

Mali: Intra-Africa trade and tariff profile

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TRADE DATA UPDATE

This Trade Data Update provides an overview of Mali's intra-African trade relationships, both within the Regional Economic Communities (RECs) and with other individual African countries; the top import and export products traded; and applicable tariffs. Data is sourced from the UN International Trade Centre (ITC) TradeMap and World Trade Organisation (WTO) Tariff Database. The update is accompanied by a visual representation of key data and trends in an infographic.

Regional Economic Communities

Mali is part of two regional economic communities (RECs) – the Economic Community of West African States (ECOWAS) and The Community of Sahel-Saharan States (CEN-SAD).

ECOWAS currently has 15 member states (Benin, Burkina Faso, Cape Verde, Ivory Coast, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone and Togo). All 15 countries are part of the ECOWAS Free Trade Area and all, but Cape Verde, are in the process of implementing the ECOWAS Common External Tariff (CET). The ECOWAS Trade Liberalisation Scheme (ETLS) facilitates the free movement of goods through the region. Intra-ECOWAS goods that qualify for duty-free and quota-free access are unprocessed goods, traditional handicrafts and certain industrial products of ECOWAS origin. To benefit from the Scheme producers in member states must apply for approval and if granted will be issued the Certificate of Origin granting specified products duty-free and quota-free access to the ECOWAS market. In 2017, Mauritania and ECOWAS signed an Association Agreement for the re-admission of Mauritania to the REC by 2019; Morocco's application to join ECOWAS has been granted 'in principle' but is awaiting final approval; and Tunisia has recently obtained ECOWAS observer status. Qualifying imports from approved ECOWAS producers are imported duty-free into Mali and Mali does apply the ECOWAS CET on imports from outside the REC.

CEN-SAD currently has 24 member states (Benin, Burkina Faso, Central African Republic, Chad, Comoros, Ivory

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Coast, Djibouti, Egypt, Eritrea, Gambia, Ghana, Guinea-Bissau, Libya, Mali, Mauritania, Morocco, Niger, Nigeria, Senegal, Sierra Leone, Somalia, Sudan, Togo and Tunisia) aspiring to the establishment of an Economic Union which includes the free movement of goods, services and commodities. In 2013, a revised CEN-SAD Treaty was approved, aimed at revitalising the region. However, the Revised Treaty is yet to be ratified by the prerequisite quorum required for entry into force, consequently there is currently no free trade agreement in place.

Intra-Africa trade

In 2017, 48% of Mali's total trade (exports + imports) was trade with the rest of the African continent. 60% (US\$1.1 billion) of Mali's total exports are to other African countries while 43% (US\$1.8 billion) of Mali's imports are intra-African imports.

Table 1: Top 10 intra-Africa exported and imported products (2017)

Top exports (US\$ millions)				Top imports (US\$ millions)			
HS code	Product description	2017	% share	HS code	Product description	2017	% share
7108	Gold, unwrought	777.65	68%	2710	Petroleum oils (excluding crude)	978.31	53%
0102	Live bovine animals	109.61	10%	2523	Cement	202.64	11%
0104	Live sheep and goats	78.49	7%	1511	Palm oil	65.25	4%
3105	Mineral or chemical fertilisers	62.44	5%	2402	Cigarettes	59.95	3%
3102	Nitrogenous fertilisers	13.19	1%	3105	Mineral or chemical fertilisers	53.24	3%
1902	Pasta	5.19	0%	2104	Soups and broths	45.32	2%
0804	Guavas, mangoes and mangosteens	4.84	0%	0303	Frozen fish	25.39	1%
2306	Oilcake	4.74	0%	3923	Plastic packaging	23.44	1%
2207	Undenatured ethyl alcohol	4.70	0%	7214	Bars and rods, of iron or non-alloy steel	13.98	1%
0801	Cashew nuts	4.22	0%	2711	Petroleum gas	13.79	1%

Source: UN ITC TradeMap (2019). tralac calculations.

- Mali's main intra-Africa export product is gold; 68% of intra-African exports for 2017. All gold exports were to South Africa.
- Other export products include live animals (bovine, sheep and goats) (17%) and fertilizers (6%). The top 10 export products account for 93% of Mali's total intra-Africa exports for 2017.
- 53% of Mali's imports are petroleum oils (not crude) imported mainly from Ivory Coast and Niger.
- Other imports include cement (11%), palm oil (4%), cigarettes (3%) and fertilizers (3%). The top 10 import products account for 80% of Mali's total intra-Africa imports for 2017.
- 81% of Mali's total intra-Africa trade is with Senegal, South Africa and Ivory Coast. 68% of exports are to South Africa, almost all of it being gold. Burkina Faso is another important destination market.
- The main African countries Mali imports from are Senegal (48%), Ivory Coast (23%) and South Africa (8%).

Intra-Africa tariff analysis

Mali prescribes to the ECOWAS ETLs enabling all qualifying goods sourced from approved producers in the other ECOWAS member states to be imported into Mali duty-free. Goods imported from CEN-SAD countries, which are not ECOWAS member states (including Egypt, Morocco, Somalia and Tunisia) and the rest of Africa are levied the MFN applied duty. The MFN applied duty of Mali is the ECOWAS CET.

The highest average ad valorem applied tariff is 35% and there are no specific import duties. The 35% tariff is applicable to numerous tariff lines, including meat and edible offal of bovine, swine and poultry; sausages; sugar confectionery not containing cocoa; cocoa powder and chocolate, yoghurt and waters.

Various products are imported free of duty, including medicaments (HS30), orthopaedic appliances (HS9021), printed paper materials (unused postage, newspaper, books, music manuscripts, maps and children's drawings), petroleum oils (HS2709) and laboratory cultures and reagents (HS3821 and 3822).

Apart from duty-free and 35%, the ECOWAS CET has three additional tariff bands – 5%, 10% and 20%.

36% of Mali's total intra-African trade is with countries outside ECOWAS. Exports to countries outside ECOWAS account for 71% of Mali's total intra-Africa exports. This is due to gold exports to South Africa. Removing gold from the equation reveals that only 2.4% of Mali's intra-Africa exports are to countries excluding ECOWAS member states. 15% of Mali's African imports are sourced from outside ECOWAS; mainly South Africa (56%), Morocco (29%), Mauritania (5%) and Tunisia (4%). Of the top 20 main import products sourced from outside ECOWAS, only four products enter duty-free (ammonium, medicaments, photosensitive semiconductors and diammonium). A 35% tariff is levied on imports of potatoes (mainly from Morocco); 20% tariffs on imports of cigarettes, apples and prefabricated buildings; and 10% import duties on iron structures, frozen fish, cement clinkers and mixtures of odoriferous substances.

Table 2: Mali's top intra-Africa imports (excluding ECOWAS)

HS code	Product description	2017 (US\$ '000)	Average applied tariff (MFN)
240220	Cigarettes	56.80	20%
310540	Ammonium	30.33	Duty-free
270119	Coal	12.81	5%
030339	Frozen flat fish	9.62	10%
847490	Parts of machinery, n.e.s.	8.98	5%
271019	Medium oils and preparations	8.25	8.08%
730890	Structures and parts of structures, of iron or steel, n.e.s.	6.88	10%
030389	Frozen fish, n.e.s.	4.28	10%
300490	Medicaments	4.22	Duty-free
070190	Fresh or chilled potatoes	4.21	35%

Source: UN ITC TradeMap (2019) and WTO Tariff Database (2019)