

**Michigan State University (MSU)**  
**Department of Agricultural, Food and Resource Economics**  
**Final Narrative Report to the William and Flora Hewlett Foundation on the West Africa**  
**Market Information Project (Grant Reference numbers 2007-9406 and 2008-2492)**  
**Grant Period: March, 2007 – July, 2009**  
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Project website: [http://aec.msu.edu/fs2/wa\\_mkt/index.htm](http://aec.msu.edu/fs2/wa_mkt/index.htm)

## **Objectives and Geographic Scope**

The Foundation initially provided \$400,000 in funding for MSU's West Africa Market Information Project (WAMIP) for one year and subsequently extended the project through mid 2009 with an additional \$100,000. This report covers both grants. The goal of the project was to promote regional agricultural trade in West Africa through the provision of demand-driven market information, thereby raising rural incomes and improving regional food security. It pursued this goal by developing and testing improved techniques for: (a) identifying the information needs of private- and public-sector actors to facilitate regional trade; (b) collecting and disseminating relevant, timely and reliable commercial information and (c) strengthening the capacity of traders to act on this information. The project pursued these objectives by strengthening the capacities of national market information systems (MIS) to exchange information among themselves and with affiliated national agricultural trader networks, which are linked through a regional West African MIS network and a regional traders' network. It also aimed at facilitating discussions between private-sector actors and customs, police, and phytosanitary services in the various countries to make transparent the conditions that traders need to meet legally engage in regional trade in West Africa. Key partners in the work included the Malian agricultural market information system, OMA (*Observatoire du Marché Agricole*), which serves as coordinator of the regional West African MIS network (RESIMAO), and the West Africa Agroentrepreneurs Network (RESIMAO). The project was initially designed to cover three countries (Mali, Niger and Guinea) in order to test approaches that could be later extended to other West African countries. Early in the implementation of the project, however, based on consultation with key stakeholders, MSU and its West African partners decided to add Senegal to the project given the rapidly growing trade between Senegal and the other countries as a result of a new paved road and improved commercial contacts between Mali and Senegal.

## **Major Changes Affecting the Project: The 2007/09 Food Crisis and Political Crisis in Guinea**

As WAMIP was launched in mid 2007, food prices in West Africa and around the world had begun to rise precipitously. The ensuing "world food crisis" simultaneously increased the demand for some of the project's outputs and constrained it from meeting some of its targets. The rapidly rising prices and market uncertainty led West African governments to call on their national market information systems for timely and accurate market information and analysis, including information on how markets in neighboring countries were behaving. These pressures, in turn, piqued the MIS's interests in WAMIP's program to improve methods for market data collection, transmission, and sharing among the national MIS. At the same time, in an attempt to protect domestic consumers from rapidly rising cereal prices, some West African countries, including Mali, imposed cereals export bans (which remained in place through mid 2009) that disrupted the ability of the project to carry out many of its activities aimed at increasing cereals trade. The project also aimed to increase livestock trade, and since that trade was not banned, WAMIP focused more of its attention on the livestock trade. The export bans, which were imposed with little prior consultation with the private sector, also

increased the demand among cereals traders for capacity building within their organizations for policy advocacy, and the project's activities in this area were warmly received.

In 2007 and 2008, Guinea was struck with political unrest, and the death of President Conté in late 2008 and ensuing transition to a new leader led to great political uncertainty in the country, delaying implementation of some of the activities described below, especially the Mali-Guinea border conference. In addition, the Guinean government's ban on the conversion of the Guinean franc into CFA francs (the currency of most of the surrounding countries) because of foreign exchange shortages further disrupted the trade between Guinea and its neighbors. The project was ultimately able to carry out the planned events in 2009, but due to the delay was not able to have as much follow-up action to build on them as we had originally planned.

## **Major Activities and Achievements**

The project undertook four major activities, with the following results:

**1. Identification of the commercial information needs to promote regional trade.** In collaboration with the market information systems and agricultural traders' organizations in the four study countries, WAMIP designed and commissioned studies by the national MIS of the commercial market information needs of private and public sector actors in order to promote regional trade. The national studies were validated in the individual countries through national workshops with key stakeholders from May through August 2008. A regional synthesis report was debated and validated at a regional workshop in Bamako in November 2008. The workshop brought together entrepreneurs involved in agricultural trade from the four countries, representatives of the Chambers of Commerce, Agriculture, and Industry of Mali and Guinea; agencies in charge of designing and enforcing grades and standards; representatives of CILSS (a West African regional inter-state organization charged with promoting regional food security and agricultural trade); national market information systems; and MSU. Based on the regional report, the conference identified and prioritized 10 types of information that were critical to improving regional trade and that were currently unavailable. It made recommendations regarding who should collect each type of information, with what frequency, and how the information should be diffused and with what frequency. Full details are available in the workshop report, [http://aec.msu.edu/fs2/wa\\_mkt/Rapport\\_at\\_synthese.pdf](http://aec.msu.edu/fs2/wa_mkt/Rapport_at_synthese.pdf).

The Malian market information system, OMA, which coordinates the West African Network of Market Information Systems (RESIMAO), has implemented the recommendations concerning the sharing of regional market information, as it now diffuses in its weekly bulletin price information from Guinea, Senegal, Niger, Nigeria and Burkina Faso to its different users. This information has been used by the Malian Food Security Commission to advise the government on cereals trade policies since the food price crisis of 2007/08. Other countries don't currently diffuse the price information from neighboring countries in their weekly bulletins. However, traders developed contacts during the regional workshop, and they are exchanging commercial information across countries through their own informal system, resulting in increased trade. For example, in spite of the cereals trade ban, actual maize exports from Mali to Senegal during the first 6 months of 2008 were 4200 tons higher than all for all of 2007, a result in part due to these improved commercial contacts.

A key conclusion emerging from the studies is that the current generation of government-affiliated market information systems in Francophone Africa do not currently collect or diffuse certain information critical to promoting regional trade, *nor are they particularly well suited to do so*. These MIS do play a critical role in generating and diffusing information essential for food policy analysis

and monitoring, crisis detection, and helping to promote competition within national markets by leveling the information playing field between farmers and traders. Yet they are less well suited for collection and diffusion of other types of regulatory, quality, and product specification information necessary for expanded regional trade. In addition, the spread of the cell phone technology within West Africa and the contacts created among traders during the national and regional workshops have improved the flow of timely commercial information across countries more than the MIS can ever deliver given their current institutional setup. This conclusion suggests the need to look at complementary and hybrid structures of market information systems to meet these commercial information needs, and was part of the motivation for a subsequent request to the Foundation by MSU (funded in the second half of 2008) to examine the strengths and weaknesses of alternative models for provision of market information services in Africa.

**2. Development of new technologies for use of cell phones by national market information systems for data collection and transmission.** WAMIP initially proposed to work with the MIS to develop ways of diffusing their market information reports to various users via SMS, given the rapidly growing cell-phone coverage in the four countries. After further consultation with the MIS, however, they (and particularly the OMA in Mali) argued that their first priority was to develop ways of using cell phones to transmit data from their market enumerators to the MIS headquarters in order to speed up the timeliness of reporting and reduce transcription errors. Only with more accurate and timely raw data could they produce more timely and useful market reports for their clients. Timeliness and accuracy of data transmission from field offices became especially critical during the food crisis of 2008, when market conditions were changing rapidly. In Mali, the OMA field staff had previously transmitted data via e-mails sent over FM radio/phones, but that equipment was breaking down after many years of service and would have been costly to replace. At the same time, the rapid spread of cell coverage in the country opened the door to use of cell phones by enumerators for direct data collection and transmission. The situation that was similar in the other 3 countries, which had previously relied on slower and less reliable ways of transmitting data from enumerators to MIS headquarters. WAMIP therefore supported the development, in conjunction with the OMA, of a system of coding that allows market enumerators to enter their data into SMS, which are directly transmitted from the 80+ markets the OMA covers throughout Mali to the Bamako headquarters, where they enter automatically into a computer and are used to generate market reports. The development of the system began in October, 2007 and was tested extensively during late 2007 and 2008, using cell phones provided by the project. The system proved highly successful, and all 24 local OMA offices throughout the country have adopted the system. A 2008 OMA report concluded that “delays in transmission are now a thing of the past” and that the system had allowed the OMA to produce its weekly national market report one day earlier than in the past, which was critical in helping monitor developments during the 2008 food crisis.

Given the success of the Malian experience and the interest of the MIS in the neighboring countries, WAMIP organized a training seminar for MIS agents from Guinea, Niger and Senegal in May, 2009, and all three countries plan to adopt the system. Two other follow-up actions resulted from this project success: (a) the USAID-supported Global Livestock Collaborative Research Support Program (CRSP), impressed with this system, worked with the OMA to adapt it to livestock market reporting, which the OMA is now supervising, having taken over from the Malian Office of Livestock and Meat. The CRSP purchased a dedicated server at the OMA for livestock market data, which are now sent directly from the livestock markets via SMS to the server and automatically processed. (b) The International Trade Centre of Geneva, impressed with the system, has given a grant to RESIMAO (coordinated by OMA) to work on the development of a system to diffuse market reports by SMS across West Africa. This development was only possible because of WAMIP;s

support for the development of the SMS data transmission system within OMA and its subsequent expansion to other MIS in the region.

**3. Border Conference and the Opening of the Mali-Guinea Livestock Trade.** The WAMIP project proposal posited that a major barrier to regional trade was lack of knowledge and transparency at the local (border-crossing) level on the part of both private traders *and* government officials (e.g., customs and police officers) regarding the frequently arcane and sometimes contradictory rules governing regional trade. The opaqueness of the rules increase transaction costs and open the door to rent-seeking that restricts trades. The project therefore originally proposed organizing two border conferences, one at the Niger-Mali border focused on the cereals trade, and the second at the Guinea-Mali border, focused on the livestock trade. The aim was to pull together traders and national and local officials involved in governing trade to identify the real administrative barriers to trade and develop a collaborative action agenda to reduce them. The cereals trade ban prevented the holding of the Niger-Mali border conference, and the political unrest in Guinea delayed the Guinea-Mali conference. When the latter was finally held, on May 23, 2009, in the Guinean border town of Siguiiri (following several preliminary project missions to Guinea and within Mali to set it up), it proved a great success. The conference brought together 64 participants (31 business people involved in regional trade; 26 police, customs, phytosanitary, veterinary, and grades and standards officials from both countries; and 7 political and administrative officials). The debate, which lasted 9 hours, identified a general misunderstanding of the regulations governing regional agricultural trade, both among the traders *and* the local border officials in charge of enforcing them. The conference made a series of recommendations aimed at improving the actors' access to the regulatory texts and called for the creation of a monitoring group that will meet twice a year to measure progress in implementing the recommendations. Initial indications are that trade between the two countries has become much more fluid as a result of the agreements made in Siguiiri.

In order to ground the recommendations in reality and demonstrate the two countries' commitment to more open trade, the participants reassembled two days later (on May 25—Africa Unity Day) in Malian border town of Kourémalé, just across the border from Siguiiri. There, they inaugurated a new border livestock market to open the trade in cattle, sheep and goats between Guinea and Mali. Previous livestock trade between the two countries had been blocked by just the type of administrative and veterinary/phytosanitary barriers discussed in Siguiiri two days earlier. The new market will not only open the Guinean market to Mali's livestock exports but also lead to Malian exports via Guinea, to Sierra Leone and Liberia.

Both the border conference and the opening of the new livestock market were extensively covered by the local press (written reports and clips of Malian TV's coverage of the events are available at project website). The agreements reached at the border conference and the functioning and growth of the Kourémalé market warrant ongoing monitoring and support to ensure their ongoing success. The Guinean traders' organization has approached MSU for support to do so, but we could not offer such support under the current grant due to its coming to an end. USAID/Senegal, impressed with the border conference, has asked MSU to replicate the experience on the Mali-Senegal border (now that the cereals export ban is lifted) in the context of its new SAGIC project.

**4. Strengthening the capacity of the regional traders organization, ROESAO.** WAMIP undertook two actions that strengthened the regional traders' organization, ROESAO (Réseau des Opérateurs Economiques dans le secteur Agro-alimentaire de l'Afrique de l'Ouest) to promote policies and practices that encourage regional integration and trade. First, the project organized a regional workshop on policy advocacy for members of the network from the four countries. The

workshop was held in Bamako on May 4, 2009, as an adjunct to the regional conference held to validate the regional study on market information needs, and was attended by 33 ROESAO members from the four countries. Second, the project supported a membership drive by the Malian ROESAO affiliate. The increasing strength of ROESAO and its national affiliates is reflected in the organization's growing presence in key policy debates and the increased tendency of regional organizations such as CILSS and ECOWAS to include ROESAO as a key stakeholder group in regional forums dealing with trade. For example, the Malian affiliate of ROESAO played a critical role in an April, 2009 retreat organized by the Malian Food Security Commission to develop proposals for a new national cereals marketing strategy, and ROESAO is cited as a key participant in draft regional agricultural investment plans being developed by ECOWAS under the NEPAD/CAADP process (Comprehensive African Agricultural Development Program).

### **Lessons Learned and Plans for Diffusion of Results**

Four striking lessons emerge from the work under this grant. First, external conditions, such as the 2007/08 food crisis and the 2008 political crisis in Guinea, can fundamentally alter the ability of a program to achieve its original goals. WAMIP was able to achieve some notable successes in its general topic area of providing better information to facilitate regional trade, but the specific achievements were different from those originally proposed (for example, the emphasis on better data transmission via cell phones *within* MIS rather than transmission of reports *between* the MIS and its subscribers). Second, improving information flows are only part of the solution to strengthening regional trade; improving the policy environment is another critical element. When these two elements are brought together, as in the border conferences, important progress can be made. But broad national policy decisions, such as trade bans, can overwhelm the ability of the private sector to act on improved market information. This highlights the need to strengthen the ability of trade organizations like ROESAO to advocate for improved trade policies. Third, strong partnerships with "on-the-ground" organizations are critical to achieving solid results. MSU's strong links with the OMA, which has both good technical skills (particularly in computer programming, which facilitated the development of the cell-phone coding for data transmission) and relations with other MIS in the region, were essential to improving the data transmission within the MIS. And the capacity of the national affiliates of ROESAO, particularly in Mali and Guinea, to identify and mobilize the key actors involved in border-crossing issues was essential to successfully organizing the border conference. Fourth, results on reforming policies are often fragile and need to be monitored and supported. Here is a potential weakness of the project. Because of the delays in implementing the border conferences, the project ended soon after the successful Guinea-Mali conference and the opening of the new livestock market. Ideally, we would have wanted to provide ongoing monitoring and evaluation support to help ensure that the agreements reached are fully implemented over the coming year.

### **Plans for diffusion of results**

The results regarding the information needs of different stakeholders, gathered through the national and regional studies, are feeding into analysis being carried out under the subsequent Foundation-supported MSU study on alternative MIS models (grant # 2008-2776) and will be published as part of that study. The OMA has already made its technical work on SMS coding for data transmission available to the MIS of Niger, Senegal and Guinea and is willing to share it with other MIS in West Africa through RESIMAO, the West African Market Information System Network. MSU plans to write an article describing and analyzing the border conference approach following the holding of the Senegal-Mali conference in 2010 (under USAID funding).

**THE WILLIAM AND FLORA HEWLETT FOUNDATION  
GLOBAL DEVELOPMENT PROGRAM**

**THEORY OF CHANGE CHART – PROGRESS – WEST AFRICA MARKET IMPROVEMENT PROJECT (WAMIP)  
Grant Reference Numbers 2007-9406 and 2008-2492**

<p style="text-align: center;"><b>ACTIVITIES</b></p> <p>What specific activities and milestones will this work produce?</p> <p style="text-align: center;">(Relates to Section D. in the Proposal Summary, including timeline)</p>	<p style="text-align: center;"><b>INTERMEDIATE OUTCOMES</b></p> <p>What impact do you hope this work to have in the near term? Identify the <i>target audience</i> for each deliverable.</p> <p style="text-align: center;">(Relates to Section C. in the Proposal Summary)</p>	<p style="text-align: center;"><b>INDICATORS</b></p> <p>How will you measure whether your work is making progress toward these outcomes?</p> <p style="text-align: center;">(Relates to Section F. in the Proposal Summary)</p>	<p style="text-align: center;"><b>ULTIMATE OUTCOMES</b></p> <p>What do you hope this work will achieve in the long term, i.e. beyond the grant period?</p> <p style="text-align: center;">(Relates to Section C. in the Proposal Summary)</p>	<p style="text-align: center;"><b>PROGRESS ACHIEVED</b></p>
<ol style="list-style-type: none"> <li>1. Hold consultations in each country with the key players in regional trade to assess their commercial information needs. This will involve identifying the most promising commodities for expanded regional trade (at this point we hypothesize that these will include livestock, rain fed cereals, and possibly certain horticultural products).</li> <li>2. Organize a regional workshop to design the system for exchanging the information among countries.</li> <li>3. Strengthen the capacity of</li> </ol>	<ol style="list-style-type: none"> <li>1. Improved market information for traders, farmers and policy makers</li> <li>2. Strengthened capacity MIS to produce and diffuse the needed information</li> <li>3. Strengthened capacity of traders to take advantage of trade opportunities identified through the improved market information.</li> <li>4. Existence of a set of evaluation and training materials allowing expansion of these innovations to other countries in West Africa (and beyond).</li> </ol>	<ol style="list-style-type: none"> <li>1. Change in volume of trade among a representative sample of members of the regional traders' network, ROESAO.</li> <li>2. The number of cross-border deals facilitated by the national affiliates of ROESAO in the three countries over time.</li> <li>3. Change in the memberships in the national affiliates of ROESAO in the three countries.</li> <li>4. Increase in the volume of user fees generated by the ROESAO affiliates</li> <li>5. Change in the number of national and local MIS</li> </ol>	<p>Raising rural incomes and improving food security through expanded regional trade in West Africa.</p>	<ol style="list-style-type: none"> <li>1. Consultations held in each of the countries and information needs identified, summarized and validated nationally and regionally.</li> <li>2. Capacity of MIS strengthened through development of cell-phone based data-transmission system. New system adopted in Mali MIS and will soon be in MIS of Guinea, Senegal and Niger.</li> <li>3. Malian MIS strengthened in its capacity to assist neighboring MIS, as</li> </ol>

<p>the Malian market information system (OMA), in its role as coordinator of the West African regional MIS network, to provide this type of technical assistance to other MIS, especially with respect to new information delivery mechanisms (SMS, toll-free phone calls, web)</p> <p>4. Development and execution of a marketing plan for the new information services of the MIS (with the aim to make them more self-supporting, through user fees).</p> <p>5. Carry out a baseline study of trade flows among members of the national affiliates of the traders' network, ROESAO, and the structure of trade for selected commodities.</p> <p>6. Limited support to national affiliates of ROESAO, including:</p> <ul style="list-style-type: none"> <li>a. Technical support to these offices to track trade among members</li> <li>b. Training on policy advocacy regarding regional trade policies and practices</li> </ul>		<p>reports and broadcasts on offers and bids of regional relevance.</p> <p>6. Increase in the volume of market information diffusion through new delivery mechanisms, such as SMS and toll-free phone calls.</p>		<p>demonstrated through development and diffusion of new cell-phone based data transmission system.</p> <p>4. Project unable to measure volume of trade increased due to greater information due to imposition of cereals export bans in 2007/08.</p> <p>5. Project did not result in development of new information delivery systems to users due to MIS's asking that higher priority be given to developing more reliable data transmission means within the MIS (from enumerator to headquarters).</p> <p>5. Baseline study not carried out due to cereals trade ban. Rapid reconnaissance study carried out on Mali-Senegal informal trade showed 4000+ ton increase in 2008 in spite of trade ban.</p> <p>6. Support to ROESAO</p>
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<p>c. Helping organize “border dialogues” between traders and customs services.</p> <p>d. Production of directories (hard copies and on-line) of traders engaged in regional trade</p> <p>e. Support membership drives to expand participation in the traders’ networks</p> <p>7. Draw lessons from this experience and develop a guide to scale-up and extend it to other countries.</p>				<p>a. National offices reluctant to reveal data on trade flows due to trade bans.</p> <p>b. Regional Workshop on Policy Advocacy held for ROESAO members</p> <p>c. Guinea-Mali border dialogue successfully held in May, 2009</p> <p>d. Production of directories not achieved</p> <p>e. Membership drive supported in Mali</p> <p>7. Lessons learned paper, particularly with respect to border conference experience, to be developed in 2010 after Senegal-Mali border conference is held (with USAID support).</p>
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