

ALFRED BRAIMAH

Director, Private Sector Development



Economic Community of West African States

boosting onion farmers' income IN WEST AFRICA

A trade facilitation project leads to US\$ 2.25 million in additional income to onion farmers and lowers their dependence on imports in West Africa

400%

Increase in price

March 2013

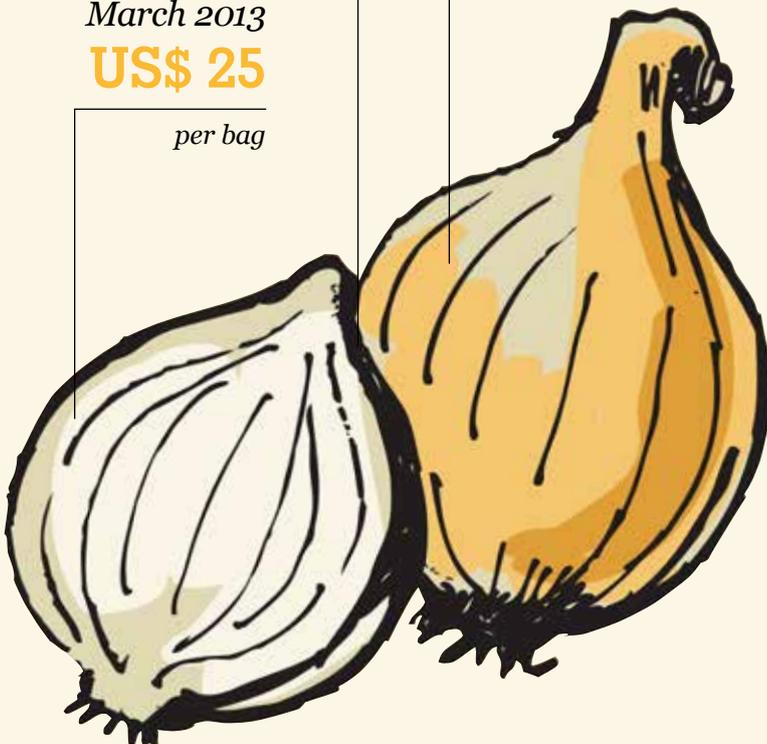
US\$ 25

per bag

June 2013

US\$ 100

per bag



As the global trading environment becomes ever more competitive, the fragmentation and geographical separation of commodity value chains compound traditional challenges faced by exporters. No longer is it enough to meet quality and packaging standards, have storage facilities, possess the appropriate skills, and have access to technology; participation in value chains requires superior infrastructure and transport as well as swift crossing of borders.

Onion producers across West Africa thus have their work cut out for them: how to join forces to compete with imports from Europe and grab a higher share of regional markets. With a total production of 1.1 million tonnes, mainly in Niger (440,000 tonnes) and Nigeria (220,000 tonnes) but also in Burkina Faso, Ghana and Côte d'Ivoire, onion producers in the countries of the Economic Community of West African States (ECOWAS) face high seasonality, post-harvest losses of about 40%, and various production-side constraints. This limits their ability to meet domestic and regional market needs, leaving the region dependent on substantial external imports of some 288,000 tonnes during off-season months from the European Union. A solution to the problem would require integrating their small markets into a larger regional economy that would result in lower transaction costs and are at the same time attractive to foreign investors. The answer to the challenge is improvements in trade facilitation.

In late 2012, the United Nations Development Programme (UNDP), the African

Facility for Inclusive Markets and ECOWAS jointly launched the Sahelian Onion Productivity and Market Expansion Programme (SOPMEP) cross-border initiative, with the goal of integrating cross-border smallholder producers into the regional onion value chain, increasing their competitiveness and facilitating their access to the regional market. The project, which is funded by UNDP, was implemented in Ghana and Burkina Faso in collaboration with a wide range of partners: ASNAPP (a Ghanaian NGO), TRIAS (Ghana), the Fédération des Professionnels Agricoles du Burkina (FEPA-B), the Confederation Paysanne du Faso (CPF), North Fin Foundation (Ghana), the ministries of agriculture in Ghana and Burkina Faso, and the Progressive Onion Traders and Producers Association (Ghana).

The partners produced information materials such as posters and manuals, and provided training on good agricultural and post-harvest practices to over 3,000 onion producers. Thanks to the deployment of inexpensive, locally fabricated storage facilities, the shelf life of the onions increased dramatically, resulting in a 400% increase in price from US\$ 25 per bag in March 2013 to US\$ 100 a bag in June 2013. This translates to additional income of around US\$ 2.25 million to participating farmers. Also, the introduction of 'planting in rows' technology produced a 70% higher quantitative yield, with onion bulb weights rising from 50g to 100g. The increased yield reduces the region's vulnerability to off-season imports of onions and contributes to the delivery of the ECOWAS Food Security agenda. Additionally, it results in exports not only within but

also outside the region, with destinations such as Libya.

While the project has demonstrated the strategic added value of cross-border partnerships with a much wider range of stakeholders, it has nevertheless revealed country-specific gaps and internal obstacles to trade and cross-cutting issues that need attention to improve overall competitiveness.

A regional workshop was organized in Ouagadaougou on 28 and 29 October 2013 to consider the introduction of further improvements, including the optimal mix of rain-fed and intensive irrigation production, hybrids and seedling production, fresh spring onion, chives, onion pickles and further value addition. Participants called for the addressing of the challenges identified and for the inclusion of this programme in food security programmes by ECOWAS and UNDP. Furthermore, they called for the extension of the programme to other crops, including mango and rice.

It should now become easier to agree on customs procedures and harmonized standards within the ECOWAS free trade area, increasing the competitiveness of regional suppliers. As pointed out repeatedly at the Fourth Global Review of Aid for Trade at the World Trade Organization last July, increased trade facilitation is key to the integration of enterprises in least developed countries into value chains: up to 15% of the total costs of traded goods come from transaction costs related to logistics, customs procedures and other border formalities, a significantly higher burden than tariffs.

Later this year the project will be extended to Niger and Mali, providing the

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additional benefits of creating alternative livelihoods for citizens in these post-conflict countries, engaging younger people in agriculture, and widening the participation of women in regional value chains. 