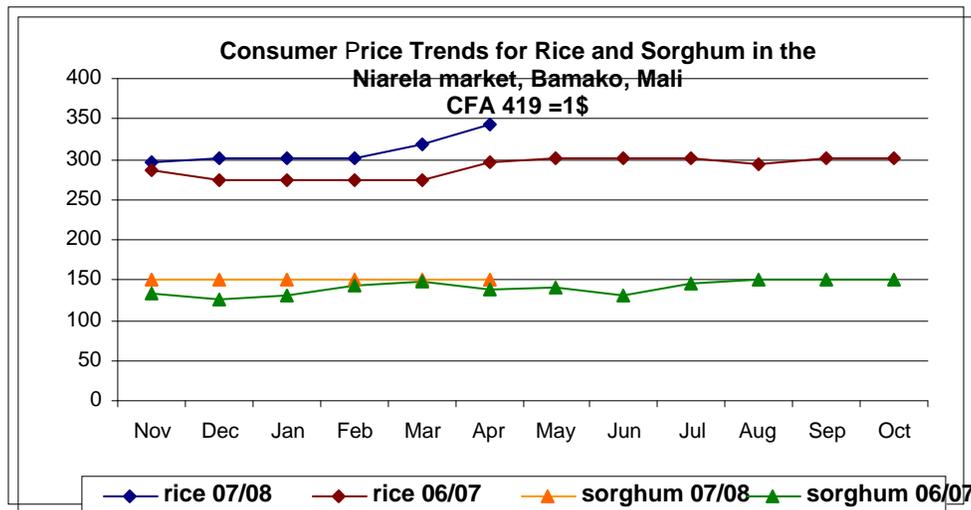




## Mali – Periodic Update on the domestic food security situation USAID/Mali Summary --- situation as of May 23, 2008

**Director's perspective:** During the past two weeks, consumer price of dry cereals and rice have remained stable. In Niarela, the main cereal market in Bamako, the current consumer price of Gambiaka, the preferred local rice variety, (FCFA 350/kilo) is still only 7% higher than that of May of last year. As per the agreement of April 1, 2008 between the Malian Government and rice importers, low grade imported rice is currently retailing for FCFA 310/kilo. However, in Bamako, large volumes of non-Thai rice are not being purchased as consumers complain of the quality and taste. Furthermore, some sellers reported that 50 kgs bags contain only 45 kgs of rice, effectively a 10% increase. On May 16, 2008, the price of fuel and gas oil increased by 2.3% and 2.7% respectively. This fuel increase should have an impact of food prices in the medium term.



**Areas of Concern:** The National Early Warning system has identified 34 communes or 5% of the country's 703 communes as experiencing economic difficulties. The largest number of affected persons is in the Kayes (117,928) Koulikoro (77,500), Gao (59,201), Mopti (42,208), Segou (29,151) and Kidal (23,690) regions. While it is possible that food might be requested, there are no indications thus far of such. Existing stock are normal and can likely cover these needs.

**More Details:** According to the Ministry of Agriculture, the 2007/2008 agricultural season is globally satisfactory with 3,885,477<sup>1</sup> tons of cereals (millet, sorghum, maize and rice) compared to 3,693,240 tons produced in 2006/2007. This production is 5% higher than last year's production and 22% higher than the average of the five past years. The net cereal surplus is estimated at 892,000 tons compared to 264,300<sup>2</sup> tons in 2006/2007. This year's specificity resides in the regional and international context, namely large cereal deficits or lower harvest in Senegal, Cap Verde, The

<sup>1</sup> Ministère de l'Agriculture – Cellule de Planification et de Statistique – "Campagne Agricole 2006/2007 – Résultats définitifs, bilan céréalier ex post 2006/2007 et prévisionnel 2007/2008" Mars 2008

<sup>2</sup> Ministère de l'Agriculture – Cellule de Planification et de Statistique – 'Bilan de la campagne agro-pastoral 2005-2006 et perspective de la campagne agro-pastoral' Novembre 2006

Gambia, the extreme North of Nigeria and Ghana, the increase of commodity prices in the international market, and the increased price of fuel.

**Producer prices:** Currently, producer prices range between FCFA 90/kilo and 117/kilo for millet, between FCFA 90/kilo and 120/kilo for sorghum and between FCFA 100 and 105 for maize. As of April 2008, average producer prices are higher than last year's by 37%, 21% and 42% for millet, sorghum and maize respectively, but lower than the 5-year average. The price paid to producers of Gambiaka, the preferred local variety of rice, currently ranges between FCFA 280/kilo and 305/kilo. As of April 2008, the average producer price was 22% higher than last year at the same time and 32% higher than the 5-year average.

**Consumer prices:** The consumer price (FCFA 350/kilo in Niarela) has been increasing since January 2008. This increase in price will mainly affect vulnerable households in urban areas already hard hit by the increasing price of basic foodstuff such as bread, vegetable oil, milk and sugar. The increasing price of rice could have "*un effet d'entraînement*" on the price of dry cereals.

**Consumer price at regional level are as follows as of May 20, 2008:**  
Per kilogram, \$1= 419 cfa

	Bamako/Niaréla Mali	Ouaga/Sankaryare Burkina Faso	Niamey/Katako Niger	Dakar/Tilène Senegal	Adjamé RCI
millet	150	172	203	200	250
sorghum	150	144	205	-	-
maize	175	170	325	200	200
rice - imp	325	400	350	280	375
rice -local					

Source: OMA,

It should be noted that the price of dry cereals in neighboring countries (Senegal, Mauritania, Burkina Faso and Cote d'Ivoire) is generally higher than in Mali and that the pressure to export these cereals will keep increasing.

As of May 7, 2008, the National Food Security Stock held 36,865 MT of cereals and the National Intervention Stock 17,786.9 MT, which is normal.

On April 17, the Government launched a forward thinking rice initiative for 2008/2009. The objective is to produce 1,618,323 tons of paddy rice (50% more than the last year's campaign) in order to harvest 1 million tons of rice (900,000 tons of which would be for local consumption and 100,000 tons for exportation). The estimated cost of the initiative is 45 billion CFA francs to be used mainly to subsidize improved NERICA seeds, fertilizer and technical assistance. The Government has mobilized FCFA 10.71 billion of which FCFA 5 billion has been deposited in a special bank account at the National Agricultural Development Bank. Producers are expected to provide FCFA 31.23 billion. Technical and Financial partners are being asked to make up for the shortfall.

**Additional local prices available on request see contact below.**

### **Additional Sources of Information**

World Food Program (WFP/PAM): "Note synthétique sur l'évolution des prix des principales céréales au Mali » (April 2008) [www.wfp.org](http://www.wfp.org)

FEWSNET Mali <http://www.fews.net/pages/country.aspx?gb=ml&l=en>

- Observatoire du Marché Agricole (OMA) Market Information Office Mali

- Système d'alerte précoce (SAP) National Early Warning System of the Government of Mali

- Initiative Riz – Primature

- International Food Policy Resource Institution (IFPRI) [www.ifpri.org](http://www.ifpri.org) (key to understanding long term global issues)

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