ROLE OF INFORMATION AND COMMUNICATION TOOLS IN FOOD AND NUTRITIONAL SECURITY IN THE ACP COUNTRIES:

THE EXPERIENCE OF THE AGRICULTURAL MARKET INFORMATION SYSTEM (OMA) OF MALI

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Plan of Presentation:

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Why Build an MIS?

- To make the market transparent
  - Improvement of the effectiveness of the market (better arbitrage)
  - Equal access to all of the new opportunities offered by a liberalized market
- To better inform policy makers for a better management of food security

The Malian MIS of 1989-1998

- The MIS was created in 1989
  - Centralized system, entirely financed by the donors
  - In the Office of the Agricultural Products of Mali (OPAM)
The Malian MIS of 1989-1998

• Use of OPAM’s data transmission tools (Radio-phones—RAC)
  – Delays and errors in the transmission of the data
  – Frequent difficulties of hearing the messages
  – Difficulties of instantaneous verification
  – Weekly broadcasts of market news reports in French on national Radio/TV (ORTM)

The OMA since 1998

• Restructured and decentralized in 1998, with USAID/Mali support, to:
  – Make it more dynamic, effective and financed from local resources
  – Connect it to other MIS in West Africa

• Need for a structure that could ensure:
  – Reliability of information
  – Timeliness in diffusion
  – Taking into account the specific information needs of different localities
Current Structure

Decentralized network for collection and diffusion of data

- **Data Collection**
  - 25 ULCD inter-connected in networks, allowing an exchange of information in real time

- **Information Diffusion**
  - Each ULCD linked to at least one rural radio station (64 broadcasts per week in local languages)
  - Information diffusion by the OMA’s central unit via national Radio/TV and newspapers
  - Linked in a network with other MIS in the ECOWAS zone
    - Access to information on neighboring markets through RESIMAO and ROESAO
    - Widespread use of the Internet in exchanging of information
ULCD housed in the local chambers of ag.
and inter-connected in an e-mail network
Role of Rural Radio (20 in Total) in the Market Information System

- Essential tool to communicate with a largely illiterate rural population
- Linked with the Chamber of Agriculture (APCAM) through contracts for broadcasting the programs aimed at the rural population (extension, awareness campaigns, …)
- OMA has broadcast contracts with 20 radio stations
- Staff training by PASIDMA on agricultural marketing techniques

Indicators of Success

- A farmer-owned MIS (OMA)
- Operation covered by local resources
- Reduction in operating expenses of 32% since the restructuring
- Considerable increase in timeliness
Indicators of Success

• Reduction in transmission and transcription errors
• Weekly broadcasts of market information in local languages on 20 private rural radio stations
• Coverage, in addition to cereals, of fruits, vegetables and the livestock
• Thanks to the creation of the West African MIS and agribusiness/traders networks, information is now available to the Malian private sector on business opportunities elsewhere in West Africa

Factors Contributing to Success

• Orientation towards the real needs for the customers ("mutual listening"), thus creating political support for the MIS:
  – Support of the state and foreign funding agencies
  – Support of the private sector
  – Financially sustainable system
• Decentralization of the system
• Sufficient and sustained external support for:
  – Creation of technical expertise
  – Adequate equipment
• Innovative institutional evolution
Today, Malians have access to timely, precise and reliable market information for policy decisions and commercial trade.

Advantages of the New System

• Farmers
  – Increased bargaining power (increase from 65% to 82% in the farmers’ share of the retail price of rice; for millet, the increase was from 33% to 66%)
  – Information on new markets
Advantages of the New System

• Traders
  – Facilitated new entrants into the trade
  – Better market integration
  – Reduced transaction costs in trade
  – Geographically widened market
    • +60,000 tons of millet exports to Niger in 1999
    • Opening of the Guinean livestock market to Malian exporters
  – Facilitated spatial and temporal arbitrage

• Consumers
  – in Bamako: Significant reduction of the price differentials between markets (20-30%)
  – Lower transaction costs (less negotiation)
Advantages of the New System

• Policy Makers (Mali & neighboring countries)
  – Avoiding bad policies
    • A better understanding of the reasons why prices rose in recent years (market integration)
    • Evaluating the impact of natural disasters (e.g., the 2004 locust crisis)
    • Contributing to good management of food aid (case of 1991)
  – Facilitating regional integration (for example, livestock exports to Guinea)

Conclusion

An MIS that has:

• a capable network of data collection and transmission, and
• a well-adapted structure for diffusion and outreach (including rural radio)

improves both the availability and access to foodstuffs, two key pillars of food security.
Thank you very much!