



CBI  
Ministry of Foreign Affairs

# Processed Mangoes from Burkina Faso, Mali and Ivory Coast

*Maintained and increased EU export through a strengthened and professionalized processed mango sector.*

## CBI Business Case

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## Business Case overview

Ambition CBI	CBI contributes to sustainable and inclusive economic development in developing countries through the expansion of exports from these countries to Europe.
Overall Objective(s) of the Business Case and link to CBI ambition	<p>The overall objective of this Business Case is to maintain the current EU market share of processed mangoes from Burkina Faso, Mali and Côte d'Ivoire (RCI), and increase the export of processed mangoes to the EU market and professionalize the sector.</p> <p>This is done through:</p> <ul style="list-style-type: none"> <li>Professionalization of the Mango Processing Companies (SMEs) (technical support)</li> <li>Professionalization of the Mango Processing Companies (SMES) (business support)</li> <li>Strengthened Export Enabling Environment (EEE) in the three target countries</li> <li>Increasing EU Market connections</li> </ul> <p>This will contribute to increased and improved employment and income opportunities.</p>
<p>Targets (SMART): state the targeted export by the end of the project (in absolute figures), employment (in absolute figures) and the value of the expected growth.</p> <p>Assumption Participating nr of SMEs: Burkina Faso: 15 SME Mali: 5 SME RCI: 5 SME</p>	<p>On participating SME level Export value year 1 (EUR) BF: 1.5 million Mali 0.5 million RCI 0.5 million</p> <p>Critical assumptions: Based on current export level of rough estimated average 100,000 euro per company (sector export 12 million divided by 120 SME)</p> <p>On participating SME level export value year 5 (EUR) (assumption - average of 10% growth per year) BF: 3.73 million Mali 1.24 million RCI 1.24 million</p> <p>Total cumulative expected additional export (see 2.2) 10.12 million EUR</p> <p>Export growth compared to baseline year 2020, accumulated for years 2021-2025 with an assumed 10% growth/year. Exact targets to be set after audits and baseline studies.</p> <p>Jobs created by participating SMEs in project total: 1,010 jobs (based on a 7% growth percentage per year, per company, counting with an average of 130 employees per company).</p> <p>This includes both new jobs and existing jobs becoming decent and are mainly seasonal jobs. In this BC this will all be called "created jobs". The majority of these 1010 jobs will be new jobs. Exact division of these jobs among the different categories will be made after the baseline study). Of all created jobs around 90% of the positions are held by women.</p> <p>Female jobs created/improved: 909 jobs, of which 20% for young women.</p>

Describe to which SDGs this project will contribute	Most relevant related SDG's are: SDG 8 (decent work & economic growth), SDG 12 (responsible consumption and production), 17 (partnership for the goals). Indirectly is also contributes to SDG 1 (ending poverty) and SDG 5 (gender equality).
Country of Implementation	Burkina Faso, Mali, Côte d'Ivoire
Sector of Implementation	Processed Fruit and Vegetables
Major Stakeholders	<p><b>Government:</b>  Ministry of Agriculture  APEX Burkina  ABNORM.BF (normalization institute)</p> <p><b>Associations/private sector bodies:</b>  APROMA-Burkina, and the sub-divisions UNPM-B, PTRAMA-B, APEMA-B  Inter-Mangue RCI  Inter-Profession Mangue Mali  ARMAO (West-Africa mango association)</p> <p><b>Exporters/</b> mango processing units to be selected during the project, estimation: 15 Burkina, 5 RCI, 5 Mali</p> <p><b>Importers:</b> European buyers, identification during the project implementation</p> <p><b>Other donor/PSD organizations:</b>  Embassy Office Kingdom of the Netherlands (EKN)  SNV office Ouagadougou / PAPEA project  COLEACP  Agriterra</p>
Planned Start and End Date	May 2020 – December 2024
Budget (full period)	1,7 Million EURO
Budget first 1,5 years	570.000 EURO
Consulted Resource Persons	<p><b>Internal CBI:</b>  Jeanette Scherpenzeel (IPM/LAM), Tamara Flink (IPM), Peter van Gilst (CTA), Phaedra Veenendaal (SAM), Sandra Bruinse (CSR), Angela van den Broek (M&amp;E)</p> <p><b>Internal RVO:</b>  PSD coaches Elena Bindels, Anne-Katrien Denissen (Burkina Faso, Mali, Ivory Coast), FODV and SDG program Jan van Saane (Burkina Faso, Mali)</p> <p><b>External:</b>  Embassy Office Ouagadougou, Agriterra, Agri-logic (VCA researchers), SNV office Ouagadougou, consultants Hortifresh project Sense RCI, Fair Match Support (previous project), Agrodev (local consultant)</p>
Written by (name and signature)	Pauline Baars
Date Business Case is submitted	31-01-2020
Date of approval by Management Team	19-03-2020

# 1. Background

Burkina Faso, Mali and Côte d'Ivoire (RCI) produce and export processed mangoes in substantial quantities, of which more than 95% is sold in the European market. The European market for imported dried mango is estimated at €47 million and an annual growth rate of 13% (Jovanovic, 2018). Consumer demands for healthy and sustainable products like breakfast cereals and healthy snacks, are increasing. However, the growth is expected to slow down to 5% per year. In combination with the rise in supply and the heterogeneous product quality in Burkina Faso, Mali and RCI, a situation of overproduction is expected. If the sector in these countries is able to develop a stable product quality, improve its image in the European market, and implement certification and traceability mechanism, the sector could take away market share from the strong competitors in South Africa and Ghana. This will require also coordination and diversification within the region to share expertise and tackle similar challenges in a concerted way.

Even though there is unused potential, different obstacles have been identified that hinder further growth at this moment, as described in this Business Case. The focus of this current project is on processed mango, specifically n dried mango, as there are a number of SME processors who are committed to implement improvements. In addition, the project takes also the export of mango pulp and frozen mango into account, with the objective to diversify the supply side. Some SME could consider alternatives like purees or frozen/IQF, for which the market is expected to grow at a higher rate (f.e. purees for baby food).

This Business Case identifies issues in the full mango supply chain, including issues related to fresh mangoes, such as supply quality and maintenance of the orchards. In addition to the challenges in the value chain, the Business Case identifies solutions and intervention strategies within the CBI expertise on sector export development. The main CSR related issue in this VC is the management of the mango kernels and peels, and at SME level the working conditions. Other social CSR issues can be prevalent earlier in the value chain, but need to be further researched. CBI can increase leverage by partnerships, since many donors are active in Burkina Faso, Mali and RCI.

The overall objective of this Business Case is to maintain the current EU market share of processed mangoes from Burkina Faso, Mali and Côte d'Ivoire (RCI), and increase the export of processed mangoes (especially dried) by SMEs in Burkina Faso, Mali and République Côte d'Ivoire (RCI) to the EU and professionalize the sector. This is done through:

1. Professionalization of the Mango Processing Companies (SMEs) (technical support)
2. Professionalization of the Mango Processing Companies (SMEs) (business support)
3. Strengthening the Export Enabling Environment (EEE) in the three target countries
4. Increasing EU Market connections.

This will lead to increased employment and income opportunities, creating at least 1025 decent jobs (majority being seasonal). The projects has been designed based on the findings in the VCS, VCA, validation workshop, interviews with companies, additional visits and different meetings.

The project aims to support 25 selected SMEs (15 BF, 5 Mali and 5 Côte d'Ivoire) to provide a consistent and sustainable supply of good quality processed mangoes (focus on dried mangoes), with the eventual aim that they export to the EU. SMEs will be technically

trained and coached to enhance their production capacity. Important elements of this trajectory are product quality assurance and quality of packaging. Secondly, the project supports participating SMEs to become competent business partners. Selected processors will be trained to formulate a sound business strategy and investment planning, including opportunities for diversification of the mango products and diversification into off-season products like pineapple, coconut or ginger. Finally the selected SMEs will aim to structure and certify (HACCP) their supply chain and thereby set an example for the sector as a whole as a showcase.

In the Export Enabling Environment (EEE), the umbrella sector associations for each country will be supported and coached to effectively tackle a broad range of sector challenges. As issues will be context specific this will require a sound strategy per country, as well as adequate data collection, data analysis, marketing efforts, and lobby capabilities. Because the mango region is located around the Burkinabé city of Bobo Dioulasso, Sikasso in Mali and Korhogo in RCI, the three BSOs will be encouraged to cooperate within this specific region. Furthermore, CBI will support the West African mango association ARMAO to get formally established and find funding, as ARMAO can fulfil a coordination role for its eight member countries.

A final focus in the project is to support selected SMEs to enter the EU Market. Trade fair participation and buyers missions increase the market connections. This is reinforced by a cooperation with APEX Burkina with providing market information. Value will be added to the EEE by supporting APEX Burkina to make their information and company database better useable in the European market by social media campaigns on processed mango. APEX Burkina is also the dedicated partner to organise national pavilions at trade fairs.

Throughout the entire project, a focus will be on market entry for dried mango, but as a diversification strategy some SMEs will (already or start) process mangoes to other products (frozen, juice, etc.) or dry other fruits. These products will be included in the Export Marketing Plans (EMP) or in Market Entry activities as an add on, and form a positive side-effect if successful, but will not be the main focus.

## 2. Project Design

The project design has been based on the different findings during the Value Chain Analysis (VCA) phase and the findings during a validation workshop in Bobo Dioulasso in June 2019, as well as during the yearly mango sector forum in Bobo Dioulasso in December 2019.

### 2.1 Objective

#### **SMEs increase export to the EU**

The overall objective of this Business Case is to maintain the current EU market share of processed mangoes from Burkina Faso, Mali and Côte d'Ivoire (RCI), and increase the export of processed mangoes (especially dried) by SMEs in Burkina Faso, Mali and République Côte d'Ivoire (RCI) to the EU and professionalize the sector. This is done through four intervention areas:

1. The professionalization of the Mango sector (technical support)
2. The professionalization of the Mango Processing SMEs (business support)
3. Strengthened Export Enabling Environment (EEE) in the three target countries
4. Increased EU Market connections

The focus of the project is based on four pathways. See chapter 2.3 for a more specific project outline with intervention areas and solution paths.

#### **Direct and indirect contribution to SDGs**

The project will (directly) contribute to SDG 8, 12 and 17 and (indirectly) to SDG 1 and 5. Mango processing creates employment, especially mango drying. It is a highly work intensive product, because of the high volume of fresh mango that needs to be selected, cleaned and peeled (around 15 kg fresh mango is needed for 1 kg dried mango). Each ton dried mango generates between 4 to 7 jobs. Most of the work is seasonal, which creates a risk. The obstacle of mango being a seasonal product cannot be removed. But companies will be trained and made aware on business strategies to diversify their products, in terms of drying other fruits from other seasons. This may create more fulltime job opportunities and more stable working places. Another diversification option is to make different mango products. This last solution will not result in more jobs, but will strengthen their position on the EU market, and tap into the markets in the EU for pulp and especially the strong growth of IQF (frozen). This will be a challenge though because of large investments required. The project aims to contribute to creating decent jobs and stimulating entrepreneurship (SDG 8.3) by increasing the export volumes to the European market (SDG 17.11 – promoting exports from developing countries) and improving the product quality, reduce the waste of fresh mango and achieve a higher price margin for processors (SDG 8.2 – promoting productivity). However, even if diversification is not successful, there is still sufficient potential in the dried mango alone to be able to reach the objective of the project. At this moment, based on the VCA study, there are no signs of bad working conditions in the mango processing companies. However, it is also not guaranteed that all jobs in the sector are currently decent according to the ILO definitions and job creation is thus seen in two ways. In the first place in creating new jobs. To have more working places available. In the second place, it is also related to improving current jobs in a way that they become more decent. The audit mission at the start of the project and part of the selection procedure will provide baseline information. This makes the term "job creation" a combination of improving jobs and making them decent, and creating new decent jobs, based on a combination of seasonal jobs and year round jobs. The focus on organic niche markets and traceability in the supply chain will enable processors to obtain CSR

certification like Rainforest Alliance and establish a system to track working conditions in the supply chain (SDG 12 – responsible production, incorporate CSR in business practices).

The project contributes indirectly to poverty reduction (SDG 1) and gender equality (SDG 5). In Burkina Faso, mango processing and export has created a large number of jobs for women. An estimated 90% of total employment in processing and export is held by women. Farmers and farm workers are largely men. Women are reported to be respected and safe in their employment. Several women’s associations exist and provide support to women. In Mali and RCI, there is also potential for creating female jobs. Increase in processed mango production volumes is therefore expected to contribute to SDG 5.5 (promoting fair and equal jobs for women). In the mango sector, there is an opportunity for youth to work in service providers like manufacturing of equipment. There is an increase in young entrepreneurs in mango processing. Access to finance is their main challenge.

CSR is a cross cutting issue in the project. The interventions can be split into two categories, one to be tackled at SME level and the other at the level of the Business Support Organisations (BSOs) such as the sector organisations. At SME level it will focus on working condition, based on a CSR roadmap. The processing SMEs will be challenged to also feel responsibility for such issues further down the supply chain. At sector level, the BSOs will be requested to take the CSR issues into account in their strategies that will be developed with support of CBI. CBI will not be involved in the actual implementation of solutions for these issues, but the BSO expert will identify potential other donors and support the BSOs to approach them. Because the CBI project focuses on the processing part of the chain, it is a challenge to move and activate other key players to address the issues earlier in the same value chain. It will be monitored to a certain level but no direct activities will take place on this. If issues are critical and seems unsolvable through the proposed activities, a mitigation strategy could be to set up in a separate CBI project focusing on fresh fruits (mango) in this region.

**2.2 Results**

<b>Impact Summary</b>	<b>This project aims to realize the following at impact level:</b>
<p>Absolute value of export to the EU/EFTA, realized by SMEs supported by CBI</p> <p>BF: 15 SME Mali: 5 SME RCI: 5 SME</p>	<p>Export value year 1 (EUR) SME BF: 1.5 million Mali 0.5 million RCI 0.5 million</p> <p>Critical assumptions: Based on current export level of rough estimated average 100,000 euro per company (sector export 12 million divided by 120 SME)</p>
<p>Level of total cumulative additional export by the end of the project (see annex 3.6)</p>	<p>Total cumulative additional export (all countries combined): 10.12 million EUR</p> <p>Critical assumptions: Estimated growth in export value for CBI supported SME per year: Total export value 2021+2022+ 2023+2024+2025</p>



	<p>BF: 1.8 + 2.16 + 2.60 + 3.11 + 3.73 million  Mali : 0.6 + 0.72 + 0.86 + 1.04 + 1.24 million  RCI: 0.6 + 0.72 + 0.86 + 1.04 + 1.24 million</p> <p>Total accumulated growth compared to baseline 2020  BF: 6.2 million  Mali : 1.96 million  RCI: 1.96 million</p> <p>Total accumulated export growth CBI supported SME = 10.12 million euro</p>
<p>Absolute figures in number of jobs supported in the last year of the project, realized by SMEs supported by CBI</p> <p>BF: 15 SME  Mali: 5 SME  RCI: 5 SME</p>	<p>Final year of project:  BF: 2550  Mali 852  RCI 852</p> <p>Total additional jobs seasonal: 1,010  BF: 606  Mali: 202  RCI: 202</p> <p>Female employment created = 90%  Total 909 female jobs  Young people (female) jobs = 20%  Total 202 young female jobs</p> <p>Critical assumptions:  Nr of jobs in year 1 are based on an estimated current average (baseline) of 130 (seasonal) jobs per CBI supported SME  BF: 1950  Mali: 650  RCI: 650  Growth of jobs is estimated at 7% per year (less than growth in export value due to labour efficiencies)</p>
Total number of jobs created	Jobs created total (new and improved, fulltime and seasonal): 1,010 jobs

## 2.3 Project outline (intervention areas and solution paths)

### Strategy

The overall objective of increased and improved employment and maintained and increased export to the EU will be addressed through four connected solution pathways and related outcomes. Pathway 1 and 2 have as their main target group the participating MPCs (SMEs) and focus on Business Export Coaching (BEC). Pathway 3 focusses on the sector as a whole, which will benefit both participating SMEs and non-participating SMEs, contributing to an Expert Enabling Environment (EEE). Pathway 4 combines activities on sector level (branding, marketing of the product) and connecting participating SMEs to EU buyers. This strategy contributes to growth in export and jobs within the participating SMEs, while also working on strengthening the export capabilities of the sector by setting up structures and

support to the sector associations in the three countries, as well as regional coordination. The envisaged dot on the horizon is that the sector reaches a tipping point after which the SMEs and sector associations are capable to continue the needed steps for quality improvement themselves without donor support. Therefore, the interventions will include training of local trainers and embedding skills in local organisations, even if this requires extra efforts. All mentioned strategy interventions are focused at two direct target groups: 1) SMEs and 2) BSOs/Export Enabling Environment.

### **Safety and security risks**

During the project special attention will be paid to safety and security issues. The situation in the three target countries is deteriorating and needs the full attention during project implementation. In close contact with the different embassies decisions will be made. We will work with local experts to ensure the continuity of the project as much as possible. Trainings will be done in safer areas and participants will travel to these areas for the training sessions. If not possible to visit the companies by CBI, because of being located in red areas, photos and videos will be made by the local experts to have an indication on the situation at company level.

### **Cooperation in the sector**

The project doesn't operate on its own. There are many other donor projects and stakeholders active in the field. Most important donors in the region are: PAPEA (SNV and Helvetas), COLEACP (Brussels), ENABEL (Brussels), PRECA (Worldbank Burkina Faso), ITC (Geneva), PUM, 2SCALE, RVO (FODV), Agriterra.

Different collaborations have been explored, specifically the following:

- Embassy Office Kingdom of the Netherlands in Ouagadougou (EKN): The embassy office is developing a proposal for the potential drying of off-season products other than mango, like coconut, pineapple, and ginger. The SME in the CBI project, as well as from the previous CBI project, can participate in this project. In that way they will profit from technical and commercial assistance from the embassy and strategic support from CBI which will contribute to higher export.
- PAPEA project (SNV and Helvetas, Burkina Faso): PAPEA will support a sector initiative to materialise and develop activities. The mango sector association can identify their needs and use CBI expert support to formulate a proposal to PAPEA.
- COLEACP (Burkina Faso, Mali, RCI): the short term business and technical coaching by COLEACP can be integrated in the multiple year guidance offered by CBI. COLEACP can offer expertise on specific topics, for example the new EU directive for fresh mango.
- ENABEL: business coaching trajectory of 2 years, focus on processed mango is very limited. ENABEL will check proposals in this sector with CBI.
- Worldbank PRECA (Burkina Faso): PRECA is the follow-up project of the Worldbank PAFASP project which offered significant subsidy on equipment like tunnel. The PRECA interventions are not yet clear, but subsidy and/or financing might be a component. This could be integrated in the CBI long term SME coaching.
- ITC / WACOM project: possible linkage with trade fair participation. This can be integrated in the long term CBI SME coaching.
- PUM: the short term expertise offered by PUM could be integrated in the long term SME coaching by CBI. They will also offer technical assistance for quality improvement.
- 2SCALE: synergy in the same sector to be further explored.

- FDOV: For the fresh mangos, collaboration or exchange can be deepened with the food security programme of RVO (FDOV), for example with regard to maintenance of mango orchards.
- Agriterra: the cooperatives supported by Agriterra under the MSF funding can participate in the CBI project for the market connections activities. Agriterra focusses on the complex organizational aspects for cooperatives.

In Burkina Faso, CBI will cooperate with APEX Burkina (l'Agence pour la Promotion des Exportations du Burkina Faso). This allows CBI to enlarge the outreach in the sector, while at the same time transferring skills to APEX Burkina. Building on the cooperation between CBI and APEX Burkina during the previous CBI project, this project focusses on the following specific cooperation activities between CBI and APEX Burkina:

- Promotion of the APEX site among buyers in Europe. Especially the new exporters inventory, which includes almost all exporters, can be of added value to European buyers as it provides insights into the availability of product offer. The CBI support includes an analysis of the content and most effective way to promote the site among the EU buyers, and a promotional campaign via social media to increase the image of the West African processed mango. The objective is to learn APEX Burkina staff to run their own product campaigns.
- Market information on processed mango to be published on the APEX site based on the CBI market information and transferred into an intermediate information product easier to use by Burkinabé exporters, including summaries in French and easy to follow steps for market requirements.
- Via the APEX Burkina website, information factsheets regarding certification for processed fruits (in English and French) can be disseminated to support the CBI intervention Training-of-Trainers on certification.
- APEX Burkina coordinates the country pavilion for trade fairs, as well as a recent government fund for subsidy for SMEs. CBI will partner with APEX to facilitate participation for the CBI selected SMEs. This builds on the transfer of skills during previous CBI projects on developing a trade fair pavilion.

### **Intervention areas and solution paths**

The overall objective of this project Business Case is to increase employment in the processed mangoes sector (especially dried) by SMEs in Burkina Faso, Mali and République Côte d'Ivoire (RCI) via export increase to the EU market. To achieve its objective, the project is built on four intervention areas and related solution paths. Each intervention area includes activities for the target group individual SMEs, as well as sector organisations.

#### **1. Mango Processing Companies (SMEs) provide consistent and sustainable quality of all types of processed mangoes (either dried, pulp, frozen)**

The outcome of the first intervention area is that the mango processing units provide a consistent and sustainable quality of processed mango through further professionalisation of the mango sector (technical support). At this moment SMEs do not provide consistent and sustainable quality of processed mango due to a lack of technical skills and a lack of adequate equipment for example tunnel dryers or packaging machinery. The intervention strategy is the following:

- *Technical Assistance, training and coaching of 25 selected mango processing units (estimation: 15 in Burkina Faso, 5 in Mali, and 5 in RCI):* CBI will provide coaching and guidance focussed on providing a consistent and sustainable quality of all types

of processed mangoes. Important skills to improve the product quality are knowledge about technical processes, packaging, certification and quality standards. For drying mango, most of processing units use now the robust Atesta drying oven with wooden frames fuelled by gas bottles. To achieve a constant product quality, the more advanced tunnel technology with inox frames is required. This is also a prerequisite for HACCP. Such a shift takes investment and technical optimization of the factory design. The focus is on dried mango, because of the high number of SMEs and high potential export improvements. The technical assistance also includes guidance to the selected SMEs in case their strategy is to diversify into other mango producing techniques (pulp or IQF/frozen), or drying other products like ginger or coconut outside the mango season.

- *Diversification to other products for off-season drying:* will be added as a strategic training to include drying of other fruits in their business strategy for either their European buyers or for the regional market. Considerable efforts are needed on technical issues to adapt the dryers to the other product specifications, as well as finding a market for these products. This pathway links closely to the plans of the Embassy Office in Ouagadougou and will be addressed in a separate Embassy project in close coordination with CBI.
- *Certification:* HACCP certification will be increasingly crucial to continue to export dried mango to the EU. Other labelling schemes can help the exporters to market their products as organic or biological. The selected SMEs need support to obtain certification suitable for their company. At the same time, the training and information will be opened to the sector as a whole via APEX Burkina and the Burkina Normalisation Institute (ABNORM). Even more important is the development of local capacity to train, audit and certify companies. In a Training-of-Trainers intervention, CBI will identify around 4-6 local consultants and train them to improve, professionalise and expand certification services. These consultants will join the individual guidance to the selected 25 processing units in cooperation with an international certification expert.

## **Interventions and activities 1:**

### **Technical level professionalization of Mango Processing Companies (SMEs)**

The objective of this intervention area is to guide the mango processing units to provide consistent and sustainable quality of processed mango, either dried, pulp and IQF/frozen.

During the full 4-5 year project, a group of mango processing companies will be selected to participate in coaching and guidance on technical processes and equipment required to deliver processed mango to the European market. For participation in this intensive trajectory exporting companies or companies with export potential will be selected. Based on the VCA study, the estimated numbers are 10 to 15 SMEs in Burkina Faso, 5 in Mali and 5 in RCI. The individual technical coaching for the selected 20-25 SME includes the following components:

- Initial technical assessment of the processing unit and advise on technical changes in the factory needed to increase the quality level of the product.
- Guidance to set a strategy and action list to achieve technical changes in alignment with the overall company strategy and taking into account financial investments.
- Certification workshops and guidance on how to implement measures to achieve certification like HACCP and BRC.
- Guidance and basic level technical assistance to test drying of other products, like ginger, coconut or pineapple, in the drying equipment off-season. This will be part of a separate project financed by the Netherlands embassy office in Ouagadougou, and only apply to the motivated companies.
- Packaging workshops to increase the hygiene and quality level of the product.

In addition to the technical coaching of the selected SME, the project aims to increase the level and number of service providers to the (mango) processing industry, specifically building up local expertise in the field of certification, maintenance suppliers, and technical advice. The focus for local capacity development is Bobo Dioulasso as centre of the dried mango processing industry and accessible from Sikasso (South-East Mali) and Korhogo (North RCI). This includes:

- Workshop on certification and quality standards for the mango sector in cooperation with the Burkina Normalisation Institute ABNORM on certification sensibilisation, overview of European market certifications and requirements. A written overview/manual in French will be delivered. The information will be shared with the local industry by ABNORM and APEX among their members and via their website portal.
- Training of local certification consultants via the workshops, individual coaching by an international expert, and to practice their skills within the CBI selected processing companies.
- Packaging workshops for the mango processing industry and training local consultants on how to guide companies in finding adequate packaging material for their product and markets and how to implement this.
- Identifying local maintenance suppliers and making an overview of local capacity.

The overview of local consultants and service providers will be shared with the sector associations to provide this as extra service to their members and keep it updated.

The selected companies serve as examples for product quality increase and show to other processing units in the sector the potentiality for product quality increase. The workshops on certification and packaging are also open to other companies, for example processing local processing units which deliver their products to local exporters.

## **2. Mango Processing Companies (SMEs) are competent business partner**

The second outcome of the project is that MPCs are competent business partners. This is a solution for the current obstacle that often SMEs are not perceived competent partners as they often lack a long-term vision on the business opportunities. This makes it hard to compete in the highly competitive sector. Another frequently observed obstacle is the lack of access to financing, especially the skills for writing financing proposals. CBI will select

10-15 processing units from Burkina Faso, 5 units from Mali and 5 from RCI to benefit from export coaching on business skills.

- *Business Export Coaching:* In this pathway CBI activities will focus on training on the writing of an Export Marketing Plan (EMP), organization of a Market Orientation Mission (MOM) or EXPRO, establishing contacts with support companies and training on business skills, including market analysis, strategy formulation, marketing planning, sales skills, formulating financial proposals, and advise on organisational optimisation.
- *CSR Road map:* As part of their business strategy, MPCs will also work on the improvement of the labour conditions in their companies, tackling the CSR risks, with a CSR roadmap. CSR is a cross-cutting issue, and will be addressed at two levels. It will be addressed at company level, such as ensuring fair labour conditions at the level of the participating SMEs. At least 90% of all created jobs should be decent jobs and 50% of all created jobs should be for women and youth. In a parallel way it will be addressed at sector level, through the sector associations as signalling function in the broader mango sector.

#### **Interventions and activities 2:**

##### **Business skills professionalization of Mango Processing Companies (SMEs)**

The objective of the second intervention area is that the 25 selected mango processing units are competent business partners for the European buyers.

During the full 4-5 year project, the group of 20-25 selected processed mango processing and exporting companies will receive coaching and guidance to develop their business skills. This includes:

- Individual guidance on company strategy, export marketing plan, EU market requirements, unique selling point, product decisions (dried, pulp, frozen), diversification options for other dried fruits off-season, target market and buyers, planning, and internal organisation.
- Market Orientation Mission during the first year with one week intensive marketing and strategy training in Europe in combination with a visit to a relevant trade fair (SIAL or Biofach). The participants have to deliver their Export Marketing Plan.
- Guidance to the processing units to formulate a CSR map and action plan, including decent labour conditions, and female and youth employment, as well as including the issue of waste management at company level.
- Initial CSR study to identify the concrete CSR risks at company level and further down the supply chain and formulate criteria to include in the CBI internal monitoring system (HBAT).
- Workshop on financial and investment issues, specifically training on how to formulate a proposal for a loan or subsidy in cooperation with financial institutes like FMO or the Common Fund for Commodities.

With regard to workshops on business skills, CBI will cooperate with relevant organisations to share international experts, like COLEACP, Agriterra, Hortifresh, PUM, ENABEL/TDC.

### **3. The sector associations in the three target countries achieve regional coordination to effectively tackle a broad range of challenges in the sector**

The third outcome of the project is based on the strengthening of the existing sector associations in the three countries and to support the organisations to achieve regional coordination. The mango sector has to deal with several obstacles which are not easy to address by individual companies. The umbrella sector associations for each country will be supported and coached to effectively tackle a broad range of sector challenges. This requires a sound strategy per country, as well as adequate data collection, data analysis,

marketing efforts, and lobby capabilities. Because the mango region is located around the cities of Bobo Dioulasso, Sikasso and Korhogo, the three BSOs will be encouraged to cooperate within this specific region and organise regular meetings. This will be reinforced by organising the technical company trainings in Bobo Dioulasso, Furthermore, CBI will support the West African mango association ARMAO to get formally established and find funding, as ARMAO can fulfil a coordination role for its eight member countries.

- *Strengthening of the sector associations and regional coordination:* CBI will support the three sector associations and its sub-organisations in the three target countries: APROMAB (BF), Inter-Mangue (CDI) and Inter-profession (Mali). CBI will offer advice to the board members of the BSOs on service provision to members, improve lobbying at government level, improve data collection, generate advice on sources of income, and to create a strategy for marketing. A specific target is to support the sector associations to formulate their sector strategy. The yearly organised 'Atelier bilan' will be an important moment for the sector to discuss the data and challenges during the mango campaign of that year. The CBI institutional expert and a local expert will work on achieving the following objectives: to formulate a sector association strategy per country with ambitions and activity planning, to collect data, to use data analysis as input for strategic planning, to increase the lobby capacity of the organisations, and to achieve regional coordination. The objective is that the sector association will be capable to address sector issues themselves and provide solutions to the challenges themselves. For example the issues of waste management, availability of fresh mango products, social CSR issues in the value chain, and fruit flies issues.
- *Start-up and support of the West-African mango association ARMAO:* the mango sector has established a West African mango association ARMAO with 8 member country representatives. CBI will support ARMAO with its initial start-up phase specifically the formal registration of the entity, and the formulation of a proposal to find independent funding for example from ECOWAS.

### **Interventions and activities 3:**

#### **Strengthening the mango sector associations in the three target countries**

This intervention area is aimed at strengthening the sector associations in Burkina Faso, Mali and RCI and to increase their regional coordination, so they can effectively tackle a broad range of challenges in the sector. CBI will provide guidance and support to the Board of the sector associations, as well as the respective sub-departments (cultivation, processing, exporting) under the overarching associations. CBI in its independent role can facilitate a widely supported strategy and sector action plan, as well as guide the associations to put relevant issues on the agenda and achieve coordinated actions. The recently established West African mango association can extend the impact of the three target countries. The following activities are included in this intervention area:

- Guidance and process facilitation to the sector associations in Burkina Faso, Mali and RCI by a team of an international and local consultant during the full 4-5 year project. The support includes advise for data collection on past mango campaigns, facilitating sessions for strategy formulation, agenda setting for sessions, as well as for the yearly sector-wide meeting (atelier bilan), formulation of action plans. The specific topics will depend on the needs per country.
- Support the sector associations to decide on sector-coordinated actions concerning CSR risks, like finding donors for coordinated waste management projects, or actions on better maintenance of the mango orchards and water management.
- Support the formal establishment of ARMAO and advise to ARMAO on finding funding for example from ECOWAS.

#### **4. Mango Processing Companies enter the EU market**

The fourth outcome focusses entirely on the EU market and prepares the way for participating MPCs to export to the EU. The competition in the sector is fierce, competing with other countries, but also competing with other participants. To compete in this market, participants are motivated to think include other diversification options and find their niche. At this moment, EU buyers are insufficiently aware of West-African countries (including Burkina Faso, Mali and Ivory Coast) as export country for processed mangoes and other fruits. This pathway focussing on the one side on market entry activities of MPCs, establishing contacts with potential EU buyers. On the other side, it focusses on the image of the product, using story telling as a method to tell the story behind the product and make buyers interested in the product. The image of the West-African mango is not yet optimal.

- *Market Entry Activities:* All participating SMEs will participate in the organized trade fair participation. SME will come in contact with potential buyers from the EU and improve their packaging to become market ready and offer the right quality in terms of marketing and techniques.
- *Export Promotion:* EU buyers will be made known with the product through telling the story behind the mango product. This will be done by using digital media channels and digital campaigning. APEX Burkina will be trained to set-up social media campaigns, specifically the LinkedIn channel which is frequently used by European buyers in this sector.

#### **Interventions and activities 4:**

##### **Increasing EU Market connections**

This intervention area is aimed at increased connections with the European market and addresses both the selected 20-25 mango processing companies, as well as the enabling environment by increasing the quality image, and organic and biological production of the dried mango product in the European market. The selected companies need to find European buyers for their products via trade fairs and sign sales contracts. For some companies it will be beneficial to establish strategic partnerships with European buyers, because a strategic buyer assures structural sales volumes and helps with expertise about the desired product specifications, and/or technical expertise. This is done by the following activities:

- Participation of the 20-25 companies at trade fairs in Europe, maximum of two times trade fair support per company during the project with the objective to establish market connections and to learn the company how to participate in fairs.
- Training to the companies on effective trade fair participation.
- Advise to APEX Burkina on coordinating the national pavilion at the relevant European trade fairs.
- Buyers missions to the region with matchmaking to facilitate the European buyer to find a strategic partner.

As supportive interventions to the trade market entry activities, CBI will train the staff members of APEX Burkina how to set-up product marketing campaigns and build a product image among buyers, especially on organic produced dried mango. This can be reinforced by using storytelling to make a connection with the supply chain story, the farmer and the ladies at the processing unit preparing the product. The dried mango product will serve as a practical test case to build of expertise on internet marketing which APEX Burkina can copy to other sectors. The website platform of APEX Burkina serves at the same time as database for suppliers from Burkina Faso, something which is of great value to European buyers searching for new sourcing sources. The CBI support includes:

- Capacity building within APEX Burkina on how to make the website more known in the European market and how to set-up internet campaign like LinkedIn.
- Advise to APEX Burkina on effective use of the online database of Burkinabé producers for marketing among European buyers.



### 3. Assumptions and Risks

**Table 6: Risk assessment, critical assumptions and mitigation**

Risk or critical assumption (general or specific)	Possible impact on proposed CBI intervention	L	I	Mitigation strategy
SMEs lack sufficient quality supply of fresh mangoes	Not sufficient fresh mangoes to process and deliver to buyers.	2	4	Support the sector associations to identify the problems in the supply of fresh product and other parties that can support mitigation measures. Besides, SMEs will be stimulated to dry other fruits next to mango.
SMEs have no access to finance	This might cause that not all SMEs can go through the (expensive) certification process or invest in new equipment	4	4	Add extra efforts in the project to connect and inform SMEs to banks if suitable for their type of business and to train SMEs how to apply for financing
SMEs have not sufficient influence in their supply chain to mitigate CSR risks	SMEs will not be able to avoid negative impact in their supply chain. In the processing plants, this is no issue, but further down to harvesting it might cause issues.	3	4	Include CSR issues in the regular trainings and EMP and train SMEs how they can increase their influence in their supply chain Add a local CSR consultant to the project team Extra support to the BSOs on putting CSR issues sector wide on the agenda
EU buyers are not interested in other products/processed fruits additional to Mango	Diversification of the products will lead to higher revenue, but a market is necessary. This is not clear yet for other products	2	2	Target the same buyers for other dried fruits as for the dried mangoes. The EU market for dried fruits is still growing. Target the regional market for the other products like dried ginger and coconut and liaise with other donor organisations for support for regional markets.
Political instability, insecurity, elections	Political instability and instability in the region can cause indecision, delays and can affect security.	3	4	Liaise with NL embassy for timely information. Extra efforts to build the network of local experts Use local experts to cooperate with the European expert to coach the SMEs Temporarily stop interventions.
Risk of labour exploitation	Poor labour conditions in value chain and include child labour. Lack of data on child labour in mango sector	3	4	Baseline study needed to assess the risk and propose measures to include in the project (fe certification)
Overlap with projects by other donors	Lack of synergy, double-funding of the same activities, SME working with 2 consultants	3	2	Coordinate with other donors and make clear agreements
Supply grows faster than demand 1	Not all SME can gain competitiveness in the EU market. Smaller companies cannot compete in consolidating market	5	2	Selection criteria to include economic viability, including minimum volumes and certification requirements Not only include exporting companies in the coaching project, but also include training for processing units which deliver to the exporters. Extra focus on facilitating strategic partnerships by including buyer missions, also in early stage of the project
Supply grows faster than demand 2	Key competitors South Africa and Ghana gaining market	4	3	Try to expand EU market for the West African mango product by image building.

Risk or critical assumption (general or specific)	Possible impact on proposed CBI intervention	L	I	Mitigation strategy
	share at the expense of focus countries			Consider including Ghana in regionally coordinated project for diversification and standardizations through regional sector organization ARMAO
RCI overtakes BF and Mali in production and exports because of more favorable investment climate, security and distance to port	Success of the project in RCI could hurt markets in BF and ML	2	3	Focus on building a joint strategy, segmenting markets and diversifying products
Loss of market share based on new market requirements for certification	Existing clients might turn to other more professionalized origins	2	4	Extra training on food-safety certification. Search for investments and expertise capacity building from EU and South Africa buyers
Lack of English language skills with exporting companies cannot be solved	Misunderstanding market opportunities and requirements and therefore difficult to establish relations with some EU buyers.	2	3	Push for employing at least one English-speaking employee. Lobby for other donors to offer English language

L = Likelihood (of risk materialising): 5 = almost certain, 4 = likely, 3 = possible, 2 = unlikely, 1 = rare  
I = Impact (on project): 5 = severe, 4 = major, 3 = moderate, 2 = minor, 1 = negligible

## 4. Budget

The budget needed for achieving the ambition of this project is €1.7 million for 5 years. Of the budget, 600,000 euro is earmarked for sector support, certification, and coordination among stakeholders. The largest part of 1.000.000 euro is dedicated to company support by coaching, quality improvements and market entry. The budget will be adjusted based on the actual amount of companies and the baseline after one and a half years. Each following year, the budget for the upcoming year will be determined and finalised with the CBI project team and the experts based on the actual activities and work plan.

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