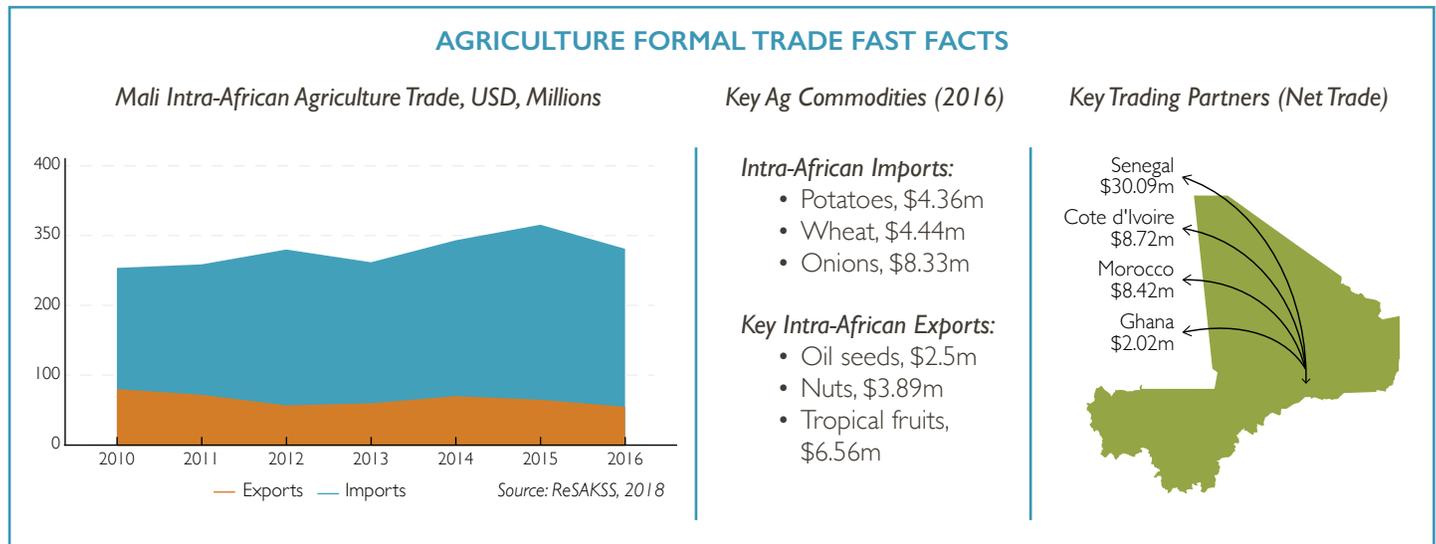




FEED THE FUTURE ENABLING ENVIRONMENT FOR FOOD SECURITY PROJECT

Intra-African Agriculture Trade Improvement Scorecard: Mali

In June 2014, African Union member states committed to a set of goals in the Malabo Declaration that included tripling intra-African agricultural trade by 2025. Mali has chronic food needs. As reported in the African Union's 2018 Inaugural Biennial Review Report, stunting is prevalent in over 26 percent of children under 5 years of age. Although Mali's agricultural trade with Africa shows slight declines from past highs, it is meeting Comprehensive Africa Agriculture Development Programme commitments to maintain high levels of public expenditures on agriculture (12.4 percent per annum) and improve the enabling environment for intra-regional trade in agricultural commodities and services.



This scorecard compiles publicly available data related to four key trade determinants from the Regional Strategic Analysis and Knowledge Support System's (ReSAKSS) Africa Agriculture Trade Monitor 2018 report, including (1) production capacity, (2) the cost of trade, (3) institutional efficiency, and (4) trade policies. The bases of comparison for these indicators are Feed the Future or sub-Saharan African (SSA) countries, as indicated. The coloring of the indicators below designates the country's performance in this area relative to its peers. A green score indicates higher-than-average performance; a yellow score indicates average performance, with room for improvement; and a red score indicates below average performance, with a serious need for improvement. For more on indicators, see [here](#).



PRODUCTION CAPACITY (factors that affect the level of supplies) is determined by resource endowments and other technological and institutional factors that enhance productivity. Mali has the sixth-highest rate of fertilizer use in sub-Saharan Africa, applying 29.1 kg/ hectare of arable land. Mali receives a score of 0.33 out of a possible 8 points under the World Bank's Enabling the Business of Agriculture (EBA) tractor testing and standards indicator; indicating that Mali risks importing second-rate and unsafe tractors, because it does not apply any quality and safety machinery standards on tractors. Mali has a high level of mobile phone penetration, with 1.12 mobile phone lines per person. Although only 18 percent of adults report having financial accounts (well below the SSA average of 32.8 percent), the spread of mobile technology has helped 31 percent of adults to receive or send digital payments, nearly matching the SSA average of 34 percent. Mali's rural areas are barely electrified, with less than 10 percent of the rural population having electricity in their homes.



COST OF TRADE. Good roads and an efficient trucking system make it easier and cheaper to import and export food. The World Economic Forum's (WEF) Road Connectivity Index gives Mali a 55.9 (out of 100) score; the WEF's quality of roads indicator gives it a 40.5 (out of 100) score, putting Mali within the average range of SSA Feed the Future countries. Mali scores 2.59 (out of 5) regarding perceptions about its infrastructure on the World Bank's Logistics Performance Index, above the SSA mean of 2.49. Domestic transport costs per the World Bank's Doing Business Trading Across Borders (2018) were \$429 for exports, \$932 imports. While this is in line with other SSA Feed the Future countries, costs especially for imports could likely be reduced further. Easing the costs and paperwork for getting a truck license (3.5 out of 11, per the EBA truck licensing indicators) and a cross-border transport license (5 out of 9 on the EBA cross-border transport license indicators) would help open market opportunities for new entrants. Working to expand and improve Mali's road network would integrate more of its farming population into the domestic and regional markets and make shipping quicker and more reliable.

INSTITUTIONAL EFFICIENCY

- | | |
|---|---|
| <ul style="list-style-type: none"> ● Competitive business environment ● Agricultural finance ● Secured lending ● Private international legal instruments ● Export border regulations | <ul style="list-style-type: none"> ● Export document compliance ● Import border regulations ● Import document compliance ● WTO Trade Facilitation Agreement |
|---|---|

INSTITUTIONAL EFFICIENCY refers to the ease of doing business in relation to agricultural trade. Mali's business environment is typical but still uncompetitive among its peers, scoring a 50.4 (out of 100) per the WEF's product market indicator. Mali ranks 15th among 21 SSA countries examined by the EBA finance indicator, scoring poorly due to lack of access to branchless banking and warehouse receipt systems. Mali scores 6 (out of 12) points in the World Bank's Strength of Legal Rights Index that rates secured lending systems, slightly above the SSA average of 5.1. Mali is typical among its SSA peers for having ratified only two of seven significant private international legal instruments, indicating a need for harmonization with international commercial norms.

Mali's trade regime is fairly efficient for both exporters and importers. The Doing Business Trading Across Borders Index calculates that traders spend 48 hours to comply with export regulations at the border (SSA median of 100.1 hours) and spend 48 hours to complete documentation (SSA median of 87.8 hours). Importers spend 98 hours to comply with import regulations at the border (SSA median of 136.4 hours) and 60 hours to complete documentation (SSA median of 103 hours). Furthermore, Mali's customs and border agencies have fully notified 6 of 16 articles important for agricultural trade under the World Trade Organization's (WTO) Trade Facilitation Agreement.

TRADE POLICIES

- | | |
|---|--|
| <ul style="list-style-type: none"> ● Average weighted agricultural tariff ● Import and export bans recently enacted | <ul style="list-style-type: none"> ● Trade facilitation performance ● Export licensing |
|---|--|

TRADE POLICIES include measures aimed at protecting trade. Mali's average weighted agricultural tariff is 15.8 percent, which is tied for 15th among 35 SSA countries. As for import and export bans, Mali has placed informal restrictions on the export of millet, maize, and sorghum to curb pressure on domestic prices since 2004. The OECD Trade Facilitation Index, which measures the performance of border procedures and policies, shows Mali making progress over the last two years but still far behind its peers, scoring 0.56 (against the SSA Feed the Future average of 0.70). Mali received 5 (out of 5) points per EBA export licensing indicators, indicating very low government interference in the marketplace, particularly in value chains concerning fruit exports to neighboring countries, like Burkina Faso.

THE AFRICAN UNION'S 2018 BIENNIAL REVIEW REPORT

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| <ul style="list-style-type: none"> ● Tripling intra-African trade | <ul style="list-style-type: none"> ● Establishing intra-African trade policies and institutions |
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BIENNIAL REVIEW REPORT 2018. The African Union's 2018 Inaugural Biennial Review Report measured member countries' progress toward achieving the Malabo Declaration's goals. To be considered on track for tripling intra-African trade, countries should have reached the minimum of 20 percent in growth rate increase. Mali did not meet this threshold. To be considered on track for establishing intra-African trade policies and institutions, countries are rated by the OECD Trade Facilitation Index. To be considered on track, countries need to reach a cumulative score of 10 points when adding together points given for each of the 10 sub-indicators comprising trade facilitation performance. Mali has met this threshold.

Developed in 2018.