



Economic Commission for Africa

Third Meeting of the African Learning group on the Poverty Reduction Strategy papers

3-5 December 2003
Addis Ababa, Ethiopia

An Assessment of Niger's Poverty Redcution Strategy

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Joseph Ntangsi

The Views Expressed in this paper are those of the author and do not necessarily reflect the views of the Economic Commission for Africa or any of its Officers

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Abbreviations and Acronyms

CS	Civil Society
CG	Consultative Group
DHS	Demographic and Health Survey
ECA	Economic Commission for Africa
GDP	Gross Domestic Product
GNP	Gross National Product
HIPC	Highly Indebted Poor Countries
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome
I-PRSP	Interim Poverty Reduction Strategy Paper
IDA	International Development Association
IMF	International Monetary Fund
JSA	Joint Staff Assessment
LG	Learning Group
MDG	Millennium Development Goals
MP	Member of Parliament
MTEF	Medium-Term Expenditure Framework
NGO	Non-governmental Organization
PPA	Participatory Poverty Assessment
PRS	Poverty Reduction Strategy
PRSP	Poverty Reduction Strategy Paper
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
UNDAF	United Nations Development Assistance Framework
WB	World Bank

I. Introduction

Context of Study

1. This study on Niger's Poverty Reduction Strategy Paper (PRSP) commissioned by the Economic Commission for Africa (ECA) is one in a series of PRSP country studies in Africa undertaken for the Africa PRSP Learning Group (PRSP-LG). The PRSP-LG established by the ECA in 2001 is an annual forum for African countries to exchange experiences on the PRSP; the country studies serve as background resources to distill lessons learnt and best practices. The PRSP country studies this year cover Cameroon, Burkina Faso, Burundi, Democratic Republic of Congo, Egypt, Republic of Guinea, Lesotho, Madagascar, Namibia, Niger, Nigeria and Sudan. The first meeting of the Group took place on the 5th and 6th of November 2001 and the third meeting will take place in Addis Ababa, Ethiopia, late this year.

2. The Highly Indebted Poor Countries/Poverty Reduction Strategy Paper initiative jointly launched by the International Monetary Fund and the World Bank and supported by the international community has become the framework for economic and social development in Africa and the basis for debt relief and concessional assistance. As a prerequisite, African countries must submit a PRSP that provides a credible basis for supporting the implementation of effective poverty reduction strategies.

3. Consequently, PRSPs now constitute the new economic and social development framework of African countries. The PRSP framework represents a new challenge for African countries and their development partners. No single individual or institution holds the monopoly of knowledge of what needs to be done to eliminate poverty in Africa. Indeed, a key requirement of the PRSP approach is that it must be a participatory process, with contributions from all stakeholders, domestic and external. The Africa PRSP Learning Group is ECA's own attempt to contribute to the PRSP process.

4. The objective of the PRSP country studies is to assess the extent to which the PRSP approach provides a credible framework for supporting the implementation of effective poverty reduction strategies. Niger submitted a full PRSP to the Boards of the International Development Association and the International Monetary Fund in January 2002, building on the interim PRSP submitted in December 2000. The present study is an assessment of the Niger PRSP which covers the period 2002-05.

Country Background

5. A landlocked country whose geographical area is almost twice the size of Nigeria, Niger has a population of 11 million which is very unevenly distributed over the national territory, with nearly two-thirds of the inhabitants living along a narrow belt on the lower banks of the river Niger, while the other one-third lives in villages with less than 200 inhabitants. The Republic of Niger gained its independence from France in 1960. The country has experienced long periods of

political instability. During the last decade, Niger witnessed one supreme national conference, four Republics, two military coups, two military regimes, and two armed rebellions in the North and East of the country (see Annex 1). The Government of the Vth Republic is still struggling to consolidate peace in the country.

6. Reducing poverty in Niger is a daunting challenge, given the country's particularly difficult situation. The economy is dominated by the agro-pastoral sector which accounts for about 40 percent of GDP and which employs 84 percent of the men and 97 percent of the women; by the declining uranium-mining sector; and mainly informal trading activities. Niger has one of the highest demographic growth rates at around 3.3 percent per year. The country is poor in natural resources, with drastic fluctuations in rainfall and therefore suffers from chronic food insecurity and poor social indicators. In 2002, an estimated 63 percent of the population was counted as poor with 34 percent considered very poor. Niger was ranked 173rd out of 174 countries by the United Nations Development Programme (UNDP) on the Human Development Index (UNDP, 2003: 1).

7. The Niger PRSP is in six parts: part I is on the characteristics of poverty in Niger; part II is on the evolution of the key economic aggregates during the last ten years; part III is on national priorities and objectives of poverty reduction; part IV is on the strategy of poverty reduction in the 2015 horizon; part V is on the priority actions in 2002-2004; and part VI is on the implementation and monitoring/evaluation framework of the PRS.

8. The country's PRSP is built around four main pillars and three cross-cutting implementation priorities. The four pillars are: (i) a macroeconomic framework that ensures economic and financial stability while promoting sustainable and robust growth; (ii) the development of productive sectors, especially in rural areas, to mitigate vulnerability and stimulate income generation; (iii) improvement in the access to and quality of basic social services for the poor, including basic education, primary health care, reproductive health services, HIV/AIDS prevention, water and sanitation; and (iv) the strengthening of institutional capacity and individual capacity both within and outside the Government and at central and local levels. The three cross-cutting themes guiding policy formulation and implementation are: (i) the effective inclusion of gender considerations; (ii) the promotion of good governance; and (iii) the redefinition of stakeholders role in the implementation of policies, beginning with the role of the State.

Methodology and Content of Study

9. The methodology adopted is one that can be used to assess all African country PRSPs, not just that of Niger. First, an analytical framework is developed for assessing the quality of the country's PRSP. Second, on the basis of published and unpublished information, interviews with major stakeholders involved in the PRSP process, and deductive analysis, the analytical framework is applied to the Niger PRSP. Third, conclusions are drawn about the strengths and weaknesses, not only of the Niger PRSP but also of the PRSP approach itself.

10. The study is carried out in ten sections: section I is the introduction; section II looks at the PRSP process and stakeholder participation; section III identifies the criteria for assessing the quality and comprehensiveness of the growth strategy underpinning the PRSP. This is an analytical framework

that can be used not only for assessing the Niger PRSP but also other African country PRSPs; the other sections apply the criteria to the Niger PRSP: section IV assesses the soundness of the poverty diagnosis and the monitoring framework; section V assesses the macroeconomic growth strategy; the pro-poor aspects of the strategy are examined in section VI; section VII looks at the public finance aspects of the strategy and therefore the country's capacity to finance the PRSP; section VIII deals with the realigning of donor policies and resources and therefore looks at the level and effectiveness of external financing in favor of the PRSP; section IX is on capacity building; finally the conclusions are presented in section X.

II. The PRSP Process and Stakeholder Participation

11. This section looks at the PRSP process and stakeholder consultation and participation. A major strength of the Niger PRSP was the extensive consultative and participatory process that characterized its preparation. The PRSP process began in Niger in January, 2000 with the launching of the interim PRSP preparation. The I-PRSP was presented to Boards of the International Development Association (IDA) and the International Monetary Fund (IMF) in December 2000. The PRSP describes the participatory process undertaken for its preparation, provides a diagnosis of the poverty situation in the country, and presents the government's objectives, strategies, and priority actions to reduce poverty for the years 2002-2005.

12. The country capitalized on lessons learned from previous experiences, such as the preparation of a poverty reduction programme supported by the United Nations Development Programme (UNDP) in 1997. In keeping with the commitments taken in the I-PRSP, the authorities developed a comprehensive participation plan for the preparation of the full PRSP. The PRSP consultative process was launched at a national workshop in February, 2001. The workshop resulted in the adoption of an institutional framework for the conduct of the PRSP and in the creation of 11 thematic groups charged with preparing draft strategies (2). The full PRSP was presented to, and approved by, the Boards of IDA and IMF in January, 2002. Implementation was expected to begin immediately after.

Stakeholder Participation

13. The stakeholders in the Niger PRSP include: (a) government represented by the core PRSP ministries (see below) at both central and local levels; (b) aid donors, often referred to as the external development partners; (c) civil society which is far from being an homogenous category (and which may even have conflicting interests). It includes non-governmental organizations (NGOs) and associations (both local and international); faith-based organizations; the private sector; the media; the poor themselves; and other non-poor citizens.

14. Civil society and other stakeholder participation in the PRSP was secured through workshops, public debates in each region, and extensive media coverage of PRSP issues. The poor and the voiceless were also given the opportunity to voice their own perceptions of poverty through a participatory poverty analysis conducted by the PRSP team with the support of UNDP and the World Bank in two of the poorest areas of the country. Furthermore, a number of

representatives of the poor were invited and actively participated in each of the public debates held throughout the country. Food security, affordable health care, access to productive inputs in the rural sector, and access to water resources emerged as the major issues raised by the poor.

15. The draft PRSP was taken by a Nigerien delegation to Washington, DC in early November 2001 and discussed with the World Bank and IMF staffs. Finally, the draft PRSP was discussed at a national workshop held in Niamey in late November which offered national stakeholders and development partners the opportunity to provide their comments. The document was subsequently finalized and approved by the Cabinet of Ministers in early January, 2002 and submitted to the National Assembly for information. Niger's PRSP was then presented to and endorsed by the Boards of the IDA and IMF.

16. The PRSP emphasizes that the consultative and participatory process will not end with the preparation and launching of the PRSP and that civil society must continue to play a key role during implementation. The Government is therefore proposing to maintain the present institutional structure and civil society will be expected to play an important role in the monitoring and evaluation of the PRSP and in drawing lessons learnt.

PRSP Institutional Structure

17. The PRSP institutional framework (see Annex II) was set up precisely to facilitate consultation and participation. Stakeholder participation took place at the national level, at the regional level (le Département), at the sub-regional level (l'arrondissement), and at the district level (le canton). An important feature of the institutional structure in Niger is that PRS management is anchored at the Office of the Prime Minister, unlike in other African countries where it is located at the Ministry of Economy and Finance or, in some countries, at the Ministry of Economic Planning. Indeed, the Prime Minister chairs the PRSP National Steering Committee (which is the supreme decision-making organ). This has two advantages: first, it gives more political visibility to the PRS and second, the Prime Minister's superior bureaucratic position gives him the power to summon ministers, unlike in other African countries where a Minister of Economy and Finance has difficulty summoning colleagues of the same rank .

18. The Steering Committee is composed of representatives of all stakeholders involved in the PRSP: civil society organizations (including NGOs, the private sector, the media, Members of Parliament, etc), the poor, and donor partners, as well as the key PRSP Ministers: Economy and Finance, Agriculture, Animal Resources, Environment and Hydraulics, Community Development (constituting the rural development sector), Education, and Health. There are steering committees at regional level, chaired by the District Officer (préfet); at sub-regional level, chaired by the sub-District Officer (sous-préfet); and at the sub-District level, chaired by the Mayor. The day-to-day management of the PRSP is conducted by a Permanent Secretariat of dedicated staff accountable to the National Steering Committee. The permanent secretariat has a full-time representative of civil society.

19. Even before the launching of the PRSP in 2002 a special poverty programme was launched by the President of the Republic, consisting essentially of providing social infrastructure (schools, health centres, and wells) to the population. The special poverty programme of the President, considered as

part of the PRSP indicates political commitment to poverty on the part of the political leadership. However, the programme, which is now executed in the field by the newly created Ministry of Community Development, has also posed problems of coordination with the rest of the PRSP managed from the Office of the Prime Minister. The Ministry of Community Development now constitutes part of the Rural Development sector of the PRSP, adding to the Ministries of Agriculture, Animal Resources, and Environment & Hydraulic.

Strengths and Weaknesses in Civil Society Participation

20. Civil society participation in the PRSP process has a number of strengths and weaknesses not only for Niger but more generally for the rest of Africa. Civil society participation has two main strengths. First, the quality of the PRSP is almost certainly better than it would have been without participation. A key contribution of civil society which appears not to have been fully articulated in the PRSP was its insistence on governance as an overriding condition for the successful implementation of the PRSP. Indeed, civil society organizations interviewed in Niamey during the course of this study were unanimous (a) that good governance will be the critical factor in the successful implementation of the PRSP, (b) that bad governance was the main cause of failure of past development programmes, and (c) that to ensure good governance, the Government must be held accountable.

21. But this view of governance by civil society is not incorporated into the PRSP. This view expressed by civil society in Niger interestingly coincides with those expressed by civil society in other African countries (for example, in Uganda, Cameroon, and Malawi). It would appear, then, that systematically, the full importance of governance has not been articulated in African PRSPs.

22. A second strength of participation is that it will help build and strengthen civil society in Niger which, in varying degrees, is also not developed in other African countries. The embryonic nature and fragility of civil society in Africa is to be attributed essentially to the preponderance of authoritarian rule, centralized governments, and one party systems which have left very little space for civil society. In the conception of the HIPC/PRSP framework civil society participation is expected to forge greater country ownership of development programmes, better governance, and more accountability of African leaders to their people. Participation in the PRSP is also expected to enhance the economic literacy of civil society which should help it to better play its role.

23. Civil society participation in the PRSP also has a number of major weaknesses and shortcomings. First, while civil society contribution has been quite appreciable, it has tended to be exaggerated. It is not clear whether we have as yet reached the stage where we can justifiably claim country ownership and whether the PRSP as it now stands can be considered as country-driven. Country ownership may be more apparent than real. In the history of African development, governments and their development partners

have rarely adopted a participatory approach until now. Development dialogue was conducted in near secrecy between development partners and governments.

24. For example, World Bank and IMF missions to African countries were conducted by a handful of experts from these institutions and a handful of government experts from the Ministry of Finance and Economic Affairs or, alternatively, from the Ministry of Economic Planning, occasionally with one or two experts from sector ministries such as Agriculture, Education, and Health. The rest of the Ministries and other institutions were often ignored and were not aware of what was going on, not to mention civil society and the media. It is a credit to the Bretton Woods Institutions for finally realizing that the existing approach could not work and for imposing broad-based stakeholder participation as a condition for the PRSP. African governments may have grudgingly had to accept consultations with, and participation of, civil society in order to benefit from badly needed debt relief and other concessional assistance. Moreover, in some government circles even till today civil society is still considered as an intruder. Country ownership remains an excellent objective but it seems difficult at this point to claim that the PRSP process is country-driven.

25. Second, in Niger and in most of Africa civil society still lacks the technical and organizational capacity, the financial resources, and even the identity and commitment to be accepted by government as a full and legitimate partner. Civil society participation in the Niger PRSP was financed almost entirely from start to finish by the Canadian government. Some NGOs reportedly participated because of the prospect of financial gain rather than because of an intrinsic interest in the PRSP process. For example, the Members of Parliament (who are the representatives of the population) do not seem to have been fully involved in the process at the beginning possibly because MPs had not received any training on PRSP issues. Only two MPs out of 83 have been actively involved in the PRSP. Civil society participation may be characterized as largely passive. Without external financial assistance, civil society participation may never have materialized.

26. A third shortcoming is that, for a number of reasons, civil society cannot reasonably be expected to participate in PRSP implementation as it did during preparation. As noted in the Niger PRSP (and in the PRSPs of other African countries), the Government and its development partners want civil society to continue their participation during the implementation phase. It must however not be forgotten that it is governments and not civil society that are responsible for policy implementation and they are also responsible for mobilizing the necessary resources for this purpose. It is true that civil society can monitor and evaluate but this does not change the fact that implementation is the responsibility of the Government.

27. Finally, a fourth weakness often ignored is that, unlike in developed societies, Nigerien and other African civil society do not, in most cases, have the power and instruments for holding governments accountable, which, in the conception of the PRSP framework, was one of the objectives of civil society participation. In developed societies, the ultimate and powerful instrument available to civil society is the ballot box. In most of our African countries this instrument is still not well developed and we have often had to rely on coups d'État to change governments that practice bad governance. This problem again raises the issue of unsatisfactory treatment of governance in African PRSPs, discussed above.

III. Criteria for Assessing Quality and Comprehensiveness

28. This section presents the main criteria used for assessing the quality and comprehensiveness of a poverty strategy; these criteria are then applied to the Niger PRSP (1). The same criteria can also be used to assess other African PRSPs. A high quality and comprehensive growth strategy is one that has all the key characteristics necessary for reducing poverty. Such a growth strategy must have four core characteristics. It must (a) ensure a sustained and stable macroeconomic growth expressed in terms of GDP, GNP, or GNP per capita; (b) incorporate actions to translate growth into welfare improvements for the poor (that is, growth must be pro-poor); (c) embody sound poverty analysis, diagnosis, as well as an appropriate monitoring and evaluation framework; (d) mobilize sufficient resources for the financing of the strategy (e) ensure the development of institutional capacity, adoption of technological knowledge, technical skills, and political commitment necessary for translating the strategy into reality; and (f) ensure the sustainable management of the country's natural resources.

29. Sustained and satisfactory macroeconomic growth is growth that will ensure sustainable poverty reduction. It must be underlined that the most important part of the PRSP is the growth strategy. The important question is whether the level of growth will ensure growth in per capita incomes. Ultimately, without growth in per capita income it is impossible to have sustainable poverty reduction. Sustainability of growth is determined from the sources of growth. Growth is considered satisfactory when it results in increases in per capita incomes. This usually implies a nominal GDP growth rate that is at least greater than the combined growth of population and inflation and this in turn also implies stable markets for the increased output.

30. Section IV looks at the extent to which the Niger PRSP is built on and adequate poverty diagnostics. It looks at the quality of data, its disaggregation by region, social groups, and gender; the analysis of poverty incidence, trends, and determinants; the multi-dimensional perspective on poverty; as well as the monitoring and evaluation framework. The quality of the macroeconomic growth strategy proposed is examined in section V. The assessment of the extent to which the PRSP translates growth into welfare improvements for the poor is carried out in section VI. That section also looks at the issue of natural resource sustainability. The question of whether the country can mobilize sufficient resources for the financing of the PRSP is examined in section VII under the public finance aspects of the PRSP. Section VIII looks at the prospects for realigning donor policies and resources in order to improve aid effectiveness. Section IX assesses the country's capacity needs for the implementation of the PRSP. It is argued that strong political leadership and commitment are a prerequisite for meeting these daunting capacity challenges. Section X presents the conclusions.

IV. The Poverty Diagnosis

31. This section examines the comprehensiveness of the Niger poverty diagnosis. A good poverty strategy begins with a good diagnosis. Poverty diagnosis is crucial for cognitive purposes to know what the situation is; for analytical purposes to understand the factors determining the situation; and for policymaking purposes to design appropriate interventions to reduce poverty; and for monitoring and evaluation purposes to determine the effectiveness of the current strategy. A good poverty diagnosis also begins with good data. It is argued in this section that the poverty diagnosis and analysis in the Niger PRSP is good, despite data limitations, and this satisfies one of the requirements of a good poverty strategy.

Data Sources

32. The data on poverty and the monitoring and evaluation framework is based on a series of household surveys conducted between 1989 and 2000. These are: (a) the national budget and consumption survey (ENBC) carried out in 1989/93; (b) the survey on agriculture and livestock situation (ECAE) of 1993; permanent surveys on the economic and social situation (EPCES) of 1994 and 95; (c) the national survey on the informal sector (ENSI) of 1995; (d) the multiple indicators cluster sample survey - MICSS (EIM) of 1996 and 2000; (e) the survey on household consumption in Niamey (ECMN) of 1996; and (f) the demographic and health survey (DHS) of 1992 and 1998. Furthermore, a beneficiary assessment of a pilot poverty programme in two of the poorest areas of the country (Mayahi and Bankilare) gives interesting information on the perception of poverty by the poor themselves. The surveys provide three types of data on poverty: levels of income, levels of social development, and output indicators.

33. The greatest deficiency in the analysis of poverty in Niger relates to income poverty since the last household income survey dates back to 1992/93. Furthermore, there is the problem of comparability of data from different data sources; the various surveys were conceived differently and adopted different methodologies, making it difficult to estimate income and living conditions at different points in time. In addition, some of the surveys have national coverage while others are limited to urban or rural areas; some focus on demographic and social aspects while others are directed at the informal sector and the conditions of living of the population.

34. The absence of recent data on income poverty is partly remedied by the availability of social development data from many surveys, notably the MICSS of 2000, conducted with the support of the United Nations Children's Fund (UNICEF) which looked at education and health outcomes with emphasis on reproductive health, focusing on such indicators as infant mortality rates, safe drinking water, sanitation nutritional status, child health, knowledge and perception about HIV/AIDS, etc., and the DHS of 1998 which provided more recent data on fertility rates, family planning, and mother and child health. The Niger PRSP also complements the quantitative data with information emerging from the qualitative surveys as to poor people's own perception of poverty and its determinants. Despite the remaining gaps, the various surveys, taken together, provided a reasonably good basis for the comprehensive analysis of poverty presented in the Niger PRSP. At any rate, the picture of poverty in Niger is so clear that it does not require sophisticated data to see it.

The Diagnosis

35. Despite data constraints, the PRSP provides a comprehensive picture on the status and trends in poverty in the country. It is shown that the phenomenon of poverty is generalized in Niger, with some two-thirds of the population living below the poverty line and about one-third living in conditions of extreme poverty. The incidence of poverty is estimated at 52 percent in the urban areas as opposed to 66 percent in the rural areas. The PRSP also presents the different dimensions of poverty in terms of income poverty, as seen from the distribution of income among the various quintiles of the population; basic needs and core social development indicators related to health and education outcomes, as well as access to basic social services, such as water, sanitation and infrastructure. Although there is no recent household income the continuous decline of per capita incomes and other social indicators suggest that poverty is on the rise.

36. An important dimension of the diagnosis is on the regional distribution of poverty and increasing trends in poverty over time, focusing on: the problem of increasing disparities in income and access to basic social services not only between the rural and urban populations but also among various regions of the country; the high vulnerability of certain ethnic groups, such as the nomad populations that are virtually abandoned to themselves and excluded from any social organization; the gender dimension of poverty which underscores that the burden of poverty falls more disproportionately on women and girls; and the linkages between the various manifestations of poverty, such as the linkage between inadequate access to safe water and the high incidence of infant mortality and morbidity.

37. The PRSP also presents the major causes of chronic poverty as being directly related to droughts, high population pressure, poor and deteriorating natural resources, low prices and low demand for uranium (the country's main export), external shocks resulting from the country's landlocked situation, past political instability, have resulted in food insecurity, the volatility and low level of incomes, the lack of basic needs and the low level of social development. The PRSP also presents a draft monitoring and evaluation framework which can be improved upon.

38. While the PRSP acknowledges that past macroeconomic and sector programmes have largely failed, it does not present a detailed analysis of the causes of failure. Key examples of past failures given are the low macroeconomic growth and the inability of past population strategies to address the socio-cultural resistance to high population growth. The political instability that characterized the country during much of the 1990s is singled out as the main cause for poor macroeconomic performance and accumulation of unsustainable domestic and external debt. However, during interviews with civil society stakeholders in the course of this study, another major cause of failure emerged – bad governance – which, according to them, is not sufficiently articulated in the PRSP.

V. The Macroeconomic Growth Strategy

39. This section applies the macroeconomic growth strategy requirement to the Niger PRSP. It evaluates the section of the country's poverty strategy dealing with macroeconomic growth. The first two of the four pillars of the PRSP deal directly with macroeconomic growth. Pillar one has as its main objective the achievement of a sound macroeconomic framework to ensure sustainable economic growth and financial stability. Pillar two is directed at the development of productive sectors, especially in the rural areas, to mitigate climatic factors and stimulate income generation. The contention is that the growth strategy proposed lacks credibility and realism and therefore the sustainable economic growth requirement in the Niger PRSP is not satisfied.

Past Growth Performance

40. To better evaluate the growth strategy presented in the PRSP, it is necessary to begin with a brief review of the country's past growth performance. Niger has had some of the worst growth rates in Sub-Saharan Africa, with negative per capita growth rates over the past two decades. During the period 1983-93 the country's per GDP per capita grew at -0.6 percent (World Bank, 2003:1) and in the period 1994-2000 it grew at -0.8 percent (World Bank, 2002) (3). This implies that poverty has been on the rise.

41. The situation is largely attributed to the frequent droughts that plague the country, resulting in low agricultural and livestock production which ought to contribute the largest share of GDP, given that some 80 percent of the Nigerien population is rural and is largely employed in these sectors. A second factor explaining low levels of growth is the high demographic growth rate which stands at 3.3 percent and is among the highest in Africa. A third factor is the drastic fall in the international market demand and price of uranium, the country's number one export. A fourth factor is the deterioration of the country's natural resource endowment. A fifth factor is Niger's vulnerability due to its dependence on a narrow base of exports to only a handful of countries. A sixth is the landlocked location of the country which increases transport costs for imports and exports. Still, a seventh factor is the political instability that has plagued the country for much of its history.

The Need for a Realistic and Credible Growth Strategy

42. Given past performance in macroeconomic growth, the growth objective envisaged in the PRSP is clearly unrealistic. The strategy envisages a base scenario with a real average growth rate in GDP of 4 percent per annum in the period 2002-2005; this is the working scenario adopted by the PRSP and which was retained because it is also the growth objective sought in the context of Niger's Economic and Financial programme supported by the IMF and the World Bank; a more ambitious growth scenario of 6 percent in real GDP is also proposed, under the assumption of more favorable climatic conditions (DSRP, 2002: 80-83). The PRSP does not give the sources of growth that will move the economy from an annual real growth rate of slightly less than 2.5 percent in GDP during the last two decades to the 4 percent growth scenario. The PRSP quite correctly asserts the importance of the rural sector and the private sector as the main sources for accelerating growth under the PRSP but stop short of showing precisely how this is to be accomplished.

43. In terms of per capita GDP, the 4 percent scenario corresponds to an average annual growth of approximately 0.7 percent, after taking into account the effect of 3.3 percent population growth. The Joint Staff Assessment concedes that even the achievement of this growth rate will depend largely on favourable climatic conditions (IMF/World Bank, 2002: 7) but there is no reason to assume that climatic conditions will be more favorable now than they have been in the past. Even assuming that this growth rate is achieved it will be insufficient to move the country out of poverty (UNPD, 2002: 7).

44. In section 3.3.1.1. of the PRSP on the foundations and sources of growth, for example, it is asserted that growth will be pulled essentially by the agro-pastoral sector and the private sector. In the area of agriculture the country's irrigable land potential is given as 270,000 ha of which only 13,000 ha is currently being cultivated, including 6,087 ha in the context of the Special Programme of the President of the Republic. In the area of livestock, it is asserted that the country also has immense potential currently estimated at 4.5 million heads (p.65). However, the strategy does not say how the vast agricultural and livestock potential will be used to engender growth.

45. As already noted, important increases in output are required in order to attain the growth rates envisaged. For example, in the agricultural sector, how many hectares are programmed to be developed every year? What will be the additional agricultural output? How will this output be produced and by whom? In which markets will the additional output be sold? What will be the impact on the country's GDP growth? These are many of the questions that need to be answered.

46. It is asserted that Nigeria, Côte d'Ivoire, Ghana, Togo, and Benin constitute good markets for Niger's agro-pastoral exports. But no indication of the market potential is given. The private sector is also identified as an engine of growth (pp. 72, 79, 87). And again, there are no specifics on how the private sector is to play this role. Mention is made of tourism and artisanal products. But how will these increase GDP growth? Are the industrial and commercial sectors expected to play a role? The PRSP furthermore remains silent on the question of reducing the country's high demographic growth rate. The Permanent Secretariat in charge of the PRSP has explained that the rather short time frame for preparing and submitting the document to the World Bank and IMF did not leave enough time for the articulation of a detailed growth strategy.

47. In identifying sources of growth, the critical factor will be the country's ability to develop external markets at the regional level and in other parts of the world, as internal markets are too narrow to sustain significant increases in production. As has been repeatedly noted by former U.S President Jimmy Carter and many international trade experts, agricultural subsidies in Europe severely limit African agricultural exports to European markets. African countries have

a comparative advantage in the production of agricultural and livestock products with the potential to transform these products using labor intensive methods of production. The production of primary and transformed products would in turn generate commercial activities, giving rise to the development of the primary, secondary, and tertiary sectors. However, their internal markets tend to be too tiny to sustain sufficiently large increases in production that would generate the necessary economies of scale to reduce unit costs to the point of ensuring financial viability. As in most other African countries, the expansion of output in Niger is severely limited by the market which in turn explains the existence of massive unemployment. Without the development of markets, then, it is hard to see how the PRSP will constitute a development paradigm for Africa.

VI. The Pro-Poor Component of the Strategy

48. This section examines the component of the PRSP aimed at translating growth into welfare benefits for the poor. Niger's PRSP envisages five specific objectives to increase the welfare of the poor: (a) increase incomes of the rural population through increased agricultural and livestock production (for example, sections 3.3.1.1 and 3.3.2) (b) improve the access and quality of basic social services for the poor (sections 3.3.3; 4.2.3); (c) reduce the demographic growth rate (section 1.3.2.3); (d) enhance the status and increase the incomes of women (sections 1.4); (e) improve the management of the country's natural resources (section 3.3.2); and (f) ensure food security (section 4.2.2.1). Pillar three of the four pillars of the PRSP is on the access of the poor to basic social services (p.18).

Objectives and Concrete Action

49. So far, the most important concrete actions that have had some impact on the poor is the provision of social services in the rural areas – wells, schools, health centres, latrines, irrigation installations, etc. in the context of the special programme of the President of the Republic. For example, thanks to the special programme more than 6,000 hectares of irrigated land has been put into agricultural and livestock production. During the review in July of the result of PRSP implementation during the first year (2002-2003) it was recognized that, outside of the President's special programme, the PRSP had had little or no impact on the poor.

50. Again, as in the case of macroeconomic growth, objectives have rarely been translated into specific actions to increase the welfare of the poor. Outside the special programme, the poor have not increased their output, and there has been little or no increase in basic social services provided to the poor. Furthermore, little or nothing has been done to reduce population growth, improve the status and incomes of women, improve the management of natural resources, and increase food security.

51. On the positive side, following the approval of Niger's PRSP by the Bretton Woods Institutions in January, 2002, the Government has been engaged in preparing detailed sector strategies for education, for health, and for rural development which were not ready at the time of PRSP approval. The rural development strategy covers the Ministries of Agriculture, Livestock & Animal Products, Environment and Hydraulics, as well as the newly created Ministry of Community Development. The comprehensive sector strategies which have included detailed action plans and related costs have been prepared by sector strategy teams, with technical and financial support of donor partners. The

education sector strategy, in particular has received praise from donors, is already completed, and is due to be adopted by the Government. Work on the health sector strategy is also well advanced. The three sector strategies, if well implemented, should go a long way in increasing the access of the poor to these services, and in improving quality.

52. A number of social problems are identified in the PRSP: (a) the high population growth rate of 3.3 percent which makes it difficult to increase per capita incomes; (b) gender inequality and discrimination against women; (c) the threat of HIV/AIDS despite the country's low prevalence rate of less than 1 percent; the deterioration of the natural resource base as a constraint to long-term poverty reduction efforts. These issues are barely raised and no proposals are given to address them.

Sustainability of Investments in the Social Sectors

53. Without growth in per capita GDP it is hard to see where resources would come from to sustain the above social investments. It is true that there is strong donor interest in financing the social components of the PRSP. However, the sustainability of investments in the social sectors still will have to come from resources generated by growth.

54. There is a more fundamental problem with the sustainability of investments in the social sectors in Africa and particularly in Niger. Investments in education and health constitute both an end and a means of development. Education and health are an end because one of the objectives of development is to have an educated and healthy population. But education and health are also supposed to be a means because they should constitute the human resources or capacity which the country needs in order to produce. Unfortunately, in Niger and most of Sub-Saharan Africa, investments in education and health have remained only an end because of the massive unemployment. That is, investments in human resources do not translate into increased output which would have generated additional resources for further investments in education and health. For this reason, an initial cycle of investments in education and health will result in some increase in welfare but the investments would not be sustainable because they do not generate increased output, owing to massive unemployment. Without increased output there will be rather limited resources with which to carry out a second cycle of investments in human resources.

55. Investments in human resources have tended to become a burden for African countries because they increase welfare but contribute very little to increased output. Casual observation suggests that these investments may even have negative returns because of massive unemployment. In case of Asia (the Asian Tigers) investments in education and health resulted in high rates of growth and development because these human resources were gainfully employed in production activities, resulting in positive returns on investments and to the sustainability of such investments. By contrast, investments in human resources in Niger and other African countries would appear to be characterized by negative returns, suggesting that the theoretical and empirical justifications for investing in these sectors may be fundamentally flawed. Investments in human resources are productive only when there is a derived demand for these resources through the demand for the products that these resources would produce. But, where there are no markets for the products

that these human resources could produce investments in human resources, while yielding welfare benefits, may become unproductive and unsustainable because of lack of derived demand. This constitutes a fundamental constraint for poverty reduction.

The Millennium Development Goals

56. Given the difficult economic situation of the country and its past performance, and despite courageous efforts by the Nigerien authorities, it is unrealistic for the international community to reason in terms of attaining the Millennium Development Goals (MDGs) in Niger. The level of per capita incomes in Niger today is lower than 30 years ago. This reality is partly recognized by the PRSP itself and the country's poverty reduction objective is to reduce the level of poverty from 63 percent to 50 percent in 2015 (p. 63), a more realistic objective than that envisaged in the MDG. Nevertheless, it is important that the authorities continue to use the Millennium Development Goals as a useful reference for intensifying their efforts. Given the particularly difficult economic situation of the country, generous donor support (on a grant basis) and efforts to ensure political stability will be critical in Niger's poverty reduction efforts.

VII. Public Finance Aspects of the PRSP

57. An important question is how much budgetary resources can be mobilized for the financing of the PRSP. Public expenditures affect poverty outcomes in three ways: first, sound fiscal policy contributes to overall macroeconomic growth and the fruits of growth can then be redistributed to the poor. Second, public expenditure can be used to finance poverty reduction programmes directly. Third, the volume and quality of public services are dependent on the actual flow of budgeted resources to service delivery institutions. In this section we examine the extent to which Niger's PRSP is being financed from budgetary resources.

58. We show that the financing of the country's PRSP from budgetary resources is very limited indeed owing to a chronic crisis in public finance which explains the country's dependence on external financing. In the late 1970s when Niger's economy was sustained by the uranium boom, the country experienced a short-lived period of sustained growth, (registering double-digit GDP growth in some years) and development programmes were financed largely from budgetary resources. With the collapse of international market prices for uranium beginning in the early 1980s, the country has been characterized by a chronic fiscal crisis. Between 1983 and 1993, highly volatile real GDP growth averaged -0.6 percent, mainly as a result of declining demand for uranium (4). In recent years some 60 percent of recurrent expenditures and more than 80 percent of capital expenditures has been financed from foreign assistance (UNDP/Niger, 2001: 51).

59. Given such budgetary constraints, an important objective of the PRSP is to improve the quality and efficiency of public expenditures. This section therefore examines not only the budgetary constraints in the financing of the PRSP but also the extent to which budgetary reforms have improved the quality and effectiveness of public spending. In particular we assess the extent to which PRSP strategic priorities have actually been integrated in the budget process and the Medium-Term Expenditure Framework (MTEF).

Medium-Term Budgetary Constraints

60. Niger's financing of the PRSP through the budget has been limited by chronic budget deficits owing to the combined effects of poor macroeconomic growth and weak fiscal management. During the 1990s budget deficits averaged 8 percent of GDP. Despite efforts to increase tax revenues, the ratio of tax revenues to GDP averaged only 10 percent in 2000 - very far from the 17 percent recommended by the Economic Community of West African States (ECOWAS). This is to be explained by the narrow tax base and increasing tax evasion due to the shrinking of the formal sector at the expense of the informal sector: the share of the informal sector was 70 percent of GDP in 200 (UNDP/Niger, 2001: 30), thereby reducing the Government's revenue and investment capacity.

61. The crisis in public finance resulted in the accumulation of unsustainable internal and external debt. At the end of 1999 the internal debt stood at 295 billion CFA Francs equivalent to 27 percent of GDP, owed to the financial sector, to suppliers, and to civil servants in the form of salary arrears. The volume of internal debt illustrates not only the degree of deterioration in public finances but it also weakens the financing and investment capacity of the country's economic operators, further resulting in a negative impact on economic growth. External debt amounted to 1023 billion CFA Francs that year, equivalent to 82 percent of GDP.

62. Following the country's eligibility for the Heavily Indebted Poor Country (HIPC) Initiative in December 2000 there was a significant reduction of the external debt burden by 53 percent making it possible to allocate more financial resources to priority sectors of the PRSP, such as health, education, rural development, farm roads, etc. In addition, the resources from debt relief are intended for this purpose. The expected resources from the HIPC are estimated at 8.6 billion CFA Francs in 2001, 10,2 billion in 2002, 14.1 billion in 2003, 15.8 in 2004 and 18.2 billion in 2005 (UNDP/Niger, 2001: 53^o). The debt relief funds for 2002 and part of the funds for 2003 are being held in a special account at the Central Bank; most of these funds have been disbursed to finance the Special Programme of the President of the Republic.

63. The crisis in public finance comes from two sources: first, poor economic performance resulting in low Government revenues; and second, weak fiscal management which has caused inefficiencies in public spending. The first source was already discussed in section V. The low level of Government expenditure is explained by the poor overall level of economic activity as seen from the negative per capita GDP growth and the low level of investment and exports which, combined with the rapid growth of the informal sector at expense of the formal sector, has resulted in a narrow tax base. Low Government revenues compared with an incompressible level of expenditure has resulted in budget deficits described above. Limited Government resources from the budget explains the country's heavy dependence on foreign assistance which, as is shown below is likely to result in a second round of unsustainable debt and HIPC debt relief.

64. The country's external position in terms of the balance of payments is similar to the fiscal position. Niger's balance of payments was also characterized by chronic deficits throughout the 90s with the exception of 1993. For the other years between 1990 and 1999 the deficit averaged 6.6 percent of GDP. Both the balance of trade and the invisible balance have been negative. The deficit in the trade balance is again explained by the poor performance of Niger's export sector. Three key indicators of macroeconomic stability – the fiscal balance, the balance of payments, and the level of indebtedness

- have been unfavorable. As for the fourth key indicator, which is inflation, Niger has been relatively successful in containing and keeping the annual inflation rate below the annual rate of 3 percent.

65. The Niger PRSP stresses the importance of ensuring macroeconomic stability by maintaining a sustainable fiscal position, external position, and level of indebtedness as well as keeping the level of inflation low. The PRSP stresses the importance of significantly increasing the revenue-to- GDP ratio by broadening the tax base, but this does not seem feasible unless there is satisfactory growth (5). In the short run macroeconomic stability can be maintained through generous foreign assistance but in the medium run foreign assistance, if it is not essentially in the form of grants, will result in the recurrence of unsustainable debt.

The Quality and Effectiveness of Public Spending

66. Since the endorsement of Niger's PRSP by the IMF and the World Bank in January, 2002, the country has made significant progress in linking the PRSP to the MTEF and in improving the quality and efficiency of public expenditures. The Medium-Term Expenditure Framework (MTEF) contained in the PRSP document was very tentative: it was not based on a realistic cost analysis of various poverty programmes; no detailed action plan had been elaborated; the country did not have previous experience in elaborating an MTEF; there was also a time constraint in meeting the deadline the country had set for itself to complete the PRSP; as a result there were major errors and discrepancies in the costing and programming of poverty activities, generally resulting in an overall underestimation of the public expenditure programme. Following the approval of Niger's PRSP by the Bank/Fund Board in January 2002, the main recommendation by the Joint Staff Assessment was that the country should translate the PRSP into detailed sector strategies, leading to costed programme budgets (the MTEF).

Table 1
Medium-Term Expenditure Framework (2002–2005)
(amounts in billions of CFA Francs)

Sectors	Cost of the Strategy	percent	Identified Financing	Financing Gap
Education	270	16	160	110
Health, HIV/AIDS	286	17	108	178
Urban Development	67	4	-	67
Rural Development	202	12	44	158
Road Infrastructure	87	5	87	-
Water	50	3	50	-
Reduction of arrears (Private Sector)	98	6	98	-
Total Priority sectors	1,060	63	547	513
Other	623	37	Na	Na
Total	1,683	100	Na	Na

Na=not available

Source: The Niger PRSP document

67. The MTEF presented in the basic PRSP document is shown in table 1. The priority areas of basic education, health (including HIV/AIDS) rural development (including rural roads) private sector development, urban development (sanitation) and water are programmed to amount to a total of 1,060 billion CFA Francs over the period 2002-2005, equivalent to 63 percent of public expenditure. Non-priority expenditures constitute 37 percent of the expenditure programme. The expenditure framework includes investment and recurrent expenditures. Strategic objectives in the social sectors target are an improvement of both coverage and quality of basic social services.

68. Since then, however, drawing on its own expertise and on technical assistance from a number of donors and consultants, the country has had more time to translate the PRSP into detailed sector strategies and costed programme budgets; revised estimates for capital and operating costs of programmes have recently been carried out; detailed sector strategies and costed budgets have been prepared for education, health, and rural development. In the case of rural development, for example, the sector strategy has integrated four sub-sectors: agriculture, livestock, hydraulic and environment, and community development. What we have now is a much better institutional link of poverty priorities to the annual budget cycle and the MTEF.

69. The requirement under the PRSP to produce an MTEF is expected to improve the quality and efficiency of public expenditure in three ways. First, the expenditure programme reflects PRSP priorities; second, the MTEF requires the detailed costing of these priorities; third, it takes into consideration the country's financing constraints since it shows how the poverty reduction strategy will be financed. However, despite the progress that has been made, the PRSP does not fully address the issues regarding the structure and quality of public expenditure.

70. In particular, there is no discussion of the tradeoffs to be made between productive and non-productive spending. The PRSP is not clear on the basis for allocating 63 percent of the expenditure programme to priority sectors and the remaining 37 percent to non-priority sectors. The PRSP does not specifically say so but HIPC debt relief funds have in effect been integrated into the poverty reduction framework and have been used essentially to finance poverty interventions under the Special Programme of the President of the Republic. Niger still needs to consolidate its reforms in budget preparation, programming, and execution; in reporting and tracking of expenditure, in the strengthening of public accounting mechanisms, and reform of public procurement with the objective of fostering transparency

The Financing of the PRSP

71. As shown in table 1, the total public expenditure programme over the period 2002-2005 stands at 1,683 CFA Francs of which 1,060 is for the priority sectors and 623 for the non-priority sectors. For the priority sectors 547 billion of the financing has been identified and

513 is the financing gap still to be identified - the totality of which will have to come from foreign assistance. It may be assumed that the non-priority activities will have to be financed entirely from the budget (since rather few donors would be interested in these activities) and would absorb nearly the totality of budget resources over the four years, estimated at roughly 630 billion.

72. Over the four years of the MTEF, maximum total budgetary resources are estimated at 650 billion CFA Francs ; when debt relief funds are added total internal resources come up to 690 (debt relief resources total 40 billion over the four years). Given that total medium-term expenditures over the period have been estimated at 1,683 billion, total external financing (external financing already identified and financing still to be identified) will have to be at least 993 billion. This amount is about 450 percent of exports of goods and services. Yet, the critical ceiling above which debt becomes unsustainable is 150 percent, indicating that if external resources were to be actually mobilized, the country's debt would become unsustainable even before the end of the first two years of the programme. This situation is certainly inconsistent with IMF/Bank concerns about debt sustainability. The conclusion drawn is that the Niger PRSP is unlikely to be financed as programmed in the MTEF and that the latter is grossly unrealistic as it fails to take into account the country's medium-term budgetary and external financing constraints.

VIII. Realigning Donor Policies and Resources

73. The PRSP now constitutes a framework for donor assistance. A major achievement of the PRSP approach is that it has provided, for the first time, an organizing framework for strengthening partnerships between the Government and the donors and among the donors themselves, based on the common objective of reducing poverty, with Government taking the lead. But this implies realigning donor policies and resources to ensure country ownership and leadership, as well as greater effectiveness of donor assistance.

74. The realignment of donor policies and resources is even more critical for Niger, given the country's heavy dependence on donor assistance. Prior to the PRSP, as noted above, donor investment financing in the country averaged more than 80 percent of total Government investment expenditures. However, despite its status as one of the poorest countries in the world donor assistance actually declined from 313.3 billion CFA Francs in 1990 to 162.7 billion in 1999, the lowest in the decade. This is paradoxical and constitutes a challenge for the donor community. The country's heavy need for donor financing led the Government to organize the donor Forum which was chaired by the Prime Minister and aimed not only at mobilizing donor resources for the implementation of the PRSP but also at increasing the effectiveness of donor assistance.

Existing Donor Policies and Practices

75. Prior to the PRSP, development strategy was passive and donor-driven: donor assistance was characterized by a fragmentation of donor programmes with each donor deciding its own strategy,

objectives, and procedures for implementation, including accounting practices, financial reporting systems, as well as monitoring and evaluation; donor dialogue and coordination with Government was weak and donors had very little trust in Government's fiduciary capacity; there was no harmonization of donor practices and coordination among the donors themselves was rather weak; external financing was generally unpredictable and information on actual levels and sector distribution of donor financing was unknown to Government. The project approach also encouraged the tying of aid through technical assistance and the requirement to purchase equipment from the donor countries.

76. Such practices resulted in rather weak Government ownership of donor projects and to the general ineffectiveness of donor assistance. The Government's attempt to deal with fragmented donor programmes and accounting systems became very time-consuming as existing human capacity in Government was overstretched. The problems created by fragmentation and ineffectiveness of donor assistance was one of the purposes for Government's organization of a donor Forum in June, 2003, chaired by the Prime Minister (see below). During the Forum he deplored the above practices, the ineffectiveness of aid, and exhorted the donors to adopt a programme or budget support approach to donor assistance based on the PRSP.

Donor Support for PRSP Preparation

77. Most donors were on board from the start of the PRSP process. The World Bank, the UNDP, Canada, Belgium (Belgian Trust Fund), France, and the European Union provided financial support for PRSP preparation. For example, Canada financed most of the activities relating to civil society participation. The donors also participated in the launching workshop, as well as in sector and thematic consultations, and have played an active role in Government/donors committees. PRSP drafts were discussed with the donor community and especially with the World Bank and IMF in Washington. The donors also participated in the validation workshop. The donors are also standing members in the PRSP National Standing Committee which is chaired by the Prime Minister.

78. Already during PRSP preparation, it became clear that to achieve the Millennium Development Goals donors had to tailor their interventions to the PRSP and this has empowered the Government to assume leadership in mobilizing resources and in ensuring the coordination of donor programmes and harmonization of their policies. The intense consultations that took place during PRSP preparation already convinced donors that the PRSP as the single organizing framework offered an opportunity to strengthen partnerships.

79. The purpose of the Forum was to ask donors to pledge their commitments and to say which strategic priority they would support. The expected outcome was to have decisions on broad commitments for financing the PRSP. Subsequent to the Forum donors were to organize sector roundtables in order to harmonize their commitments to avoid "over" funding of individual sectors

80. Among the lessons learnt are that PRSP preparation has empowered government to take the lead on donor alignment; the broad character of the PRSP was not enough for donor alignment

and authorities needed to translate the PRSP into sector strategies; some donors lack trust in government's ability and will to move ahead with the PRSP process; there has been rather little actual progress in harmonization of donor programmes in accordance with the PRSP; and most donors hesitate to move to programmatic support due to distrust in the government's fiduciary capacity. Total donor commitment to the PRSP is still unknown.

Organization of a Donor Forum in Niamey

81. The Government took the lead in organizing a donor Forum on the PRSP which was heavily attended by donor agencies represented in Niger as well as those outside Niger. This was an innovative initiative over the traditional consultative group (GP) approach. The donor Forum had four main objectives: (a) to mobilize additional resources for PRSP implementation; (b) to align development programmes (Government - and donor-financed) behind the PRSP; (c) to strengthen donor coordination; and (d) to harmonize monitoring and evaluation systems.

82. The organization of the Forum around the PRSP was evidence that the Government was taking the leadership and ownership. The PRSP institutional framework was maintained; the World Bank and the United Nations Development Programme (UNDP) took joint responsibility for supporting the government's leadership role and advocating for more donor resources. A pre-forum was also organized at the technical level to discuss details.

83. From a practical standpoint the purpose of the donor Forum was for donors to pledge their allocations and to declare which PRSP strategic objective they would support. The expected outcome was decisions on a broad division of labour in support of the PRSP. Subsequent to the Forum, sector roundtables were organized among donors to avoid over-funding of individual sectors. Sequencing of donor assistance is of vital importance. Donors were expected to pledge their support for specific sector strategies.

84. A number of lessons have been learnt since the beginning of the PRSP process. First, successful PRSP preparation empowered Government to take the lead on donor realignment. Second, the broad character of the PRSP is not enough for donor realignment and the PRSP needs to be translated into sector strategies. Third, in some cases donor commitment was stronger at their headquarters than in-country (World Bank, 2003: 8). Fourth, a strong partnership between the World Bank and the IMF facilitated the review/approval process for Niger's PRSP; fifth, the realization that donor realignment is more challenging in sectors with high donor fragmentation prior to the PRSP process (such as rural development).

Donor Support for the Programme Approach

85. The strongest support for the budget or programme approach has been demonstrated by the sixteen agencies of the United Nations system. Even before the Forum, UNDP signed with the Government of Niger on their behalf the UN Development Assistance Framework (UNDAF) (UNDP, 2003] formally committing their financial assistance to the tune of 522 million dollars over the period 2004-2007, of which 60 percent was for direct financing of PRSP activities and the remaining 40 percent for general activities to improve the general environment for PRSP implementation. UNDAF

itself constituted a major reform in approach by the UN agencies aimed at harmonizing and realigning their assistance behind the PRSP.

86. The three core priorities of the UN agencies in Niger are: contribution to food security; contribution to ensure universal access to basic social services; and contribution to ensure good governance and sustainable growth with a better distribution of the fruits of growth. The cross-cutting priorities are: the environment, HIV/AIDS, gender, re-enforcement of capacity and communication. These objectives also seem to be in line with those of the PRSP (6).

Realignment of Donor Policies and Resources

87. The realignment of donor policies and resources must place the PRSP at the centre as the operational framework for donor assistance and it must be based on Government leadership and ownership. The fundamental issue is that some donors lack trust in Government's ability and will to move ahead with the PRSP process. Despite the goodwill manifested by donors at the donor Forum, rather little actual progress has taken place in harmonizing donor programmes (timing, joint programming) in accordance with the PRSP. Most donors hesitate to move to programmatic support due to distrust in the fiduciary capacity of Government.

88. Of great importance is that there is already a general commitment between Government and donors on coordination and harmonization to ensure greater effectiveness of aid, reduction of transaction costs, improvement of the impact of donor interventions, harmonious development of all regions of the country and better ownership of the PRSP. Niger has been chosen by donors as a pilot country for coordination and harmonization. It consists essentially of reforms of management instruments for development and reforms in financial management. A concrete case of implementation using national procedures in Niger is the Special Programme of the President of the Republic, which is being funded from HIPC relief resources.

89. The Niger pilot case consists of specific realignment and harmonization of priorities identified by the Government and donors, implementation being led by the Government with the support of donors on the basis of an action plan (the example of the education sector). Harmonization covers the coordination of aid, the preparation of projects, financial management, procurement of goods and services, monitoring and evaluation (reporting), sector analytical work, capacity building and technical assistance, etc.

90. Reforms of management instruments for development are seen in the context of the poverty reduction strategy which constitutes the only framework for the mobilization of resources, the reference document for establishing an order of national priorities, with the programme approach as the basis for the formulation and implementation of development activities.

91. Reforms in financial management include the elaboration and adoption of a new budget framework covering investment and recurrent expenditures; elaboration of a new procurement code; elaboration and adoption of a new accounting system; elaboration of an MTEF and a programme budget for the education and health sectors; the conduct of public expenditure reviews; etc.

92. The next steps will include operationalization of the PRSP under a logical framework by sector; finalization of the study on the sources of growth; elaboration of an action plan for the harmonization of procedures; elaboration of a strategy for capacity building in the management of aid; generalization of the programme approach and elaboration of an MTEF for the other sectors; and the setting up of a monitoring and evaluation system with common indicators agreed upon by all.

93. The main challenges for the realignment of donor policies and resources are: (a) close collaboration between the Government of Niger and its development partners in the implementation of harmonization; (b) close realignment of development partner assistance and coherent and sustained efforts on the part of both the partners and the Government; (c) the setting up of a monitoring and evaluation framework agreed upon by all; and (d) transparency in the management of public expenditure.

IX. Capacity Building

94. The PRSP is a comprehensive development strategy requiring an equally comprehensive mix of skills and capacity. There are four areas of the PRSP requiring this mix of skills and capacity: poverty diagnosis and analysis, formulation of the poverty strategy, implementation of the strategy, and monitoring & evaluation of poverty outcomes. Government must take the lead and assume prime responsibility for poverty analysis; formulation of the strategy, and monitoring and evaluation, although other stakeholders should also contribute. The implementation phase, on the other hand, requires a close partnership between Government and a large number of other economic agents and actors. This section assesses Niger's capacity needs in the four areas of the PRSP.

95. The fourth pillar of Niger's PRSP focuses on the building of human and institutional capacity as well as governance. The World Bank, the IMF and other donors have emphasized the importance of capacity building in the preparation and implementation of the country's PRSP. However, capacity building in Africa has been poorly implemented in the past; it has tended to be passive and driven by donor programmes and there has been no long-term vision for developing institutional capacity. Furthermore, even the existing capacity has often been poorly utilized. It is argued that strong political leadership and commitment are a prerequisite for meeting these daunting capacity challenges.

Capacity Needs in Government Institutions

96. Government has the prime responsibility for preparing and leading the PRSP process and therefore needs the institutional capacity to do so. Capacity needs in Government are concentrated in the key institutions that are directly involved in the PRSP but other Government institutions also participate in varying degrees. The heaviest responsibility falls on the PRSP Secretariat, which in Niger is anchored at the Prime Minister's Office and is responsible for the basic analysis of poverty, monitoring and evaluation of poverty outcomes, and for the overall management and coordination of the PRSP process. A comprehensive mix of skills is required at the Secretariat. Poverty analysis, and the elaboration of a monitoring and evaluation framework require the expertise of statisticians and information technologists to generate, analyse, store, and distribute poverty information to a

large number of stakeholders. Public finance specialists are required to work closely with the Ministry of Finance in ensuring the linkages between the PRSP and the budget process. The preparation and formulation of the poverty strategy requires core expertise in development, including development economists, other social scientists, rural development specialists, managers, engineers, lawyers, marketing experts, and so on.

97. The Ministry of Finance plays an important role in the PRSP because it is responsible for budget preparation and execution and especially for the linkages between the public expenditure programme and the PRSP. Here the expertise of public finance specialists and managers are needed. A number of core sector ministries are key to the success of the PRSP: the Ministries of Basic Education and Health are responsible for all substantive input required for the provision of these basic services to the population, both in terms of coverage and quality. Here, basic education and health specialists are needed. The four Ministries responsible for rural development: Agriculture, Livestock, Water Resources and Environment, and Community Development play a critical role in the Nigerien economy because agro-pastoral production constitutes the backbone of the country's economy. They need rural development specialists, including specialists in irrigation, agricultural and livestock technology. Other important Ministries are those responsible for Private Sector Development, Commerce, and Infrastructure. The above needs of Government institutions are relevant both at central and decentralized levels: capacity is frequently lacking at the decentralized levels.

Capacity Needs Outside Government

98. For the PRSP to succeed, capacity must go beyond Government. Donor partners, private business, NGOs, and other stakeholders contribute to the capacity needs of Government institutions through the participatory process. The implementation phase of the PRSP, in particular, requires the development of capacity outside the Government – capacity being defined as the body of skills, knowledge, technology, and expertise required by economic agents (farmers and private businesses) to produce and market the output that generates macroeconomic growth, the very foundation of the PRSP. But this requires a close partnership between these economic agents and Government, with the latter acting as a promoter and facilitator. The Government's critical promotional and facilitating role (in the case of rural producers) comes through agricultural and livestock research institutions and extension agencies that enhance the technology, knowledge and skills of rural producers.

Capacity Constraints on the PRSP

99. In sections V, VI, and VII a number of weaknesses and gaps in the Niger PRSP were identified in terms of refinements that need to be made to improve the strategy. Some of these weaknesses may be partly attributed to capacity limitations in Government, although it is clear that there were other constraints as well. For example, the PRSP Secretariat confirmed that some of the weaknesses of the PRSP were due to time constraints as the Government was under pressure to deliver an interim PRSP and subsequently a full PRSP that met the requirements of the IMF and the World Bank in order to benefit from badly needed debt relief

and concessional donor assistance.

100. In a short space of time and without any previous experience with PRSPs, the country had to adopt and prepare a new development strategy called the PRSP which required intensive and time-consuming consultations with civil society and other stakeholders; detailed poverty analysis and diagnosis; a well articulated poverty strategy with a sound macroeconomic framework; detailed sector strategies; and the preparation of an MTEF. The country's existing capacity was overstretched as it attempted to respond to these sudden and intensive demands by the World Bank and the IMF.

101. Despite the weaknesses cited, the Niger PRSP was approved by the Joint Boards of the World Bank and the IMF. It is clear that the Bank and the Fund, for their part, were quite aware of the country's capacity constraints and the tremendous effort that had been put into PRSP preparation. They, too, were under pressure to endorse the PRSP in order to enable the country benefit from debt relief and concessional assistance, especially given the widespread poverty in the country.

Conditions for Successful Capacity Building

102. While everyone agrees that capacity building is required, the problem has been the manner in which it has been implemented in Africa. Capacity building has tended to be driven by donors, based on the need of the moment; political constraints have undermined not only institutional capacity building but also the utilization of existing capacity. As Niger embarks on its capacity building efforts, it should take into account the lessons of past experience with capacity building in Africa. Positions in Government requiring technical skills are rarely advertised based on the sweeping assumption that there is no expertise in the country, and unqualified people are appointed to key positions, often as political patronage, while excellently qualified people are ignored. Some donors have taken advantage of this situation to continue to staff their projects with technical assistance experts even when local expertise was available. Under such conditions it has been difficult to build institutional capacity.

103. Mamadou Dia, then sector manager at the World Bank, undertook a detailed assessment of capacity building in a number of African countries and concluded that:

‘Although Sub-Saharan Africa has had a good supply of well educated personnel...the region has been unable to use these resources effectively because it has generally lacked an institutional base with the required legitimacy, accountability, stability, enforceability, and incentives’ (1996:28). An even more powerful statement of the under-utilization of human resources in Africa is by Elliot Berg (1993). ‘Emphasis on institutional capacity building combined with a rational use of existing human resources is what Niger needs’ (7).

104. Capacity - broadly defined in terms of technology, technical skills, knowledge, and expertise within and outside Government - may be the single most important factor for the success of the PRSP. On the other hand, it is hard to see how this challenge – and indeed how the entire PRSP - can succeed without strong political commitment. Interestingly, one of the thematic groups during the preparation of the Niger PRSP was on capacity building and governance. Unfortunately, the concept of good governance has brought great confusion in the development literature. It has tended to be used, for example, by the World Bank and the Government in a purely technical sense. But good

governance is used here in a political sense to refer to strong political commitment, maintenance of political stability, free and fair elections, and Government accountability to its people.

X. Conclusions

105. After conducting a detailed assessment of Niger's PRSP approved by the IMF and the World Bank in January, 2002; studying other published and unpublished documentation relative to the country's PRSP; and interviewing a considerable number of Government officials, donor partners, and representatives of civil society organizations, the following conclusions have been drawn. The conclusions highlight the major strengths and weaknesses of the Niger PRSP as well as the critical conditions necessary for success.

Major Strengths of the Niger PRSP

- (a) A major strength of the PRSP is the extensive consultative and participatory process that was followed for its preparation and adoption which is thought to have enhanced the quality of the strategy, improved civil society's economic literacy, and laid the foundation for the development of its institutions – essential for ensuring Government accountability.
- (b) The PRSP is also rooted in a good poverty diagnosis and analysis, despite data limitations, and presents a clear picture of the generalized poverty situation in the country; furthermore the basic elements of a monitoring and evaluation framework have also been presented.
- (c) The PRSP, quite rightly, places heavy emphasis on sustained and stable economic growth as central to poverty reduction, which in turn requires the development of productive sectors (agriculture, livestock, private business) as well as the maintenance of financial stability (notably, through low inflation policy and sustainable fiscal and external positions).
- (d) Significant fiscal reforms have been carried out, including efforts to develop a Medium-Term Expenditure Framework, fiduciary capacity, and especially the linking of PRSP priorities to the budgetary process, as well as the development of detailed and costed sector strategies – for education, health, and rural development – which constitute strategic priorities for translating growth into welfare improvements for the poor.
- (e) By pursuing an aggressive resource mobilization strategy (for example, the organization of a donor Forum in Niamey) and anchoring donor assistance to the PRSP, the Government has made a strong case for a move towards programmatic aid and away from the project approach, for the harmonization of donor procedures, modalities and methods of intervention; and for Government to assume leadership in managing the PRSP.
- (f) The importance of institutional capacity building and governance are emphasized as key elements in the successful implementation of the PRSP.
- (g) The concrete actions carried out in the context of the Special Programme of the President

of the Republic have produced a non negligible impact on the poor.

(h) The PRSP is placed directly under the Prime Minister (and not under the Minister of Finance or Planning as is the case in many countries), which gives political visibility to the PRSP and facilitates the arbitration of conflicts among sector ministers.

Major Weaknesses

(a) It is too early at this stage to claim that the Niger PRSP is country-driven and country-owned as it is not clear whether civil society participation will be sustained. Despite the belief that participation would serve as an instrument for holding Government accountable, this is not likely to be the case as participation does not confer on civil society any legitimacy to hold Government accountable.

(b) The growth strategy proposed which should constitute the foundation of the PRSP lacks credibility and realism; it is not clear, given the country's past growth record, how the baseline annual growth rate of 4 percent in real GDP will be achieved and furthermore, this growth rate is recognized even by the Government as grossly insufficient to ensure poverty reduction. On the other hand, the international community should recognize Niger's particularly difficult economic conditions and understand that generous donor assistance (essentially in the form of grants) will be required to build the country's irrigation and agro-pastoral capacity before any significant progress in poverty reduction can take place.

(c) Again, without massive donor assistance, essentially in the form of grants for programme support to the PRSP, it is hard to see how the country's proposed Medium-Term Expenditure Framework will be financed.

(d) Past approaches to institutional capacity building have been counter-productive not only in Niger but in most of Africa; therefore, it is recommended that the country seek technical assistance from UNDP or other international institutions on how to implement an effective capacity building strategy. Furthermore, the narrow, technical conception of governance as used in the PRSP is different from that understood by civil society which conceives governance in terms of political commitment, the promotion of democratic governance, and Government accountability to the people.

(e) The PRSP does not address the issue of the country's very high population growth rate (of 3.2 percent). Achievement of increases in per capita incomes will be even more difficult with high population growth. Furthermore, there is no proposition for addressing the deterioration of the country's natural resource base.

Conditions for the Success

(a) Given Niger's particularly difficult economic conditions and vulnerability to shocks, a stronger and sustained commitment by the donor community is needed in order to finance its poverty strategy - largely in the form of grants for programme support to the PRSP - if the country is to be expected to achieve significant poverty reduction.

(b) To solicit and maintain such donor commitment, the political leadership of the country must

show its own commitment to the PRSP by doing everything it can to maintain political stability (especially given the country's history of political instability); guaranteeing free and fair elections, and mobilizing the entire country behind PRSP implementation.

c) The generous donor assistance referred to in condition (a) needs to be used to build institutional capacity in the public sector and the production capacity, knowledge, and skills of other economic actors (farmers, small businesses, research and extension agencies, etc) outside Government, especially in the areas of water resources and agro-pastoral technology.

(d) Niger needs to find regional markets through greater economic integration with the coastal countries (Nigeria, Côte d'Ivoire, Ghana, Benin, and Togo) and to break into other international markets. Niger's success in reducing poverty will greatly depend on what happens with its neighboring countries. First, as a landlocked country, Niger is dependent on its coastal neighbors for the export and import of goods; second, it is dependent on them for markets; third, Niger and its neighbors share infrastructure and utilities (Niger is totally dependent on Nigeria for electricity, petrol, gas, and roads).

(e) While it is still appropriate for Niger to improve its poverty diagnosis and analysis on the basis of new data (for example, from the new population census and upcoming household income and consumption survey) the authorities should not lose sight of the fact that sophistication in poverty analysis and diagnosis is only of marginal importance unless real solutions to poverty are found. Unfortunately, the literature on poverty has tended to place more emphasis on methodological and statistical detail (perhaps because of their elegance) and relatively less attention to finding solutions to poverty. With its limited human resources Niger's primary focus should be on how to accelerate growth .

Notes to the Text

(1) A growth strategy is judged comprehensive if it includes the key priorities for poverty reduction.

(2) The 11 themes were the following: (i) poverty assessment and monitoring; (ii) the macroeconomic framework; (iii) private sector development, handicrafts, and tourism; (iv) financial system, savings, and credit; (v) rural development and food security; (vi) education; (vii) health; (viii) population and HIV/AIDS; (ix) decentralization, good governance, and capacity building.

(3). The joint staff assessment by the International Monetary Fund and the World Bank cited here in fact gives a real growth rate of 2.5 percent in GDP which is equivalent to -0.8 percent growth in per capita incomes, taking into account the population growth rate of 3.3 percent.

(4) The negative real GDP growth was also due to two severe droughts, a real overvalued currency and other market distortions.

(5) Attempts to increase the tax base in Niger have instead forced many small businesses out of the formal to the informal sector.

(6) The allocation of UNDAF assistance is as follows: 130 million dollars equivalent to 25 percent of total assistance, for the promotion of food security; 186 million, equivalent to 35 percent, for promoting access to basic social services; and 206 million, equivalent to 40 percent, to ensure good governance and sustainable growth with redistribution.

(7) There is a huge body of literature showing that (a) existing African capacity is poorly utilized for political reasons, (b) even when there is a transfer of skills it is often to people without the right background simply because they are the ones occupying the positions at that time, (c) emphasis has tended to be placed on individual as opposed to institutional capacity building, (d) capacity building has been passive and donor-driven.

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Annex I: Niger's Political Background

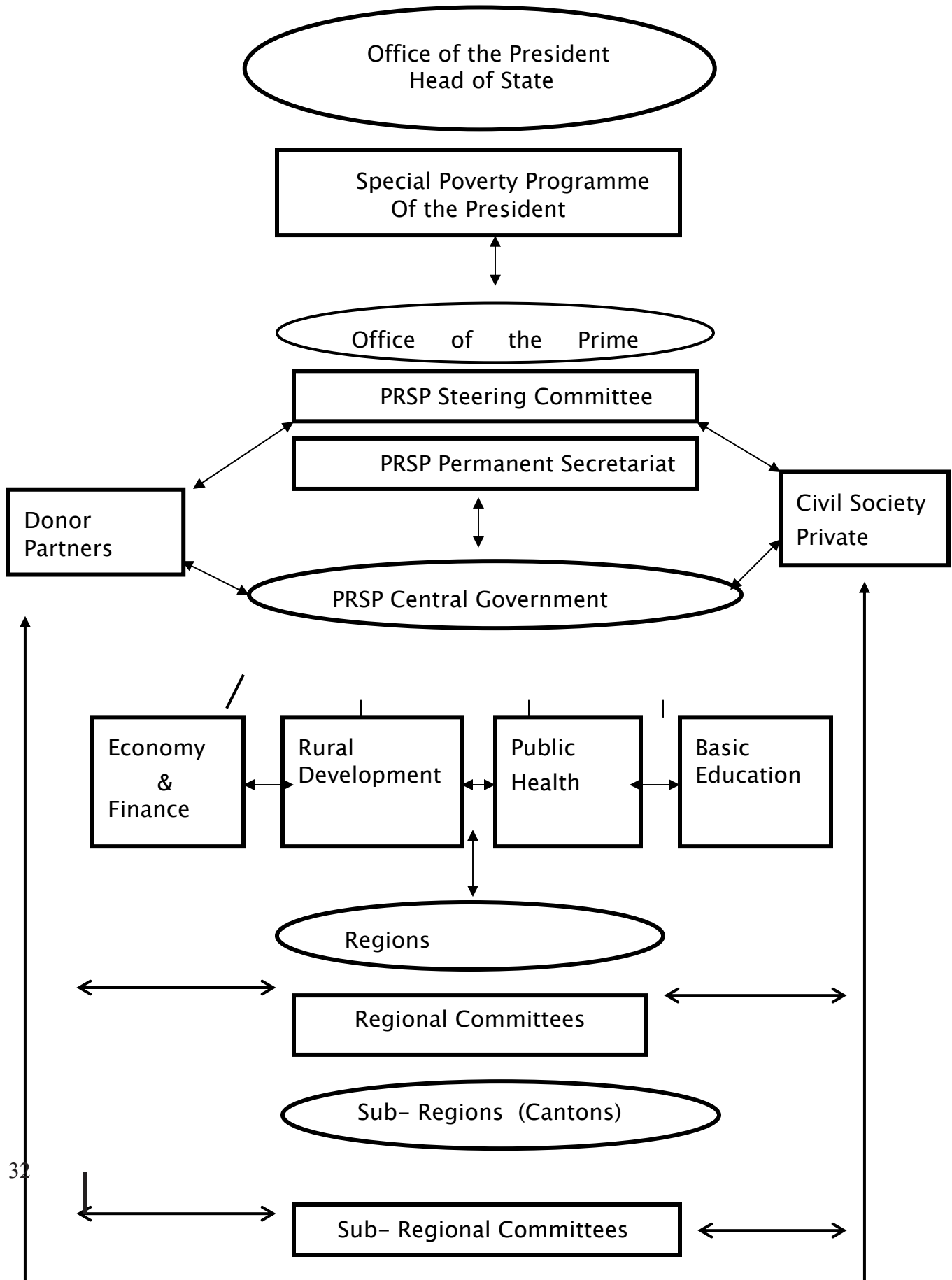
The Republic of Niger gained its independence from France in 1960. The country has experienced long periods of political instability. During the last decade, Niger witnessed one supreme national conference, four Republics, two military coups, two military regimes, and two armed rebellions in the North and East of the country.

The National Conference in 1991 was followed by political deadlock in 1995 between the President, Prime Minister, and the Head of the National Assembly, each from different political parties, culminating in a military coup in January, 1996. General Ibrahim Mainasara Bare supposedly won the Presidential elections in July 1996, amidst charges of electoral fraud. In the North and East of the country, armed rebel movements resisted repeated efforts to achieve peace agreements. Tension grew during the ensuing period of military rule, with opposition parties protesting, increasing political manipulation and poor governance. Following mounting public anger over alleged fraud in municipal and district elections in early 1999, President Bare was assassinated. A military junta led by Major Wanke took power, vowing to restore civilian rule by the end of the year. The few months of military rule were characterized by poor economic and financial performance, resulting in the accumulation of payments arrears, including six months of civil service salaries.

A constitutional referendum held in July 1999, was followed by Presidential and Legislative elections. The winning two-party coalition consisting of the MNSD (Mouvement nigérien pour une société de développement) which had ruled the country in the one-party regime of the 1980's, and the junior coalition partner, CDS (Convention démocratique sociale), which had shared power in the former civilian Government of 1993 to 96. President-elect Tandja (MNSD) was sworn-in in December 1999, and a newly elected National Assembly was inaugurated the same month. Finally, a new Government headed by Hama Amadou (MNSD) was appointed in January 2000, with the leader of the CDS, Mohamane Ousmane receiving the key position of President of the National Assembly. Since January, the Government of the 5th Republic has tried to achieve political stability by ensuring that the civil service salary arrears are paid, and by trying to make peace accords with rebel movements in both the North and East.

Despite progress in achieving political stability, there was an attempted military coup in July 2002 by the Nigerien armed forces civil administrators but the coup was crushed and the perpetrators were arrested. The President and Vice-President of the Constitutional Court resigned in September 2002 after they declared illegal two decrees by the President of the Republic dealing with the coup leaders. Since 2003, the Government has sought a reconciliation with the opposition on key national issues.

Annex II. :Niger's PRSP Institutional Structure



Annex III: Mission to Niger –Schedule of Meetings

ORGANISATIONS	PERSONNES À RENCONTRER	DATES
SP / DSRP 72.21.52 / 53 M. Malla ARI, Secrétaire permanent du DSRP, Coordonnateur du Comité de pilotage et Directeur de Cabinet adjoint au Cabinet du Premier Ministre	Réunion de contact avec l'Équipe SRP Membres de l'Équipe M. Malam Souley Oumarou M. Seydou Djibo Mme Sidikou fatoumata Mme Bagnan Aissata Fall M. Chegou Mahamadou	Mardi 22 à 16h
Participation au Séminaire SRP	Revue du rapport d'étape de la 1ère année de mise en oeuvre de la SRP	Mercredi 23 de 9h à 13h
Assemblée nationale	M. Abdourahim Balarabe, Député, Président de la Commission des affaires étrangères; Tel Zinder 510.281 Portable: 96.32.84 Email: a_balarabe@hotmail.com	Jeudi 24 à 17h
		Vendredi 25
Union européenne Tél. 72.23.60	M. Samzun Guy et M. Xavier	Lundi 28 à 16H
Banque mondiale 72.21.88 / 73.56.16	M. Dossou Yovo ou Mr Abdoulwahab	Mardi 29 à 10H (reporté)
Coopération danoise 72.37.72 / 72.37.72 Av. Charles de Gaule	M. Karbo Atahirou	Mardi 29 à 15H30
Coopération canadienne 75.36.86/87	Mme Fati Bagna Seyni, Conseillère en développement social, Unité d'appui au programme de coopération canado-nigérien Tel 75.30.42 ; 75.36.86	Mardi à 11h30

Coopération française 72.24.31/72.32.33	M. Christian Colomb, Conseiller adjoint de coopération et d'action culturelle, secteur économique Ambassade de France au Niger, Tel. 72.24.31 poste 236 Email: christian.colomb@diplomatie.fr	Lundi 28 à 11h30
PNUD 73.47.00	Mr Théodore Mpatswenumugabo Senior Economist Tel.72.22.56 Cel. 97.54.55 Email: theodore.mpatswenumugabo@undp.org Prof Ibro Abdou, Economist	Lundi 28 à 15h Mercredi 30 à 11h30
Projet de réduction de la pauvreté (Financement BAD)	Mme Moustapha Aichatou Coordinatrice, Tel Bu.75.46.22 Dom. 75.50.29 Portable: 92.75.05 Email: prp@intnet.ne	Mardi 29 à 10h
Ambassade de Belgique (Coopération belge)	M. Michel Lambrechts – Attaché-adjoint de la coopération au développement	Jeudi à 11h
Ministère de l'économie et des finances	M. Yakoubou Mahaman Sani Commissaire au développement, Ministère, économie et finance Tel Bu. 72.32.58 Email: sani.yakoubou@caramail.com	Jeudi à 16h30 SP/SRP
Ministère de l'éducation de base	M. Hamissou Oumarou, Secrétaire Général, Coordonnateur national «éducation pour tous et par tous» Ministère de l'éducation de base et de l'alphabétisation Tel Bu 72.26.77 Dom;73.63.65 ; Portable 96.32.71 M. Soumana Hamidou Diallo, Responsable de la composante qualité du PDDE; Tel 99.66.45 M. Mahamadou Sambo, Responsable de la composante accès du PDDE tel 96.90.43	Jeudi à 9h au Ministère

Annex IV

Outline of Poverty Profile

(Social Indicators)

1. Geographical area: 1,266,700 (km²)
2. Population: 11,534,000 (2002)
3. Population density: 9 (pop/km²)
4. Annual population growth: 3.3 (percent)
5. Economic growth rate: 3.1 (percent, 2002)
6. Per capita GDP: CFAF 123,000 (US\$ 203)
7. Inflation rate: 2.6 (percent)
8. Population below poverty line: 63 (percent); of which rural= 86; urban=52
9. Extreme poverty: 34 (percent); of which rural=36; urban=26
10. Human development index: 0.277 (HDI, 2002)
11. HDI world ranking: 172/173 (2002)
12. Life expectancy: 45.2 (years)
13. Arable land: 12 (percent,2002)
14. Infant mortality: 274 (percent)
15. Child mortality: 126 (percent)
16. Mother mortality: 7 (percent of births)
17. Gross enrolment: 41.7 (percent, 2002, total); of which girls=33.3
18. Adult literacy: 15.9 (percent)
19. Principal exports: uranium, livestock, niebe, onions, leather and skins
20. Exchange rate: CFAF 100 = 0.15 Euro

Annex V: Economic Data

Tableau: Résumé

 Surface : 1 267 000 km²

 Population totale 2001 (en millions): **10.8**

 PIB par tête 2001: \$ **172**

 Taux officiel de pauvreté 1994: **63 percent**

 Taux de croissance moyen 1994-2000: **2,5 percent**; 2001-2005: **4 percent** (projection)

	Historique			Est	Projections			2005
	1998	1999	2000	2001	2002	2003	2004	
	(en milliards de Franc CFA)							
PIB à prix courant	1225,2	1242,6	1280,4	1399,1	1500,1	1591,7	1691,6	1798,1
PIB à prix Constant	910,2	905,3	896,3	942,0	984,3	1019,7	1054,8	1100,1

Taux de croissance annuelle percent, sauf indication contraire
PIB

PIB réel (croissance annuelle, percent)		13,7	1,4	3,0	9,3		7,2	6,1	6,3	
6,3										
PIB réel (croissance annuelle, percent)		10,5	-0,5	-1,0	5,1		4,5	3,6	3,4	4,3
Croissance population	3,3	3,3	3,3	3,3		3,3	3,3	3,3	3,3	3,3
PIB par tête (croissance annuelle, percent)		7,2	-3,8	-4,3		1,8	1,2	0,3	0,1	
1,0										
Prix										
Deflateur du PIB (Croissance annuelle, percent)		3,2	2,0	4,0	4,2		2,7	2,5	2,8	
2,0										
Prix export (CFA, croissance annuelle, percent)		-1,9	12,2	-2,5	-2,1		-2,1	0,8	0,9	
0,8										
Prix export (CFA, croissance annuelle, percent)		-5,9	-5,5	14,9	-0,3		-2,5	-0,3	1,1	
1,0										
Terme de l'échange	4,0	17,7	-17,4	-1,8		0,4	1,1	-0,2	-0,2	
Taux de change	602,0	615,7	-712,0	729,0		718,6	715,5	712,8	709,3	
Evolutions sectorielles										
P.I.B aux prix marche	10,5	-0,5	-1,0	5,1		4,5	3,6	3,4	4,3	
Secteur Informel	13,4	-0,9	-1,9	5,8		4,2	3,9	3,9	4,7	
dont Agriculture	37,0	-9,2	-14,6	10,0		4,0	3,0	3,0	6,0	
Elevage	3,9	4,5	1,5	4,0		4,0	4,0	4,0	4,0	
Secteur Moderne	2,5	0,0	2,2	3,5		3,0	3,2	3,4	3,5	
Consommation finale totale	6,5	1,8	-1,8	6,1		4,0	3,2	3,0	3,8	
Consommation finale des ménages	7,5	2,1	-2,2	7,2		3,0	3,2	3,5	4,0	
Consommation finale des APU	2,0	0,6	0,5	0,9		8,8	2,8	0,9	2,9	
FBCF totale	12,1	2,3	4,5	6,8		6,5	5,4	5,0	5,9	
Exportations	8,3	-6,3	3,7	6,7		7,0	6,0	5,6	6,4	
Importations	2,2	2,7	4,0	5,7		5,9	5,2	4,8	5,4	

en pourcentage du PIB

Secteur Informel	60,1	65,6	70,2	65,5	65,5	66,0	66,5	67,5
dont Agriculture	17,3	19,4	20,5	21,3	21,3	21,3	21,2	21,8
Elevage	8,9	9,5	10,5	8,8	8,8	8,8	8,9	9,0
Secteur Moderne	9,4	30,3	25,3	30,0	22,4	22,0	21,8	20,8