

Data Sheet

USAID Mission:	Mali
Program Title:	Accelerated Economic Growth
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	688-009
Status:	Continuing
Planned FY 2005 Obligation:	\$10,228,000 DA
Prior Year Unobligated:	\$0
Proposed FY 2006 Obligation:	\$12,762,000 DA
Year of Initial Obligation:	2002
Estimated Year of Final Obligation:	2012

Summary: USAID will strengthen agricultural sector growth by targeting commodities for which Mali has a comparative advantage. Farmers will be given the tools necessary, including biotechnology, to dramatically increase productivity. This coupled with a focus on improving competitiveness of targeted commodities will result in farmers having more disposable income. The program will work to reinforce the Malian private sector by improving the management of agribusinesses and strengthening microfinance institutions. The country's ability to negotiate increasingly beneficial trade agreements will be reinforced through USAID's activities. The program supports the objectives of, and participates in, the President's Initiative to End Hunger in Africa and the Global Climate Change Initiative.

Inputs, Outputs, Activities:

FY 2005 Program: Increase Agricultural Productivity; Improve Sustainable Management of Natural Resources and Biodiversity Conservation (\$4,501,000 DA). The majority of farmers, who make up 80% of the Malian workforce, have incomes right at or below the poverty line of \$1,500 per year. USAID will focus on increasing small farmers' incomes and stimulating growth by producing specific commodities more efficiently. About 16,000 hectares of agricultural land in five regions of rural Mali will be provided with improved water management and irrigation infrastructure. An estimated rice yield increase of one to four metric tons per hectare is envisaged for an estimated 3,200 farm families. USAID will enhance animal nutrition through training for small-scale feed manufacturers in development of least cost, high quality, feed rations and by increasing private investment in the animal feed sector. The program will help Mali establish a regulatory framework that will permit Mali to take advantage of advances in biotechnology research. Community based natural resources management approaches to land use management will ensure sustainable increases in productivity and farmer incomes while conserving the natural resource base. USAID will support the implementation of a national food security strategy which is desperately needed due to wide distribution of vulnerable populations. Principal contractors and grantees: Cooperative League of the USA, Michigan State University, and Cornell University (primes); and Sheladia Associates Inc., Land O'Lakes, International Fertilizer Development Corporation, and Approtec (subs).

Increase Participation in Global Trade and Investment; Improve Economic Policy and Governance (\$3,602,000 DA). To date only about 10% of Malian agriculture products are exported, despite documented regional and international needs. USAID will expand market opportunities for Malian exporters, promote free trade practices and ensure more Malian products are exported to regional and international markets. USAID will work with 18 rice marketing associations representing a population of more than 20,000 people apprising them of regional market opportunities and building their capacity to assess market opportunities. Hundreds of mango and potato producers will be linked to exporters to tackle competitiveness constraints so that Malian mangos and potatoes can compete in regional markets. USAID will promote dialogue between the private and public sectors on policy and regulatory issues, and work to influence donor coordination and collaboration on product value chain development. USAID will also develop integrated economic development activities, melding aspects of production, trade and finance with special emphasis on opportunities in the northern part of Mali. USAID will support the expansion of an environmental toxicology laboratory which will play a major role in assuring the quality of agricultural product exports. Principal contractors and grantees: Chemonics International (prime); and Associates for International Resources Development, Geomar International, International Business

Initiatives, and CARE International (subs)

Strengthen Financial Sector's Contribution to Economic Growth; Increase Private Sector Growth (\$2,125,000 DA). Less than 5% of rural farmers have access to longer term (2-5 years) financing. To improve this, USAID will identify training opportunities in core business skills and assist financial institutions to analyze loan applications, especially for women's agricultural associations and small and medium enterprises. USAID will provide technical assistance to small-scale microfinance institutions (MFIs), MFI Networks, and commercial banking institutions to ensure that additional and longer term funding is available to producers. Emphasis on female customer-oriented services will increase women's access to financial services by approximately 12%, representing some 14,000 rural women. USAID will assist the Government of Mali to design a new investment promotion unit in order to make doing business in Mali more attractive and efficient. Principal contractors: Chemonics International (prime); and Weidemann Associates, Making Cents, Bankworld, and Enterprising Solutions (subs).

FY 2006 Program: Increase Agricultural Productivity; Improve Sustainable Management of Natural Resources and Biodiversity Conservation (\$5,892,000 DA). USAID intends to expand its efforts to increase the productivity of rice, horticulture crops, and livestock. USAID plans to increase investments in water management and irrigation, and support animal-feed production enterprises. Using funds from the President's Initiative to End Hunger in Africa, USAID will support the development of an improved seed distribution system, utilization of modern biotechnology tools, adaptive research on sustainable land and water management technologies. Support for training, education, and communication systems that provide vital agricultural information and statistics may be continued. Same implementers as FY 2005.

Increase Participation in Global Trade and Investment; Improve Economic Policy and Governance (\$3,562,000 DA). USAID's trade development program will continue activities initiated in earlier years. This will involve diversification of markets for targeted products, as well as strengthening the private sector's capacity to identify markets, negotiate contracts, and influence policies. Same implementers as FY 2005.

Strengthen Financial Sector's Contribution to Economic Growth (\$3,308,000 DA). Key activities started in FY 2005 are programmed to continue. Ten percent more small and medium-sized agribusinesses will have access to finance. Mali's new investment promotion agency will be able to attract overseas investment to key sectors of the economy. Microfinance institutions will receive continued assistance, especially in the north of Mali, and should demonstrate self-sufficiency. Same implementers as FY 2005.

Performance and Results: As a result of USAID assistance in the trade sector, mango exports have risen from 1,151 metric tons to 2,368 metric tons. Thirteen exporters participated in the 2004 mango export campaign, including six new entrants. USAID completed an irrigation project affecting 13 villages and 18,510 inhabitants, which is expected to increase the production of rice and vegetables on 960 hectares of land. USAID installed 10 pilot solar water pumps providing clean drinking water and dual use small-scale irrigation capability, especially for women market gardeners, to approximately 10,500 people in 10 rural villages of Mali. USAID training of 102 agro-entrepreneurs (54 of whom were women) resulted in 65 financial business plans ready for investment review. Targeting recruitment efforts increased women's participation in MFI networks by approximately 14,000 additional members. A Development Credit Authority agreement with a local bank resulted in loan disbursements of \$350,000 for a new leather tannery which will provide thousands of jobs and increase exports.

By the end of the strategy more farmers will use improved natural resource management practices, leading to an increase in the use of environmentally safe technologies for crop production and processing. Horticultural crop production will increase by 2,400 metric tons representing increased incomes of \$2.3 million per year. At least 50% of Malian farmers will have increased incomes over and above the current poverty level of less than one dollar per day.

US Financing in Thousands of Dollars

Mali

688-009 Accelerated Economic Growth	DA
Through September 30, 2003	
Obligations	18,471
Expenditures	320
Unliquidated	18,151
Fiscal Year 2004	
Obligations	14,216
Expenditures	13,164
Through September 30, 2004	
Obligations	32,687
Expenditures	13,484
Unliquidated	19,203
Prior Year Unobligated Funds	
Obligations	0
Planned Fiscal Year 2005 NOA	
Obligations	10,228
Total Planned Fiscal Year 2005	
Obligations	10,228
Proposed Fiscal Year 2006 NOA	
Obligations	12,762
Future Obligations	85,112
Est. Total Cost	140,789