

February 17-20, 2009

Johannesburg, South Africa

# **BUSINESS OPPORTUNITIES IN MALI**

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# MALI OVERVIEW

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- Population of 13.5 million, 3% annual growth
- GDP per capita US \$1,100 (ppp)
- GDP growth rate expected 4.5% for 2008
- U.S. Imports US \$8 million
- U.S. Exports US \$43 million

# MALI OVERVIEW

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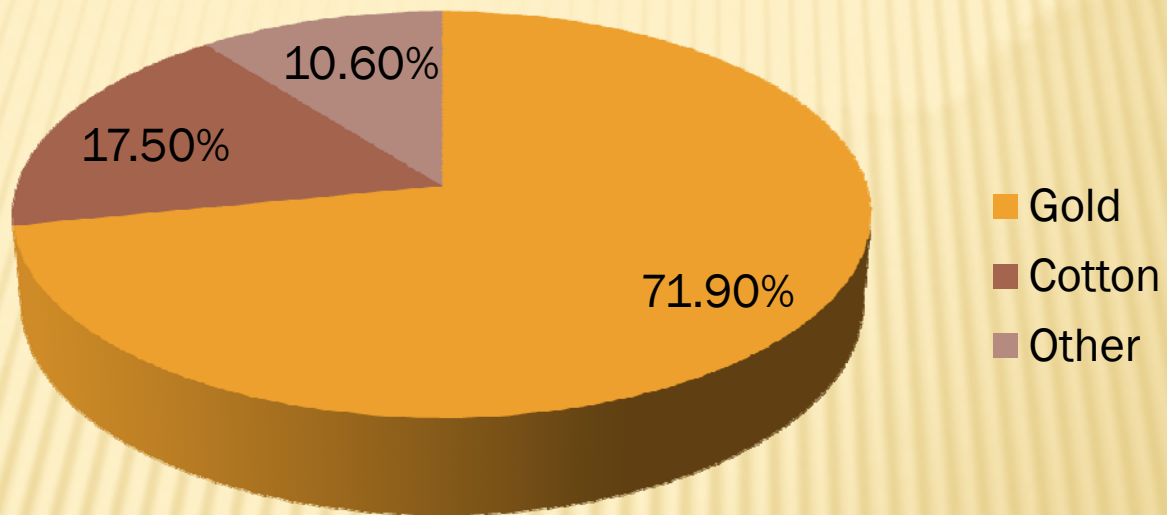
80% of the population is involved in farming, livestock, or fishing.

Domestically manufactured goods include

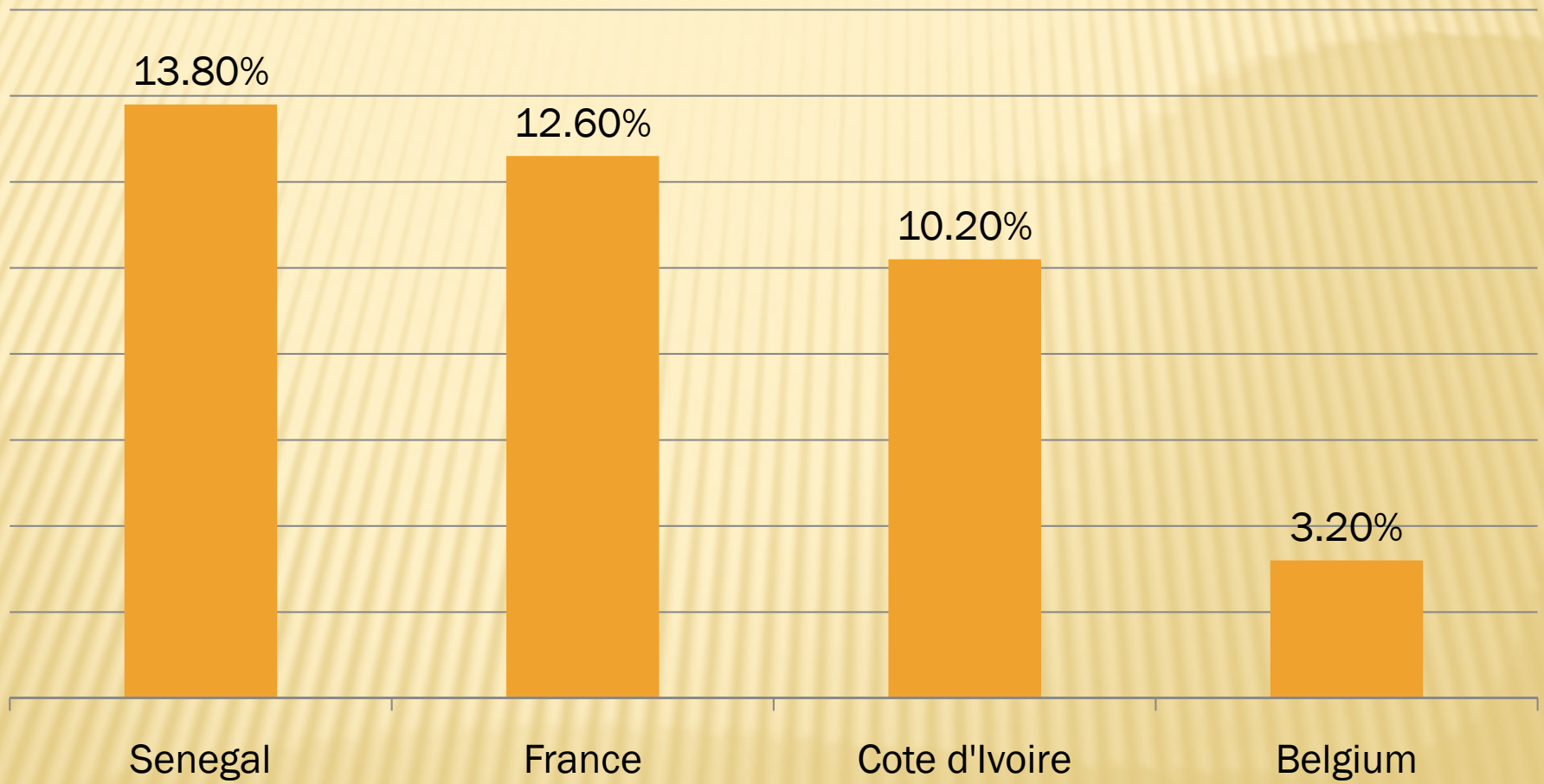
- Textiles
- Agricultural implements
- Cosmetics
- Batteries
- Paint
- Processed Foods
- Beverages
- Cement
- Construction materials
- Chemicals and pharmaceuticals

# MALI'S EXPORTS (2006)

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# ORIGIN OF IMPORTS (2006)



# U.S. BUSINESS WITH MALI

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## U.S. Exports to Mali

- \$43 million in 2006
- Principal exports:
  - Power-generating equipment
  - Industrial spare parts (mainly cotton-ginning equipment)
  - Chemicals
  - Pharmaceuticals
  - Vehicles
  - Used clothing
  - Textiles, flour, and sugar

## U.S. Imports from Mali

- \$8 million in 2006
- Principal imports:
  - Hides and skins,
  - Gold
  - Textiles
  - Handicrafts

# U.S. BUSINESS WITH MALI

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American investments in Mali include:

- Distribution of heavy construction machinery
- Beverage franchise
- Various financial services
- Vehicle rental services
- Sugar refinery
- Minerals mining
- Oil exploration

# ECONOMIC GROWTH SECTORS

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## Mining

- 80% gold mining investment is South African
  - Equipment provision to artisanal miners

## Agriculture

- Equipment and agro inputs for cotton, rice

## Livestock

- Third export product of Mali; potential investment in meat processing

## Service

- Transport, telecom, hotel, and tourism

## Oil

- Equipment and support services for oil exploration



# BEST PROSPECTS FOR U.S. PRODUCTS

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- Agriculture and agro-industry
- Telecommunications
- Mineral exploitation and machinery
- Power generation and distribution equipment
- Generic medicines and medical equipment
  
- Computers and electronics
- Processed food products and consumer goods
- Office equipment

# BEST PROSPECTS FOR U.S. PRODUCTS

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Mali government contracts for donor-supported development projects.  
Such projects might require

- Equipment and technical services for hydroelectric power generation and distribution
- Irrigation
- Telecommunications
- Public health
- Agricultural and agro- industrial development

One such opportunity

- MCA Mali airport modernization and irrigation projects

[www.mcamali.org](http://www.mcamali.org)

# INVESTMENT SUPPORTS AND CHALLENGES

## *Supporting Factors*

- *Government support for investment*
  - *Investment code*
  - *Domestic and foreign investors treated equally*
  - *Privatization of state-owned enterprises*
- *Stable political environment*
  - *Transparency in government policymaking*
- *Steadily growing market*
  - *(GDP growth rates higher than sub-Saharan average)*

## *Challenges*

- *Corruption*
- *Costs and time required to establish a business*
- *Low-skilled work force*
- *Cumbersome tax regulations*
- *High utility fees*
- *Landlocked: imports brought overland from ports in Abidjan, Dakar, and Accra*