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## MALI'S EXPERIENCE IN RESTRUCTURING ITS AGRICULTURAL MARKET INFORMATION SYSTEM

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### ***Outline of Presentation :***

1. Why build an MIS?
2. What is being done now to restructure the system?
3. How the restructuring got started and why
4. Successes
5. Contributors to success
6. Benefits from the new system
7. Challenges



## Why Build a MIS?

- Levels the playing field
- Improves market efficiency
  - Efficient markets don't arise automatically
  - Information as an essential “public good”
- Helps create new markets by promoting regional economic integration
- Helps inform better policy



## Building, then Restructuring the MIS

- Mali's MIS originally established in 1989
  - Centralized system, funded entirely by donors
  - Within the National Grain Board (OPAM)
- Restructured and decentralized in 1998 to:
  - Make it more dynamic, cost-effective & self-sustaining
  - Link it to other MIS in the sub-region



## Why the Restructuring?

- Financial crisis in 1998--Need to move from supply-driven to a demand-driven MIS to assure sustainability
  - Reducing initial MIS operating cost
  - Moving from donors to local resources for financing MIS operating cost by building clientele's support for the system
- Needed a structure that could assure:
  - Accuracy of information
  - Timeliness of diffusion



## Crucial Steps in the Restructuring (in 1998)

- Identifying different users' information needs
- Holding a national workshop to build a consensus among stakeholders on information product priorities
- Moving MIS from grain board to farmers organization
- Decentralizing MIS into 24 local units equipped with computers & solar-powered e-mail system linked to local radio stations
- Granting managerial and financial autonomy to increase flexibility.





## Successes

- Farmers' own MIS (OMA)
- Reduction of operating costs by 32%.
- Initially dependent on donors; now 100% of operating costs covered by local resources
- From just cereals coverage to fruits & vegetables, livestock.
- From 1 national weekly report to 24 local weekly market news bulletins, broadcast in local languages over 20 private radio stations.
- Information on trade opportunities in West Africa for Malian private sector through the creation of West African MIS network and traders network



## Contributors to successes

- Building technical expertise
- Customer orientation
- Financial sustainable operation system
- Innovative institutional evolution.



**Today Malians have access to timely, accurate and reliable market information for policy & marketing decisions**



## Benefits from the New System

- Farmers
  - Increased bargaining power
  - New information on emerging markets



## Benefits from the New System

- Traders
  - Facilitated new entrants
  - Broadened market geographically
    - +60,000 T. of sorghum exports
    - Opening of Guinea livestock market
  - Facilitated arbitrage



## Benefits from the New System

- Consumers
  - In Bamako: Leveling and reduction of margins between markets
  - Lower transaction costs (less bargaining)



## Benefits from the New System

- Policy makers (Mali & neighboring countries)
  - Avoiding bad policy
    - Better understanding of reasons for high prices in recent years (market integration)
    - Avoided dumping emergency food aid after 1991 coup.
  - Facilitating regional integration (e.g., Guinea cattle exports)





## Challenges

- Regionalization
- Marketing extension
- Grades and standards

