



ECONOMIC EMPOWERMENT & FOOD SECURITY

VAM GENDER AND MARKETS BRIEFING #10

ACCESS TO CREDIT, CAPITAL AND INSURANCE SERVICES IN MALI

KEY MESSAGES:

- This case study carried out within the gender and markets initiative provides an overview of access to capital and insurance services for actors in the agricultural sector in the areas of Kayes, Koulikoro, Sikasso, Ségou, Mopti and Tombouctou.
- In Mali, farmers cannot easily obtain a credit because they cannot provide warranty. agricultural insurance services are only at their beginnings.
- Improving financial education and financial services should be taken into account in Mali, where women's illiteracy and managerial capacities must be strengthened, knowing they represent 60% to 80% of the agricultural labor force.

Main challenges to empowerment

The main barriers to market access for women and men producers are related to transport (51%), storage (25%) and collection (24%) of harvests. In terms of collection, there is low financial capacity dedicated to the purchase of cereals. The difficulty related to the transport is greater for women because of the state of the roads and means of transport from the fields to the villages are limited. Security issues also constrain movements. Finally, the precarious storage conditions due to the lack of means leads to significant losses putting economic activity at risk.

Traditional norms encroach on the fundamental rights and decision-making power of women in communities. They can not enjoy and gain equitable access to land and the means of production, nor can they freely undertake economic activities that generate income and profit. The lack of financial means is a recurrent issue, because availability of funds is essential to be able to produce, access quality products, store them, transport them

and put them on the market to sell them. Cash is quickly spent in the households. This need for immediate cash often forces these women to sell quickly at the expense of the market price.

Access to financial services, especially loans that require the provision of significant guarantees (nature or cash) becomes difficult. This question seems to be important for women in the informal agricultural sector, where accounting for the assessment of economic activities status or obtaining credit is problematic. Frequently a deposit is required (up to 50%) followed by a significant personal contribution. In general, the study reveals that the banking sector in Mali has limited knowledge of the agricultural sector, and especially of women's specific needs in this sector.

Only 22% of women at age 15 are able to read and write

68% of market gardeners are women

Only 26% of women are clients of decentralized financial services in Mali compared to 67% of men

STRENGTHEN THE MANAGERIAL CAPACITIES OF FOS AND THE ORGANIZATION OF YOUNG PEOPLE IN FOS	FACILITATE ACCESS TO LAND FOR WOMEN AND YOUTH	SUPPORT LITERACY	PROMOTE MARKET GARDENING, AGRICULTURAL ACTIVITY WHERE WOMEN EXCEL AND DOMINATE	PROMOTE ACCESS TO CREDIT AND AGRICULTURAL INSURANCE, STRENGTHEN INFORMAL CREDIT SYSTEMS
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TAKING ACTION

Women, as well as youths, are marginalized throughout the entire agricultural value chain, ranging from production, accessibility to means of production and distribution.

Supporting literacy is a priority. Illiteracy is a real obstacle to the economic and social empowerment of women, who face enormous problems in the administrative management of their organizations.

Difficult access to land for women and youth remains a significant obstacle, often implying with mass exodus of younger populations but also the cantonment of women on family farms. Therefore, taking steps to facilitate access to land for young women is necessary.

Promoting youth organizations in FOs (farmers organizations) and strengthening the organizational and managerial capacities of existing FOs in terms of

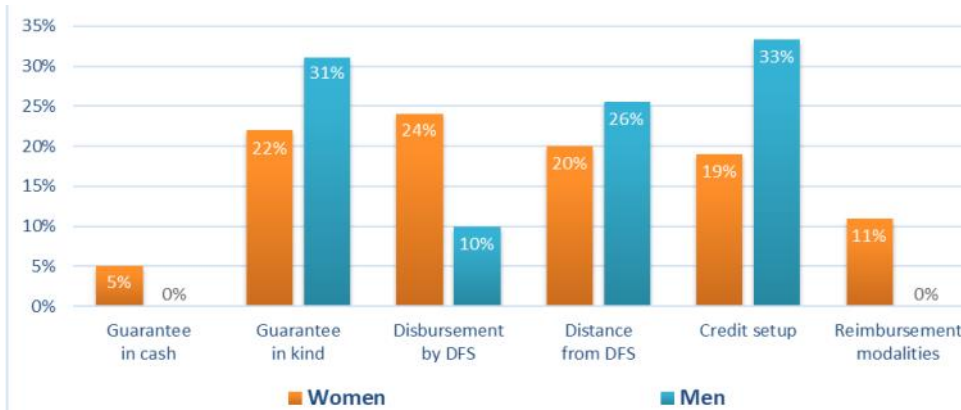
management is essential to support credit decisions. Credit management training is also needed.

Facilitating access to equipment is also a significant way to help empower women and youth in production and marketing.

Conducting a study on "women's challenges and the supply system of urban centers with local cereal products" where many women are positioning themselves and making a living will be relevant. If women have access to means to collect large quantities of grain, store it, transport it and have a place in the market, they will be able to sell their products directly without going through intermediaries.

Finally, promoting, developing and supporting experience sharing spaces as well as meetings at national events would improve women's visibility and strengthen their voices towards potential partners.

GRAPH 1 : MAJOR BARRIERS TO ACCESS TO CREDIT FOR WOMEN AND MEN



* Decentralized Financial Services
** From applying for the loan to providing guarantees and obtaining the committee's approval

TO GO FURTHER :

Gender and Market Initiative: Empowering West African Women through Market-based Food Assistance : <https://resources.vam.wfp.org/node/106>

FOR THE LATEST INFO ON MALI :

<http://www1.wfp.org/countries/mali>

SOURCE(S) :

WFP , 2017. Gender and Markets Case Studies #10 Access to credit, capital and insurance services in Mali.

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Photo page 1: WFP/Jane Howard