Meeting the challenges of exporting mangoes from Burkina Faso

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Consumers in Europe like fresh mangoes. Demand is growing, but supply is difficult to boost as mango trees need decades to mature. In Burkina Faso, as in other countries, many small farmers own mango trees. Since 2000, a European fair trade company has been trying to link these farmers with clients in Europe. Not an easy task: farmers and mango harvesters were not always paid for their work, and a co-operative went bankrupt. Now, the company tries to engage traditional traders, but fair trade regulations do not allow the full use of their potential. This is a story of trial-and-error, and success.

Traditional mango growing in Burkina Faso

All over West Africa, farmers manage staple and cash crops, as well as non-farm activities. Mango trees are a part of local farming systems. There are more than 160 mango varieties of differing quality; two or three kinds are suitable for export, and others are better for drying and selling in the local market. The most complicated issue perhaps refers to the ownership of trees and land. As long as land is fallow, the village chief (generally an elder belonging to the first settlers in the region) can allot it to anybody who needs land for annual cash crops. Early settlers can claim land by planting citrus, mango or cashew trees, all of which are also used for fuel, erosion control and, in times of hunger, for food. Early settlers can claim land if they have planted trees; newcomers therefore face more difficulties. Most farming households in this area have an orchard, but fruit production does not always receive top priority. Few or no inputs are used, some farmers add compost, and pruning is rare.

The growing demand for mangoes in Europe and elsewhere means that farmers who have a good mango orchard can sell well, especially if they are not too far from harbours and trading centres. However, mixed farming systems like those found in Burkina Faso face many difficulties in achieving the quality needed for export. Besides the long period between planting and fruit-bearing, there is the challenge to produce regularly and according to minimum quality standards. Fair trade exporters and development organisations have therefore introduced many training programmes on organic farming, pruning, organic pest control (using weaver ants), irrigation, and other aspects related to organic mango production. However, the effect of these courses in terms of quality and/or quantity seems to be minor.

Contractors and the mango trade chain

Farmers in Burkina Faso live far away from export centres, so until recently, mangoes were not marketed in large quantities. A small amount was exported through companies in neighbouring Ivory Coast, which used the production coming from Burkina Faso to supplement their local supply (until the recent political crisis in Ivory Coast led to a temporary closure of the border). Another peculiarity is that farmers rarely harvest the fruit themselves. Contractors come and pick whatever they think can be sold, and the farmer is paid accordingly. The contractor transports the fruit to the exporter's packing house, sometimes hundreds of kilometres away, where the fruit is graded. The exporter only pays for fruit accepted for export. Contractors therefore take over an important risk from farmers, as they face losses when pests such as fruit flies are found in their fruit. However, contractors sometimes buy mangoes on credit, which means that farmers and other workers do not get paid for low quality fruit. Contractors in turn are pre-financed by the exporter.

Fresh fruit is also sold through (small) producer organisations to contractors or exporters. The latter often take care of quality control, washing, grading, packing and looking after the logistics. Due to the fluctuating nature of volumes and quality levels, importers in Europe do not generally commit to fixed volumes and prices, but agree to sell fruit on a commission basis. This means that they receive the fruit and sell it to supermarkets and retailers, deducting a 6-10 percent commission fee from what is paid to the exporter. Importers in Europe, however, may claim that the fruit received did not meet quality standards – which, after the fact, is difficult to disprove. In such a situation, how can an exporter in Africa prove that a European importer is cheating?

European supermarkets are a large outlet for fresh mangoes. Supermarkets require good and constant quality, a reliable supply on a weekly basis, and increasingly seek guarantees of basic organic and social standards. As mangoes are seasonal, they need to be sourced from different countries to guarantee a year-round supply. The selling price varies considerably: in times of abundance, prices can drop sharply and buyers can afford to be very particular about quality standards. The opposite is true in times of scarcity.

Setting up a local institution to meet supply needs

For some time, farmers in Burkina Faso complained about the low prices and erratic demand imposed by contractors who sold their mangoes to exporters in neighbouring Ivory Coast. In 2000, a Dutch NGO therefore tried to facilitate direct export of fresh mangoes from Burkina Faso to Europe. It offered credit and encouraged farmers' organisations to form a co-operative union that could sell directly to AgroFair, a Fairtrade-certified fruit importer based in the Netherlands. Between 2001 and 2005, the co-operative exported several hundred tonnes of organic and Fairtrade certified mangoes. However, establishing a union was a new experience, and the co-operative ran into many difficulties. Transport complications occurred when the border with Ivory Coast was closed. Also, the international fresh fruit export business turned out to be too complicated to manage or control for a group of farmers; for example, no financial

The mango journey

Mangoes are harvested at an early level of maturity when the fruit flesh just starts to turn yellow. The harvesters perform a first grading in the field, and transport fruit carefully wrapped in paper or leaves in crates to the packing station. The distance between orchard and packing station is 80-400 km. As the fruit starts to ripen after harvest, it is essential that the transit time is short. In the packing house, the fruit is washed, quality graded and sorted by size. The fruit is packed in 4 kg cardboard boxes. 240 boxes form a pallet. The pallets are refrigerated in cold storage at 10°C. Twenty pallets are loaded in a refrigerated container, which keeps the fruit cold throughout the journey. A diesel generator provides power to the container during the land transport by rail. Once loaded on a fruit boat, the containers are kept refrigerated during the 10-12 day sea journey to Europe. Upon arrival, an independent surveyor makes a quality report and this serves as the basis for the final payment to the exporter.

Photo: Author

On the way to the market. After a careful selection process, part of the harvest will reach the supermarkets in Europe.

incentives were given to harvesters or farmers to ensure that export quality standards were upheld. Finally, the co-operative ran into losses, and it had to give up its export activities.

The failure to get a co-operative running accelerated the plans to start a new export company. AgroFair decided to finance such an initiative, and helped establish a local company, Fruiteq. Between 2002 and 2004, AgroFair made considerable effort to market mangoes from Burkina Faso to its clients, and managed to get them into European supermarkets during its high mango season. AgroFair was keen to make this supply succeed as it was only one of four different mango supply sources needed to be able to meet the full-year's supply demanded by supermarkets. If one source failed, the whole mango market could be lost, to the detriment of the other three mango suppliers.

Fruiteq is a commercial company which provides an export service to farmers. In order to create a financially sustainable business, it has re-incorporated the contractors (as harvesters) into the system. Just like in the co-operative model, Fruiteq deals directly with the farmers' organisations, and it is these organisations that hire the services of the contractors. In this way, the farmers have more bargaining power, while the system is equally interesting for the contractors because they have fewer searching and contracting costs. They do not need to go from farmer to farmer searching for mangoes, discussing prices individually, competing with other contractors, or searching for exporters willing to take their fruit. The origin of the mangoes is traceable, as all mangoes come from the farmer group. This means that it is far easier to obtain quality certifications that require clear traceability of the fruit (such as a certificate of organic production). Involving contractors in the system and working with farmers' organisations at the same time helped Fruiteq and its partners obtain this additional certification, on top of the Fairtrade certificate.

Fruiteq is already making a profit, proving the sustainability of the model. Sales rose from € 180 000 in 2005 to more than € 900 000 in 2007, corresponding to about 1200 tonnes of fresh mangoes. In 2007, more than € 200 000 was paid directly to farmers on a farm-gate basis. More than 400 farmer households have benefited, together with a large number of contractors, transporters and packing station employees.

Not all is fair in Fairtrade

Fairtrade rules prescribe the provision of a premium to farmers for social projects. Since 2005, more than € 100 000 has been paid as Fairtrade premium. The farmers' organisations have used this money to build a village pharmacy and a library, they have set up a school fund, and they are now considering drilling wells to provide drinking water and irrigation water to their orchards.

Fairtrade regulations, however, do not allow some key actors to benefit from its advantages: harvesters and packing house workers are not entitled to the premium. In the field, this does not always seem to be fair. After all, contractors, packers and traders are part of the Fairtrade value chain, and it would be better if every chain actor benefits similarly. In regions such as Latin America, exporting co-operatives seem to work well, while in other places, a chain model with specialised harvesting and transporting organisations may be more appropriate and sustainable. Regulations are therefore needed to make all stakeholders in the chain benefit from Fairtrade, and not just the producers. After all, contractors and their personnel take risks and work hard. Including them in the Fairtrade model would help reduce poverty, and develop the agricultural economy in western Africa.

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