BMS bank by Mali Finance
	3.4.4 Train exporters in conditioning and transport techniques	Cooperatives received training in conditioning and transport required by target markets	Trainings to date have been productive and well-attended.	Additional training planned for second semester; final evaluation will be conducted after the results of the 2005 campaign
	3.4.5 Train exporters in potato campaign programming	Cooperatives receive training in campaign management	As noted above, attendance has been strong	Final evaluation to be conducted after the season.
	3.4.6 Train exporters in quality management techniques	Cooperatives receive training in quality standards of sub-regional markets	Interest has been strong	Short-term post-harvest expert scheduled for second semester
Activity 3.5, PRs 4 & 5: Increase Information Regarding the Potato Sector	3.5.1 Collaborate with PRODEPAM to collect and diffuse information regarding production	TradeMali and PRODEPAM cooperate in several settings: sharing a Sikasso office, potato task force meetings	We have identified particular areas for production activities to facilitate exporting	Constraints: high production costs, low yields, and marketable varieties.

C. Table 3. Planned and Realized Activities for the Potato Sector

Activity	Planned during period	Actual	Results	Comments
	3.5.2 Ensure availability of market information to sector actors	Sub-contract with OMA facilitates dissemination of market information	Results will be evaluated after 2005 campaign	Cooperation with OMA and CONOESAM facilitates market information
	3.5.3 Define parameters of market corridors	Marketing trips to Burkina, Cote d'Ivoire, and Mauritania carried out in second semester have done this. Ghana importers invited through Mistowa project for 2 nd semester	Mali's potato is competitive in sub-regional markets and demand continues to grow	These trips complemented Year 1's parameterization of the Dakar market
	3.5.4 Hold workshop to discuss and disseminate information regarding market corridors	Dissemination of market information to members facilitated by cooperatives; formal workshops scheduled for 2 nd semester	Sikasso potato cooperatives are aware of quality and conditioning standards	Will distribute results of Mauritania marketing trip in second semester. Mauritanian importer is visiting during second semester
	3.5.5 Produce and distribute a film on the life cycle of potato exports	Scheduled for the second semester		
	3.5.6 Produce and distribute articles regarding Malian potatoes in foreign newspapers and magazines	TradeMali has featured several articles in television, print and radio		This is an important priority to increasing profile of Malian potatoes and will continue
Activity 3.6: Reduce and Eliminate Entry Barriers for Genders	3.6.1 Conduct an analysis of the gender dynamic in the potato sector	Ongoing as part of gender mainstreaming analysis		The women's potato cooperative in Sikasso is succeeding in facilitating market entrance by women; we look forward to improving activities based on the gender analysis
	3.6.2 Recommend programming modifications based on study results	Scheduled for the second semester		

D. Table 4. Planned and Realized Activities for the Red Meat Sector

Activity	Planned during period	Actual	Results	Comments
Activity 4.1, PRs 2, 3, & 5: Ensure a dynamic partnership among sectoral actors	4.1.1 Organize a workshop with the MLF and the private sector	Forum held in November with Ministry and private sector	Better understanding of risks, opportunities, issues and constraints; monitoring committee established and meets monthly	Monitoring committee: TradeMali, PRODEPAM, Mali Finance, FEBEVIM, MLF, abattoirs, exporters
Activity 4.2, PR 3: Improve the Competitiveness of the Red Meat Supply Chain	4.2.1 Identify opportunities to reduce production costs in collaboration with food suppliers, exporters, and PRODEPAM 4.2.2 Identify opportunities for cost reduction by improving sector organization and using return freight 4.2.3 Promote and establish systems to purchase livestock	Analysis identified major cost areas Discussions with potential exporters and supplier representative (FEBEVIM) occurs regularly in monthly monitoring meetings and, as a result, between the parties	Production costs make up the majority of cost factors	Reduced production costs are crucial to export profitability and private sector motivation; cost issues and purchasing systems are discussed in the monitoring committee's monthly meetings Transport is not the major cost issue and reductions in transport costs will not make Malian red meat cost competitive in sub-regional markets Formal contracts and professional buying methods are required by exporters; producers want long-term contracts and established prices
Activity 4.3, PR 3: Reduce Barriers to Exports	4.3.1 Elaborate and implement certification procedures conforming to OIE regulations and in light of traceability standards 4.3.2 Inform the private sector about the certification process 4.3.3 Support exporters to create a label for "viande malienne"	Currently working with MLF to collect quality standards from neighboring countries Discussions are held in the monitoring committee meetings		Not applicable at this time
Activity 4.4, PR 3: Increase Market Information and Commercial Networks	4.4.1 Assist exporters in evaluating the competitiveness of targeted markets	Conducted marketing trips with area abattoirs during the 1 st year and reviewed results of 1 st semester return visits by potential importers and independent	In light of current profitability, cost structure and risk, potential exporters prefer to focus on domestic market but are willing to participate in certain	See Section IIIC for outcome of market assessments Lack of a competitive selling price must be resolved before Malian red meat can be

D. Table 4. Planned and Realized Activities for the Red Meat Sector

Activity	Planned during period	Actual	Results	Comments
	4.4.2 Pursue zoo-sanitary agreements with North African countries	missions/tests by the exporters; signed protocol with SMPCA to participate in sub-regional marketing trips As an initial step, Ministry of Livestock and Fisheries is providing information on existing agreements	market tests. A test to Ghana will be carried out in the 2 nd semester.	profitably exported; SMPCA currently undergoing financial restructuring and market research trips have been postponed; the 2 Bamako abattoirs are concentrating on the domestic market Disease profiles and differing animal health requirements are significant barriers to export to North African countries
Activity 4.5, PR 3: Evaluate and Improve Sectoral Infrastructure	4.5.1 Provide assistance to the AFB to draft investment plan with Mali Finance 4.5.2 Provide information regarding packaging to meat producers	We provide technical assistance to AFB on an ad hoc basis Initial information provided	The business plan should be finalized soon but is concentrating on the domestic market	
Activity 4.6: Reduce and Eliminate Entry Barriers for Genders	4.6.1 Conduct an analysis of the gender dynamic in the red meat sector 4.6.2 Recommend programming modifications based on study results	Currently being completed; finalized during next semester Scheduled for next semester	Will integrate results into work plan	

E. Table 5. Planned and Realized Activities for the Rice Sector

Activity	Planned during period	Actual	Results	Comments
Activity 5.1, PRs 2, 3, & 5: Initiate Sectoral Partnership to Develop Export Potential	5.1.1 Hold meeting with the sector coordination committee of the Ministry of Private Investment to discuss and harmonize priorities	Meeting held and committee provided TradeMali work plan and annual report		Committee is responsible for several agricultural sectors but had not met for a considerable period. We will explore ways to make committee more effective.
Activity 5.2, PRs 3 & 4: Enhance the Competitiveness of Malian Rice	5.2.1 Disseminate information regarding rice transformation techniques and technologies 5.2.2 Contribute to sub-regional efforts to reduce illicit transport barriers in neighboring countries 5.2.3 Elaborate quality norms and standards to guide the sector	Concentrating on rice storage technology; information is provided to village associations Currently working with DNI to collect quality standards from neighboring countries	Will finish collection and begin harmonization during the next semester	Given the lack of significant rice exports, this activity is not being pursued at this time for rice.
Activity 5.3, PRs 4 & 6: Increase Information Regarding the Rice Sector	5.3.1 Organize a meeting to discuss the results of TradeMali's rice market assessment 5.3.2 Produce and disseminate articles about Malian rice 5.3.3 Collect and disseminate information regarding local, sub-regional, and international markets	Held validation workshop in November Subcontract with OMA facilitates data collection and distribution	Concluded that rice is not currently price competitive in sub-regional markets Public has more accurate information regarding sub-regional markets	See Section IIID1 for more information Articles on the CSV program will be developed at the end of the season OMA collects information on exports and sub-regional market prices for its local radio broadcasts; specific local market information is provided to CSV participants
Activity 5.4: Reduce and Eliminate Entry Barriers for Genders	5.4.1 Conduct an analysis of the gender dynamic in the rice sector 5.4.2 Recommend programming modifications based on study results	Currently being completed; finalized during next semester Scheduled for next semester	Will integrate results into work plan	Rice marketing program targeting women scheduled in April if sufficient rice available and prices are attractive

Activity	Planned during period	Actual	Results	Comments
Activity 5.5, PR 4: Expand CSV Program to Strengthen Domestic Market	5.5.1 Implement CSV activities in Tombouctou, Djenne, and Segou	Implemented CSV activities in <i>Office du Niger</i> , <i>Office Riz Mopti</i> , <i>Office Riz Segou</i> , and Timbouctou	800 CSV participants in 20 villages received 50 million Fcfa in financing and storing nearly 600 MT of rice	Very limited rice production in Djenne due to low river level
	5.5.2 Recruit three interns	Two <i>experts juniors</i> were recruited to support the CSV	<i>Experts juniors</i> are currently supporting activities	Given signed protocol agreements with ON, ORS and ORM, and the lack of production in Djenne, 2 experts juniors were sufficient
	5.5.3 Train and support the three interns	<i>Experts juniors</i> have been trained	<i>Experts juniors</i> are in place and effectively participating in activities	MOU signed with PRODEPAM to jointly support and use the interns
	5.5.4 Identify villages interested in participating in the CSV program	Interested villages were identified	See 5.5.1 above	
	5.5.5 Train villages engaged in CSV activities	Scheduled in 2 nd semester		
	5.5.6 Negotiate with financial institutions to coordinate lending	Protocols were signed with five lending institutions: Nysigieso, CAREC, FRMCD, DOT, Kondo Jiginew	CSV participants have obtained more than 50 million FCFA in financing	Protocols also signed with ON, ORS, ORM to collaborate on technical assistance in CSV activity Please see Section IIID for more information
	5.5.7 Visit participating associations to finalize contract/CSV participation	CSV participation has been finalized	Agreements signed with financial institutions, rice stored, financing disbursed	

Table 6. Planned and Realized Activities for Northern Initiatives

Activity	Planned during period	Actual	Results	Comments
Activity 6.1: Implement CSV Program in Tombouctou Region	6.1.1 Recruit intern to assist with CSV program	<i>Experts junior</i> recruited for the Northern CSV program	<i>Expert junior</i> currently supporting activities	<i>Expert junior</i> also support PRODEPAM efforts Current semester activities focused on identifying villages
	6.1.2 Train and support interns	<i>Expert juniors</i> trained	MOU signed with PRODEPAM to jointly support staff	
	6.1.3 Negotiate financing with lending institutions	Protocols were signed with two lending institutions with the assistance of Mali Finance	Participants have secured 6,701,660 FCFA in credit	
	6.1.4 Support to village associations in constructing or improving storage sites	Needs assessment in 2 nd semester		
	6.1.5 Finalize contract/CSV participation	Warehouses repaired if necessary, contracts signed, rice stored.	Six villages participating in the program	
Activity 6.2: Increase Exporting Potential of Anis and Cumin	6.2.1 Conduct a marketing test to Europe	Test shipment in 2 nd semester if quality satisfactory	Lab tests will be run on this year's harvest	Last season sanitary concerns stopped test shipment to Europe
	6.2.2 Identify potential sub-regional markets	Market visits Identified Ghana, Burkina Faso, and Togo as targets	Non-formal barriers currently make Niger unrealistic	<i>Expert junior</i> also support PRODEPAM efforts
	6.2.3 Recruit expert junior	An <i>expert junior</i> assists with anis and cumin activities	MOU signed with PRODEPAM to jointly support staff	
	6.2.4 Draft and adopt a sector work plan	Worked with steering committee to draft action plan		Future activities will also be planned with the committee
	6.2.5 Provide organizational support to the steering committee	TradeMali works closely with the steering committee	Action plan currently guides TradeMali's activities	
	6.2.6 Support the investment process, including transformation and cleaning equipment			
	6.2.7 Research improved production and handling techniques to enhance product	Protocols and contracts signed with IER, SLACAER, ADRAO, PRODEPAM and Africare; research carried out	Results available during 2 nd semester	Expanded research, including cumin, is envisioned for next season as well
	6.2.8 Organize workshop to	Scheduled for second semester		

Table 6. Planned and Realized Activities for Northern Initiatives

Activity	Planned during period	Actual	Results	Comments
	discuss season results			
Activity 6.3: Increase Export Potential of Camel Cheese	6.3.1 Organize workshop in Kidal to discuss the first production test 6.3.2 Evaluate and upgrade production techniques to increase quality and reduce costs 6.3.3 Evaluate market demand and define parameters 6.3.4 If viable, organize producer groups in Timboustou and conduct training	Discussed the first production test and analyzed results Mission recommended dropping activity in Kidal Identified possible local and NGO partners in Timbuktu	Mission feels Kidal activity is not cost effective; recommends dropping Assessing possibility of starting activity in Timbuktu	For detailed information, please see Section III E2 Please see Section III E2 for more information Opted to focus on Timboustou area to maximize resources Requires AEG agreement
Activity 6.4: Improve Quality of Local Handicrafts	6.4.1 Provide training in NTIC to <i>Chambres des Metiers</i> 6.4.2 Assist the <i>Chambres</i> in creating a website 6.4.3 Install IT equipment in <i>Chambres</i> 6.4.4 Provide training in image reproduction and identify markets 6.4.5 Accompany the <i>Association des Femmes Art et Metier du Livre</i> to Bamako 6.4.6 Organize an exhibition of Touareg handicrafts	USAID/Mali recently donated computers to Timboustou <i>Chambre</i> Scheduled for second semester IT equipment will be installed in sites after facilities improved Mission instructed TradeMali to find organization concentrating on handicrafts to continue assistance The exposition was hosted by the American Cultural Center This activity was dropped with the concurrence of the AEG team	Training in Timboustou will begin in 2 nd semester after facilities are improved Will include this component in overall training program Participants sold many pieces at prices significantly higher than available in Timbuktu; improvements in presentation was discussed and the future training priorities determined	This activity will be supported by an <i>expert junior</i> Gao and Kidal <i>Chambres</i> will receive equipment after completing their building upgrades We will contact USAID's West African Trade Hub to determine if it can assist Mission instructed TradeMali to find organization concentrating on handicrafts to continue assistance. We will contact USAID's West African Trade Hub to determine if it can assist group

Table 6. Planned and Realized Activities for Northern Initiatives

Activity	Planned during period	Actual	Results	Comments
Activity 6.5: Provide Support to Business Forum Participants	6.5.1 Provide technical training to agribusinesses as appropriate	This activity was dropped with the concurrence of the AEG team and replaced by emphasis on other agricultural commodities		
Activity 6.6: Other Activities	6.6.1 Collect and disseminate information regarding markets for rock salt, potatoes, and red meat 6.6.2 Evaluate other opportunities based on opportunities for synergy	Currently holding meetings with potato and onion producers Meetings held regularly with other projects and donors in Timbuktu		

Table 7. Planned and Realized Activities for Gender

Activity	Planned during period	Actual	Results	Comments
Activity 7.1: Increase Capacity of the Project and Partners in Gender Mainstreaming	7.1.1. Recruit a gender mainstreaming specialist to train personnel and develop project strategy	Chemonic's consultant traveled to Bamako in November to work with the project in gender mainstreaming techniques	The training was very positive, with the project and its partners possessing a better understanding of gender mainstreaming	USAID, Mali Finance and PRODEPAM staff attended the workshop
	7.1.2 Reconstitute the Gender Advisory Committee based on revised approach	A new advisory committee has been formed replacing the gender committee with a women's committee	The Committee's first meeting is scheduled for April	The committee will focus on issues pertaining to women's involvement in the target commodity sectors
	7.1.3 Participate in gender mainstreaming meetings with partners	See 7.1.1 above		
	7.1.4 Work with project technical staff to ensure gender is mainstreamed into programming	Discussed mainstreaming techniques with project staff		
Activity 7.2: Integrate Gender Mainstreaming into Programming	7.2.1 Conduct a gender mainstreaming analysis of each commodity sector (including DNCC) to identify potential barriers to equal access; modify programming accordingly	Consultant to submit report in March. DNCC analysis postponed until reorganization decision made by GoM	Requested several improvements in study; expect to receive revised document in April	Will integrate suggestions into programming accordingly
	7.2.2 Increase financing opportunities for women's groups	Mango: Assisting Bamako mango pisteurs to obtain financing Rice: a rice marketing program for female traders planned Potato: women trader's commodity established and sources of credit financing identified	Mango: Loan request is currently under review Rice: Program to begin in April if sufficient stock available	Other activities will be initiated after conclusion of commodity sector analysis
	7.2.3 Improve management capacity of women program participants	See 8.3 Communications and Training		GIE for mangoes being considered by 3 former women fruit and vegetable exporters

Table 8. Planned and Realized Activities for Communications and Training

Activity	Planned during period	Actual	Results	Comments
Activity 8.1: Improved Information Systems for Targeted Commodities	8.1.1 Collect and diffuse information on targeted commodities	<p>Employed television, video, local and national radio, and print media</p> <p>TradeMali produced film on mangoes has been edited and will be shown on TV during 2nd semester. The film on potatoes will be finished and edited during the same period.</p> <p>Quarterly newsletter being developed with Mali Finance and PRODEPAM</p>	<p>Mango: <u>EurepGap</u> (TV, national radio, newspaper); Potato: <u>exporters' coop</u> (TV, national radio, newspaper); <u>exporter training</u>; local radio; Rice: <u>rice marketing workshop</u> (TV, local radio); Red Meat: <u>workshop</u> (TV, newspaper, national radio); North: <u>USIS art exhibit for Timbuktu women's assn</u> (TV, national radio, newspaper); Policy: <u>DNCC reorganization workshop</u> (TV, national radio, newspaper)</p>	Will enlist advice from experts; for example, have discussions with USAID's staff creating new website and Geek Corps
	8.1.2 Support the website creation for ON and DNCC	Scheduled for second semester		
	8.1.3 Elaborate and diffuse information bulletins on targeted commodities	<p>Glossy folding brochure highlighting fruits and vegetables developed;</p> <p>OMA subcontract for collection and diffusion of potato and rice regional market information</p>	<p>Brochures were widely distributed at Fruit Logistica conference in Germany</p> <p>Contract continues and information broadcast on OMA's local radio programs</p>	
	8.1.4 Identify economic journals and international magazines and develop a protocol to highlight Malian commodities	Articles drafted and circulated on rice, red meat, DNCC, and Northern activities to local media		
	8.1.5 Invite media to participate in events organized by the project	<p>Media participated in several workshops held by the project</p> <p>Obtained radio coverage for rice, red meat, DNCC, and other activities (see 8.1.1.)</p>		

Table 8. Planned and Realized Activities for Communications and Training

Activity	Planned during period	Actual	Results	Comments
	8.1.6 Promote Malian commodities through radio	With USAID and COM DEV/HKF, we are now preparing a radio program on quality standards		During the 2 nd semester, in collaboration with HKF training will be provided to local radio broadcasters (and print journalists) on Quality related to the TradeMali program; program content will be developed and broadcasts initiated from the stations
Activity 8.2: Inform Project Partners of Activities	8.2.1 Schedule meetings with public institutions and partners 8.2.2 Share contents of work plan with consultative committees 8.2.3 Share work plan with national commodity steering committees	TradeMali routinely meets with public and private partners to coordinate activities Discussed Year 2 work plan with Project Advisory Committee; will discuss work plan with revised Gender Committee in 2 nd semester TradeMali's Year 2 work plan has been shared with commodity steering committees	Project Advisory Committee raised issues of focusing more on fewer commodities—perhaps eliminating red meat Elements of the steering committee work plans were incorporated into TradeMali's	Women's--formerly Gender-- Committee has been reconstituted
Activity 8.3: Train Exporters in Various Exporting Skills	8.3.1 Train operators in harvesting, conditioning, storage, and transport techniques 8.3.2 Train exporters in campaign programming techniques 8.3.3 Train exporters in management techniques	Mango: exporters, planters and pisteurs received training on <u>EurepGap</u> requirements and quality issues; Sikasso pisteurs trained in simple management and recordkeeping; preparations made for exporters to have NTEC training; planters shown how to properly fumigate and treat orchards; Potato: exporters had training on cooperative organizations, management and seasonal planning and preparations made for training on post-harvest handling and management and recordkeeping; Rice: training program and materials developed and training planned for	Producers, pisteurs and a few exporters are interested in developing the systems and methods to attain EurepGap certification	Aspects of orchard mgt have also been introduced into the training program

Table 8. Planned and Realized Activities for Communications and Training

Activity	Planned during period	Actual	Results	Comments
		April for CSV and supporting Offices; Policy: planning initiated for 2 nd semester training in commercial negotiations for DNCC and other private/public agencies		
Activity 8.4: Promote Public Knowledge of Quality Standards	8.4.1 Train media in export quality requirements	See 8.1.6 above	Training held in March with broadcasts to start in April	

Table 9. Planned and Realized Activities for Monitoring and Evaluation

Activity	Planned during period	Actual	Results	Comments
Activity 9.1: PMP Revision	9.1.1 Revise PMP indicators to more accurately and fully measure TradeMali's activities and objectives	PMP indicators and targets have been revised and submitted to USAID/Mali for comments	We are currently awaiting USAID/Mali's feedback	Revisions were based on project's first year experience, discussions with Mission staff and projected future activities
Activity 9.3: Verify Export Volume Data	9.3.1 Verify export volume data for targeted products with exporters and public sector agencies	Latest export data received from major mango and potato exporters, and export supporting agencies (e.g., DGRC, DRCC, OMA, CONOESAM and TransRail)	Export volume data compared among the sources	This activity is ongoing throughout the project year. Figures differ among the sources. Exporters data relied upon as being the most accurate
Activity 9.4: Establish Electronic Database for M&E System	9.4.1 Implement a functional database for TradeMali	Scheduled for second semester		
Activity 9.5: Monitor Activities	9.5.1 Monitor project progress	This activity is ongoing throughout the project year Potato exporting villages, assisted mango producer's orchards and rice storage (CSV) locations are GPS located		Hired staff in Sikasso and will help with M&E; M&E activity program developed for regional staff Sites are fixed using the project's GPS instruments. With the help of Mission staff, maps will be developed indicating areas, volumes, production, owner, treatments, etc. for traceability and market requirements and standards, and for project planning