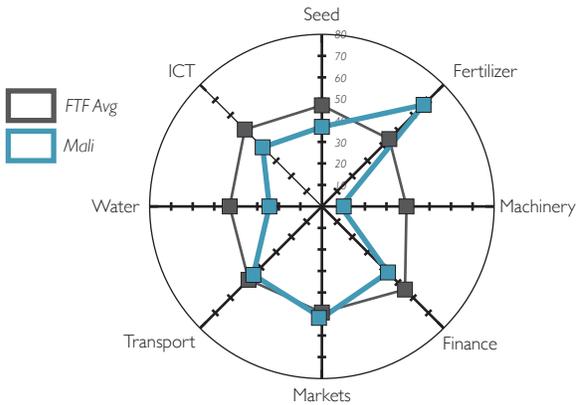




Feed the Future Enabling Environment for Food Security Project Enabling the Business of Agriculture Data Snapshot: Mali

2017 EBA Scores



The World Bank's Enabling the Business of Agriculture Index (EBA) is a unique tool for measuring the ease of doing agribusiness. EBA data, coupled with contextual analysis and consultations with key stakeholders, can inform priority reforms and allow for transparent result tracking over time and across countries. The index scores, on a scale of 0-100*, the strength of the legal and institutional environment for agribusinesses across eight topics: seed, fertilizer, machinery, finance, markets, transport, water, and ICT. Scores and detailed topical data can be used to inform design and monitoring of Feed the Future's (FTF) agricultural reform efforts. As seen in the graphic, Mali performs comparatively well in enabling access to fertilizer and markets, but struggles in access to other agricultural inputs and services such as seed, machinery, water management, financial services, transport services, and ICT. Its under-performance in these areas highlights weak legal frameworks where key components or laws are absent. The following sections take a deeper look at selected EBA data relevant to USAID/Mali.

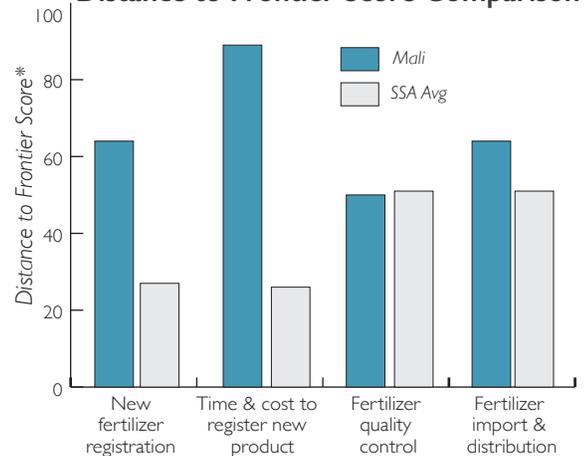


Fertilizer

Mali's fertilizer score is the highest in sub-Saharan Africa, reflecting a well-crafted legal framework and affordable and efficient registration and permitting. Five of seven best practices are in place for registration of new fertilizer products, and associated time and costs are the lowest in the region after Zimbabwe. Few bottlenecks exist for importing and distributing fertilizer. Quality control scores could be improved with slight modifications in labeling guidelines to include expiration dates and safety and storage instructions; and prohibit the sale of fertilizer products from opened bags.

Score: 67/100

Distance to Frontier Score Comparison

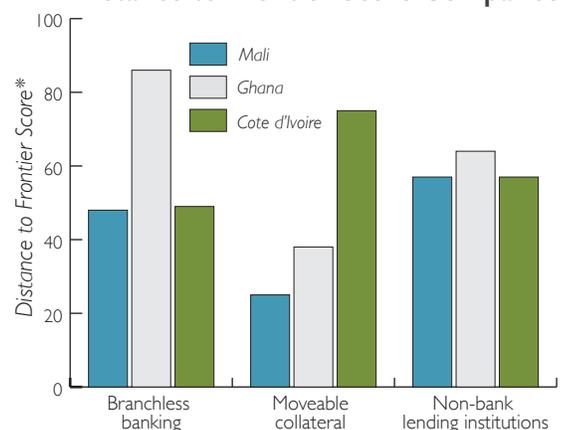


Finance

Mali's finance scores fall below its West African peers, stemming from a spotty legal framework governing the sector. For example, Mali has an adequate legal framework regulating e-money but none regulating agent banking activities. Similarly, in the area of moveable collateral, the country has a weak legal framework for secured transactions, but none at all for warehouse receipts. Mali could improve its non-banking institution laws by requiring financial cooperatives and microfinance institutions to have a minimum mandatory capital requirement and to subscribe to a mandatory deposit insurance system. Both actions would reduce risk to depositors. Mali could look to the legal frameworks of Cote d'Ivoire and Ghana for other ways to improve.

Score: 43/100

Distance to Frontier Score Comparison



*The distance to frontier score compares a country's performance to the highest performing country ("frontier"). The higher the score, the more of a top performer the country is in a particular area.

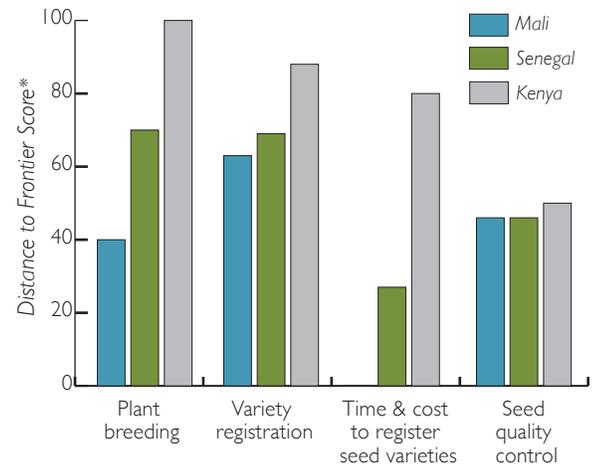


Seed

Fruit seeds were examined as a proxy for all seed in Mali. Scores reflect both a weak legal framework and limited practical use. For example, although companies are not prevented from producing foundation seed of local public varieties, Mali does not allow private companies to produce breeder seed. Furthermore, there is no law granting and protecting plant breeder's rights. This limits legal protections on intellectual property rights over plant materials, thereby discouraging private investment in Mali's seed systems. In practice, no seed varieties are registered in the country. Seed quality control could also be improved by expanding information displayed on seed container labels to include crop species, class of seed, lot number, germination (minimum percent), and year of production.

Score: 37/100

Distance to Frontier Score Comparison

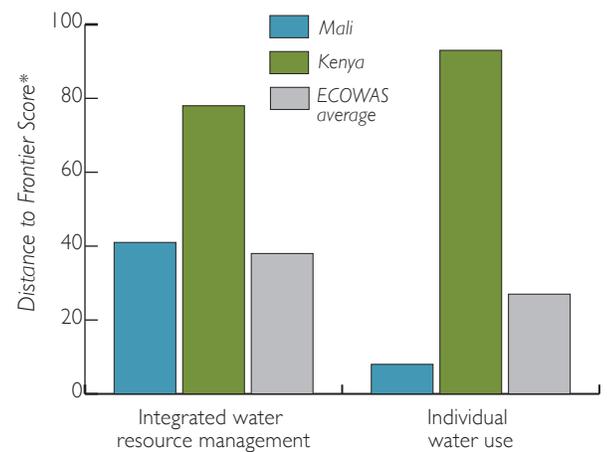


Water

West Africa struggles with water management with an average score of 33/100, while East Africa has shining examples in Kenya, Zambia, and Malawi. Mali's score is weighed down by its poor system to regulate individual water use (8/100). By law, individual farms are required to obtain a permit for the use of irrigation water, but the law does not require compliance with the applicable water basin plan. By comparison, the country's integrated water resource management framework is much stronger. Mali's legal framework requires the creation of a national plan for water management and use, but does not require management plans for each individual basin/aquifer. The national system could better promote water conservation and efficiency by providing a mandate for the government to promote improved water practices, create incentives for these practices, or promote adoption of less water intensive crops. Furthermore, it could establish a priority order for water allocation between different types of water users.

Score: 24/100

Distance to Frontier Score Comparison

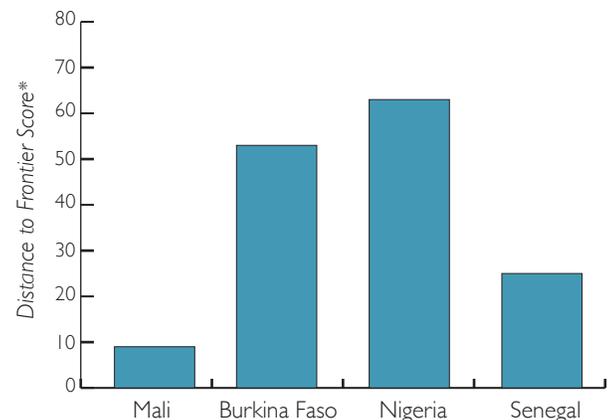


Machinery

This topic evaluates the regulatory framework for tractors as a proxy for all agricultural machinery. Sub-indicators measure access through import, registration requirements, and quality and safety standards. Mali has the worst machinery score in the region, far below the sub-Saharan average of 42/100. By law, private sector companies are required to register as importers of agricultural tractors. They must subsequently obtain an import permit for each shipment, valid for six months. Once tractors enter the country, there is no legal framework to ensure operational performance and safety. Tractor vendors are not required to obtain type approval before they are marketed in the country, bypassing consumer protections that guarantee performance, quality, durability, and safety. There is also no mandatory requirement for vendors to provide after-market services and spare parts for ongoing maintenance. No registration is required by law, which can be used to establish ownership rights over the purchased tractor and facilitates the enforcement of road, safety, and tax regulations.

Score: 9/100

Distance to Frontier Score Comparison



The Feed the Future Enabling Environment for Food Security program is a global support mechanism for Feed the Future focused and aligned Missions to address policies, as well as legal, institutional, and regulatory factors that affect food security. To learn more, please contact Gloria Kessler (COR) at gkessler@usaid.gov or Nate Kline (Chief of Party) at nkline@fintrac.com.