Project title : FERTAO - Fertilizer Cost Build up studies and process maps in West Africa (9 countries)

Project place	Project cost	Role in the project	Technical and financial sponsors	Dates
Benin, Burkina Faso, Côte d'Ivoire, Ghana, Mali, Niger, Nigeria, Senegal, Togo	100 000 €	Agriculture & Market Expertise	IFDC - International Fertilizer Development Center	February 2019 - April 2019

Project's goals and results

Main goals

The objective of this consultancy to undertake a series of cost build-up studies and fertilizerprocess maps along four main corridors that connect with the main high-fertilizer consuminghubs/destinations in West Africa (e.g., cotton areas in Sahel), which will identifykey bottlenecks and processes that can be optimized to reduce domestic costs and reducefarm gate prices

>> See the studies on the IFDC website

Specific objectives

- Understand the cost implication of the various components of the fertilizer value chain to the final fertilizer prices paid by the farmer
- Be able to compare costs to move product through different ports in a given region, and understand the variation in costs and processes
- Provide fertilizer stakeholders offline and online tools to estimate scenarios and cost of doing business through various corridors for various products (straight, compound, blends)

Beneficiaries

Results

R1. The study will analyze 4 main corridors

- Port of Dakar, serving Senegal, Mali, and Burkina Faso
- Port of Abidjan, serving Cote d'Ivoire, Mali, and Burkina Faso
- Port of Tema, serving Ghana and Burkina Faso
- Port of Lomé, serving Togo and Burkina Faso

R2. Cost build up analysis for each corridor

- From FOB to port warehouses (bulk / bagged / containerized, including storage)
- From port warehouses to main distribution centers
- For imported feedstocks (e.g urea, SoA, DAP, TSP, MOP, kieserite ...) and main compounds imported in the countries served by the corridors
- For blends produced in coastal countries before export to the hinterland
- Where applicable, include railway costs in addition to trucking costs
- Provide recommendations to optimize costs of procuring and distributing fertilizers

R3. Detailed process map for each corridor

- Standard procedures to import, blend, and distribute fertilizers
- Description of ports, roads and railways, warehouse operations and capacity
- Review of existing delays and issues encountered by stakeholders at the various stages, and their impacts on their business operations (cost, time)
- Provide recommendations to optimize processes of procuring and distributing fertilizers

Activities

A1. Conduct a desk review to assess

- Incoterms used for importing fertilizers at the respective ports (e.g. CFR, CIF, FOB)
- International freight charges (from manufacturers port to respective country's sea port)
- Country Port Tariff manual (by Port managers e.g. either government and/or private agents)
- Taxes and levies imposed on fertilizers

A2. Conduct field and remote interviews with

- Sea and dry ports, shipping agencies, forwarders, transporters, railway operators
- Fertilizer producers, importers, blenders, distributors
- Fertilizer supplier services: bagging, warehouses, quality control labs
- Customs: ports, hinterland borders, joint border posts
- Regional and national infrastructure and trade facilitation programs

A3. Hold consultative and validation meetings with key stakeholders

- one per corridor
- one regional (during the next West Africa Fertilizer Forum, April 2019)