**Mali Business Fact Sheet**

**NABC**

This file is prepared for the Trade Mission to Mali from November 3-6 2013, organized by NABC in close cooperation with The Dutch Embassy in Bamako, SNV and ICCO. This document is aimed to inform Dutch entrepreneurs about the economic and business climate in Mali and the opportunities the country provides for the Dutch private sector.
Mali at a glance

Official name: Republic of Mali  
Capital: Bamako  
Area (in thousands of km²): 1.240  
Population: 15,9 million (2013 estimate)

Languages: The official language of Mali is French. Besides French, African languages are spoken (e.g. Bambara etc.)

Religions: Approximately 94,8% of the Malian population is Muslim. Other religions practiced are Christianity and Animism.

Structure of GDP (% 2011 estimates)
- Agriculture: 38,8
- Industry: 21,9
- Services: 39,9

Main agricultural products: Cotton, millet, rice, maize, vegetables, groundnuts, livestock.

Main industrial activities/products: Food processing, construction, phosphate, gold.

Political & Economic Overview

On the 4th of September 2013 the new president of Mali, Ibrahim Boubacar Keïta was sworn into office. Not only is this event another milestone in Mali’s democratic process, but it also marks a new period of stability and unity.

In 2012 the Malian economy was in recession with negative growth of -1,5%. However, economic forecasts estimate that it will rebound to +5,4% growth in 2013 and to 5,1% in 2014 thanks to the dynamism of the agricultural sector.

Not only agriculture can be seen as a growth sector, also livestock, energy and mining are promising areas. Furthermore, enterprises in the construction sector are needed to help rebuild the infrastructure of Mali. Due to the political crisis a big part of the country’s infrastructure was destroyed.

Trade

Trade figures (2010, EU Trade Statistics)

The total value of exports of Mali is: USD 2.453 of which the most exported products are cotton, gold and livestock.
Export partners:
- South-Korea 28,5%
- China 21,8%
- EU 10,4%
- Indonesia 6,5%
- Thailand 4,3%

The total value of import is USD 3.026 of which the most imported products are petroleum, machinery and equipment, construction materials, food stuff, textiles.

Import partners:
- EU 23,7%
- Senegal 15,1%
- Ivory Coast 10,5%
- China 7,1%
- South Africa 3.1%

Main trade partners (value of exports and imports combined):
- EU 22,6%
- Senegal 14%
- Ivory Coast 9,7%
- China 8,2%
- South Africa 2,8%

**Current trade relation between Mali and the Netherlands**

- Products that are imported from the Netherlands are: a.o. dairy products, agricultural food stuffs, veterinary products, cars/trucks, agricultural/industrial equipment.
- Mali exports: a.o. mangoes, hides and skins, oilseeds, gold, cotton to the Netherlands.

The value of Dutch exports to Mali was some EUR 40 million in 2012. The total value of exports that year was over 429 billion.

The value of imports from Mali was around EUR 2.3 million (2012). The total value of imports of the Netherlands was approximately 389 billion (CBS).

**Economic opportunities in Mali**

**Agriculture**

- The available land for agriculture and stockbreeding covers nearly 46 million hectares. 3.5 million hectares are cultivated out of a total of approximately 12
million hectares of arable land. Mali has an **irrigable potential of more than 2 million hectares, with more than half using flow irrigation**. The Niger Authority (Office du Niger) alone has an irrigable potential of nearly one million hectares.

- The Central Niger Delta covers nearly 4 million hectares. The Senegal River, along with its tributaries, also offers huge opportunities for agro-pastoral development in the Kayes Region.

- There are great opportunities for increasing rice production through irrigation, and for increasing exports to neighbouring markets and beyond.

- Maize could also be an important input in the production of cattle feed for Mali and for export.

- The production of rice and cotton in the agriculture sector creates a ‘spillover effect’, from which other products and services also benefit. Therefore rice and cotton are considered as ‘core products’.

- In addition, Mali provides opportunities for organic agriculture as the use of chemical manures and pesticides is low. For example, bio cotton and organic sesame are recognized and appreciated at world market level.

- The agricultural assets mentioned above give Mali a comparative advantage with respect to its neighboring countries and, for some agricultural products, with respect to the whole world.

**Opportunities for the agricultural sub sectors:**

- increase of production (extension, intensification, inputs, mechanization)
- increase of the quality of agricultural products (inputs, production techniques, post-harvest treatment)
- diversification (extension, inputs, production techniques)
- increase of storage and transportation capacity
- processing (including adding of nutrients)
- production of fertilizer/ manure
- manufacturing of agricultural materials (machines)

**Fruits and Vegetables Sector**

The fruits and vegetable sector is dominated by mangoes and citrus fruits, green beans, onions, potatoes and tomatoes. These products are grown almost everywhere in Mali where water is available. However, the crops are concentrated mainly in the southern half of the country:

- Tomatoes and green beans in the Baguinéda irrigated area;
- Potatoes in the Sikasso region, over 300 ha of land;
- Green onion in the Niger Authority zone and the Dogon Plateau, on nearly 4,000 ha of land;
- Mangoes in the Koulikoro and Sikasso region
Oilseeds Sector
Oilseeds such as sesame, jatropha, shea nut (karité) and soybean are being produced locally and provide opportunities for pharmaceutical, cosmetic and food purposes. The Centre for the Promotion of Imports (CBI) of the Dutch Ministry of Foreign Affairs recently conducted several sector and value chain analyses for exports of natural ingredients to European markets and concluded that there are great opportunities for the development of exports of sesame and shea nuts from Mali. The formulation of support programs for the Fruits & Vegetables and Natural Ingredients sectors are well under way.

Livestock

Livestock Breeding
- The assets and potential opportunities of Mali in the domain of livestock breeding are the following:
  - genetic wealth;
  - herbaceous and shrubby pastures in the delta of Niger;
  - the possibilities of development of fodder crops along the Niger river;
  - the availability of agricultural and agro-industrial by-products (food complement during bridging periods and in fattening operations);
  - the great hydraulic resources (necessary in watering);
  - the organizational experience of the pastors;
  - the demand for livestock by the neighboring countries.

- The Malian livestock, with 8,89 million of cattle, 11,3 million of sheep, 15,73 million of goats, 904 000 of camels, 478 000 of horses, 862 000 of donkeys and 74 000 of pigs is the most significant of West Africa. Also for poultry, the quantity of more than 33 million heads is the highest in the sub-region.

- The Malian livestock is also characterized by a great genetic diversity: it is composed of 8 cattle races, 6 sheep races, 5 goat races and 5 horse races, which represent almost the totality of the existing races in the sub-region. These races are adapted to the difficult climatic conditions and distributed across the territory according to their characteristics and aptitudes.

The livestock (mainly live cattle) is the third export product of Mali.

Opportunities for the sub-sector of breeding:
- increase of production (meat/milk through crossing, improvement of animal health, intensification)
- increase of quality (veterinary services, crossing)
- transformation (milk, meat, hides, leather)
- production of animal feed

Fishery
Mali has one of the most significant fishing areas of the Sahel. There are three main areas of fish production, which are the Inner Delta of Niger, the Lake of Selingué and the Lake of Manantali. The production is estimated at more than 150.000t/year, which is 40% of the production of fresh water fish of the West African sub-region.
Opportunities for the sub-sector of fishing:

- increase of the production (development of fishing areas, development of aquaculture)
- diversification (establishment of industrial production facilities of fish fillets adapted to some fish species such as: bagrus "samu", gynarcus "horse fish" and the hétérobancus "polio);
- increase in the capacity of transformation, transport, conservation and marketing of fish

Agro-business

- There are good opportunities for the establishment of agro-processing plants, especially in péri-urban areas around Bamako, Sikasso, Ségou and Mopti.

- The Malian policy of creating industrial zones around urban areas provides for sites with facilities. Through the Private Sector Investment program of NL Agency, several plants have already been established and some large Malian firms are also developing their processing capacity. *(If you would like to know more about the Private Sector Investment program, you can contact NABC.*)

- The bigger mills have capacity for animal feed production, but often lack the required supplements (most other ingredients are available locally). In addition, the predominantly extensive, instead of intensive, livestock systems lead to unsteady demand for high quality feed.

- This system also explains the low level of development of milk processing facilities, as it proves to be difficult to organize a constant and quality supply of milk. Dairy products in Mali are almost entirely based on milk powder that is being imported, e.g. from the Netherlands.

- This chicken-and-egg situation (slow development of intensive farming due to slow development of animal feed industry and vice versa) is one of the key issues addressed by the Malian government as well as the development partners, including the Embassy of the Kingdom of the Netherlands.

Energy

Mali provides good conditions for renewable energy resources (i.e. solar) to flourish. However, until now they have not been exploited sufficiently. The potential of the renewable energy resources is interesting for enterprises in solar energy. Mali belongs to one of the world's regions with the highest solar potential (6 kWh/m²/day radiation across the country). The country receives sunshine between 6 to 9 hours per day.

Mining

The soil of Mali is one of the richest in precious stones and fossil fuels of Sub-Sahara Africa. It is the third largest producer of gold after South Africa and Ghana.
Furthermore, the mining sector is one of the most profitable in Mali (if you look at its contribution to GDP).

Natural resources that are being exploited presently are phosphates, limestone, uranium. Additionally, there are bauxite, copper, manganese deposits that are not yet being exploited.

**The program of the Embassy of the Kingdom of the Netherlands in Mali**

In its Multi-Annual Strategic Plan 2012-2015 the Embassy of the Kingdom of the Netherlands (EKN) in Bamako, Mali has played a key role in the way the Netherlands will contribute to achieving the thematic priorities of Food Security, Water Management and Reproductive Health & Sexual Rights (SRGR) policy.

Food security and water management are being targeted in an integral manner because they are intertwined in the context of Mali.

In its programs on food security and water management, the Embassy focuses on strategies that target the following beneficiaries:

- Small-scale farmers (m / w)
- Small-scale breeders
- Fishers
- Rural unemployed youth
- Formal national, regional and local organizations (CPS-SDR, Office du Niger, municipalities in the Inner Delta)
- SMEs

The strategies aim at:

- **Agricultural production:** for domestic consumption and for export;
- **Food distribution:** regions with plenty do not adequately feed deficit regions;
- **Storage and processing of agricultural production;**
- **Diversification of agricultural production:** improve the nutritional value;
- **Off-farm and non-farm employment;**
- **Awareness** raising on the importance of the nutritional value of meals

The results will be achieved through three specific approaches:

a) improving the development and implementation of the agricultural sector policy and its technical framework, improving the business climate;

b) strengthening target value chains;

c) improving water management in the Niger river basin.

The strategies are complemented by instruments for trade and investment promotion (e.g. PSI, CBI, MMF, PUM) and by the strategies in the education sector (vocational
training, tertiary education) and the strategies on SRGR (which will increase the autonomy of women and youth). In addition, (regional) activities funded at headquarter level, activities from institutions and networks like Dutch universities and the Agrihub, activities from Dutch NGOs such as Terrafina, Oikokrediet, ICCO, SNV and Oxfam Novib and activities from Dutch companies create synergies with the programs of the Embassy.

In 2012, preparations have started for the value chain support program that is to be launched in 2013. Targeted value chains are:

- onions/shallots
- meat
- fish

Once the program is under way, other chains will be added, such as dairy products, maize, wheat, potatoes, tomatoes and melon. The program will focus on institutional development at all levels in the chain and at creating and seizing private sector opportunities, supported by a transparent regulatory framework. The Dutch private sector as well as Dutch knowledge institutes will be encouraged to participate, as they have an added value for Mali due to the long history of the agricultural development in the Netherlands.