



IMPROVING PRODUCTIVITY AND COMPETITIVENESS

Promotion of private irrigation technologies, facilitation of access to bank financing and development of marketing facilities

Overview

In the [Mali](#) Agricultural Competitiveness and Diversification Project, the number of horticultural and livestock supply chains with improved performance was increased from zero to eight (versus the target of six); the volume of produce marketed by the supported supply chain increased up to 71 percent versus the target of 40 percent. Access to financing for farmers and other private economic operators in the selected supply chains increased to 562 million francs (CFAF) out of 880 million planned, 1,101 kilometers of rural roads out of 961 km planned were rehabilitated.

Challenge

In Mali, growth in the rural sector is severely constrained by the following factors:

- Declining and erratic rainfall.
- Low productivity of agriculture, except for rice in the irrigated perimeters in the Middle Niger River Valley, managed by the "Office du Niger".
- Limited access to markets, because of poor basic rural infrastructure.
- Limited rural water supply.
- Insufficiently diversified rural economy and weak private sector in rural areas.

The project is expected to reinforce the competitiveness of targeted value chains through specific investments. By removing critical constraints from production to marketing, and building organizational and institutional capacity, both in the private and public sectors, the project improves productivity and efficiency. The main value chains targeted by the project are mango, shallots, potatoes and livestock.

Approach

This project focuses on the diversification of traditional crops like cotton and rice by promoting alternative competitive value chains. The project activities will improve farm productivity, access to markets, financing and commercial

More Results



72%

increase in Mango exports

71%

increase in Shallot/Onion exports

125

investment subprojects and micro-enterprises have been financed to become profitable small and medium enterprises

MORE INFORMATION

- » Agricultural Competitiveness and Diversification project
- » Yes Africa Can: Stories from a Dynamic Continent

infrastructure for the value chains. It aims at fostering improvements in the performance of supply chains for a range of agricultural and livestock products. It will use best practices and lessons of successful experiences to develop high-value products and the intensification of commercial agriculture.

Results

- The project contributed to increased exports of key products in quantities and values: mango by 72 percent and 89 percent, shallot / onion by 71 percent and 68 percent, and potatoes by 69.5 percent and 69 percent, respectively.
- Four centers for technology demonstration and dissemination have been set-up.
- Twenty technical-economic references have been finalized and validated, commercial orchards and kits pathways have been set-up.
- One hundred and twenty-five investment subprojects and micro-enterprises have been financed to become profitable small and medium enterprises.
- The establishment of appropriate financing tools has improved access to bank credit.
- Due to technical training and management advice, the professionalization of mango exporters has improved.
- About 1,101 kilometers of roads were constructed and the construction of commercial infrastructure will start shortly.
- The project also supported learning about professional exports through pilot commercial tests and facilitated the development of linkages with professional European exporters.
- The project also helped with the resolution of major technical constraints, such as the provision of packaging technologies, packing material and pest treatment.
- Finally, support was provided for the establishment of exporters' organizations, starting with the mango Task Force and continuing with the building of other professional mango organizations.

Bank Contribution

Mali's Country Assistance Strategy (CAS) puts emphasis on supporting competitive, broad-based growth in the rural sector by helping to increase agricultural productivity and production in a sustainable manner. This strategy is being implemented by exploiting the potential for irrigated agriculture, by diversifying agricultural and livestock production and by implementing natural resources management programs. This project fits within these objectives and strategy. The project amount was scaled up from the US\$35 million credit initially envisaged in the CAS to US\$46.4 million, as Mali was rated a good performer under the International Development Association (IDA) Country Performance Ratings.

Partners

There is a strong partnership among key development agents in the health sector in Djibouti. Periodic development partners' meetings, led by the Ministry of Health, help coordinate investments and analytical work. IDA's US\$22-million credit/grant for the HSDP, is complemented by US\$6 million from the Islamic Development Bank, US\$10 million from the African Development Bank, US\$15 million from the Global Fund to Fight AIDS, Tuberculosis, and Malaria, US\$12 million from the United States Agency for International Development (USAID), and US\$7 million from the French Development Agency (AFD). Coordinated support increases the momentum of sector reforms while promoting improved transparency and accountability in national systems.

Moving Forward

Regarding mango exportation, the project is working on addressing the main challenges going forward including: (i) improving mango supply for export, focusing on the rejuvenation of orchards and commercial plantations; (ii) promoting industrial processing to use non-tradable/non-exportable mangos and export waste; (iii) increasing access to appropriate funding for new commercial plantations and export-related industries (e.g., production of quality packaging at the local level); and (iv) supporting diversification and profitability of the PLAZA activities (preparation of a business plan including proposals for new products, handover to private operators).

The project is setting up six professional organizations, grouping producers, merchants, exporters and all operators of the prioritized value chains in an umbrella called "Interprofessions." These organizations will be the main operators of the sector and replace the project coordination unit, to ensure sustainability.

Beneficiaries

- The mango value chain is the most important for both national and international markets. The project reached the following results: (i) revenues generated and distributed along the chain by the exporters are 6,918 million CFAF for 2008, and 6,064 million CFAF for 2009;
- Women are among the most important beneficiaries: they constitute the main employees of exporters and processors for dried products and juices, and are the main owners of enterprises dealing with processing.