

**COUNTRY PROGRAM  
STRATEGIC PLAN/  
CONCEPT PAPER**

**FY 1992 - 1994**

**N I G E R**

**February 1992**

BEST AVAILABLE

USAID/NIGER  
COUNTRY PROGRAM STRATEGIC PLAN/CONCEPT PAPER  
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## SECTION I:

### An Overview of the Environment for Sustainable, Broad-Based, and Market-Oriented Economic Growth

As proposed by USAID/Niger and agreed to by AID/Washington, this Concept Paper serves as the interim strategy document for the Niger program. The Country Program Strategic Plan (CPSP) originally scheduled for presentation in early 1992 is put off until a later date in view of the circumstances described in the rest of this section.

In little more than a year, the political system of Niger has undergone sweeping yet largely peaceful change--in marked contrast to considerable violence elsewhere in the region. This rapid evolution has come about with the country already mired in its worst economic and public finance crisis since independence.

The account of these historic political events starts in 1989. The then military regime of President Ali Saibou went through an elaborate process of promulgating a constitution and holding single party, uncontested "elections" to establish itself as the authoritarian Second Republic of Niger--the civilian but also authoritarian First Republic (1960-1974) having been overthrown by General Seyni Kountche who ruled without a constitution from 1974 to his death in 1987.

In the worldwide climate of rapid political liberalization--in Africa, Eastern Europe, the then Soviet Union--the Second Republic soon found itself under severe challenge, primarily from well-organized unions representing students and modern sector workers emboldened by change they were seeing elsewhere. Two key events in the first part of 1990 led to the government's eventual undoing. On February 9, 1990, student militants attempted, despite GON warnings, to cross Kennedy bridge from their campus into downtown Niamey. Finding themselves blocked, they attacked with Molotov cocktails, knives and swords. The security forces panicked and fired, killing at least three students. This incident sent an unprecedented shock wave through the elite of Nigerien society and ended up destroying the legitimacy and moral authority of the Second Republic. In May 1990, threatened and actual attacks by Tuaregs on government installations in west central Niger were countered with widely condemned government torture and killings against this traditionally nomadic group that cost at least 60 lives. By summer 1990 few educated Nigeriens placed much stock in what their government told them, given countless distorted official accounts of both events, and many had concluded that its rule could not be allowed to continue. After subsequent months of intermittent strikes and protests, President Saibou agreed November 15, 1990 to the formation of other political parties and the holding of a National Conference.

The political turbulence also had major economic effects. It provoked a further decline of the formal economy and a steep drop off of GON revenues. Net foreign disinvestment rose; more and more Nigerien companies dissolved into the informal sector. Shrinking formal business activity itself yielded less for government coffers, but in addition many public revenue agents slacked off on the job and some taxpayers simply stopped paying. Strikes caused much lost production. Government attempts to collect massive debts owed to the defunct national development bank petered out as the debtors, like others, sensed the dissipation of authority. The GON's political will to stay the course on structural reform weakened, undermining the IMF's Enhanced Structural Adjustment Facility (ESAF) and the IBRD's policy reform programs. With revenue and donor funding releases dropping, the GON lost all room for fiscal maneuver, ending up with an empty treasury and monthly income that did not even cover civil service salaries.

Following months of wrangling and tussling with opposition forces, the government established a preparatory commission for the National Conference in May 1991. The Conference itself finally began July 29 and lasted until November 3. Its members more or less represented the major groups of the Nigerien elite (government, labor unions, businessmen, associations, newly-formed political parties, students) but gave excessive weight to the students and unions with hardly a nod to the vast rural world where 90% of Nigeriens live. The Conference declared itself sovereign, elected Andre Salifou, a charismatic University of Niamey history professor and sometime dramatist, as chairman, dismissed President Saibou's cabinet in September, investigated all manner of political and financial doings of the anciens regimes, chose a prime minister for a 15-month transition period who selected his own cabinet of ministers, stripped President Saibou of all but ceremonial functions, handed new Prime Minister Cheiffou Amadou a massive (and unrealistic) work program for the transition period, and created a High Council of the Republic--headed by Professor Salifou--to monitor the government's progress in carrying out the will of the Conference.

A remarkable fact about the National Conference is the forum it offered Nigeriens to express themselves freely, on live radio and television, after decades of silence. Even before the Conference, freedom of speech and assembly had been breaking out all over. Two independent newspapers appeared, one published weekly and the other more irregularly. Even the staid government paper is no longer solely an official mouthpiece as civil service "journalists" gain courage from the success of their private competitors. Without doubt, more liberty has been attained in this brief period than at any other time in Nigerien history.

Wonderful though the wind of freedom is, it has not blown away Niger's staggering problems. Despite the National Conference's work program, the economic and political reality facing Niger basically dictates the principal tasks the transition government must tackle in its mere 15 months. They are two: one economic and one political. Economically, the government must shut off the hemorrhage of public finances and restore some measure of financial stability. That is the prerequisite to any future economic progress and the maximum test of the government's ability to restore authority. Politically, the transition team must finalize the new constitution and prepare an electoral code and organize and conduct open, multiparty elections for municipal offices, for a national assembly with real authority, and for a presumed future executive presidency. Success at such political endeavors is essential if Niger is to build a sound future based on the new spirit of democracy. Both tasks are monumental undertakings. If they succeed, they will be viewed as major achievements and the transition government must be considered a success. That will be true even if nothing else in the Conference's work program gets accomplished.

In its early period, the transition government's Minister of Economy and Finance has laid principal stress on the GON's taking the actions necessary to free up donor funds already committed to Niger. That appears highly appropriate under the circumstances. It meshes well with the need to unblock USAID/Niger funding available under the Agriculture Sector Development Grants (ASDG) I and II. It is also the quickest way of bringing donor help to bear on Niger's financial problems. The government has also taken the next critical step and has put forward a draft Economic and Financial Recovery Program intended to encourage an emergency financial package from those donors able to support such requests (mainly the IBRD, IMF and France) to tide things over until internal measures can begin to take hold--such as the solidarity tax, promised improvements in customs revenue collection, and better management of the public budget and payroll. The government was sent back to the drawing board by the World Bank and the IMF charged, inter alia, with the task of establishing more precision in its budget figures and in its plans to increase revenues and decrease expenditures. Work on the draft program has kept the donor machinery in gear, albeit slow, while revisions continue. There is as yet little concensus in the government on a number of controversial development issues and this will likely remain a constraint to more comprehensive planning.

Our judgment is that the current demands on the government are such that it has not been possible to engage our host country counterparts in a constructive dialogue on long-term strategy and that this situation will continue over the 15 months of the transition phase.

Once the elected government takes over in February 1993, those individuals will need time to internalize and digest the many problems besetting economic stability and development prospects in Niger before priorities can be placed in perspective. A minimum of six to nine months would not be too long to expect for this settling in period. By then the FY 1995 Congressional Presentation will almost be upon us, with the FY 1996 Annual Budget Submission not far behind. It is somewhere in that period, at the soonest, that USAID/Niger could next hope to prepare and submit a full-fledged CPSP. Thus, crafting an interim document now for 1992-1994 as we have done seems like the essential transition requirement.

As the country's political and economic events wend their way along, Niger's population continues to explode and the fragile natural resources available to support it continue to deteriorate. The fundamental development dilemma has certainly not changed. It will not change over the life of this Concept Paper or anytime soon thereafter. USAID/Niger's current program is strongly directed toward sustainable natural resources management and a reduced population growth rate. Modest but important progress has been made. USAID, working closely with the Embassy and USIS, is also pursuing selected targets of opportunity that promise to advance the democratic cause at this crucial moment.

Because we are persuaded that further progress on these fronts is feasible in Niger despite political and economic uncertainty, we have felt comfortable in preparing this interim analysis of why we are going where we are going, how we intend to get there, and how we will know when we have arrived.

SECTION II:

Outline of Key Constraints to Growth and Opportunities  
for Realizing a Better Life for the Next Generation

General Overview

Downward economic trends head the list of constraints confronting Niger. Per capita GDP, estimated at \$290, appears to have reached a point where it is falling faster than the rate of population growth. Real GDP dropped by 3.5 percent in 1989, driven by less favorable weather conditions that pushed agricultural production down by an estimated seven percent. The price of uranium continued to decline. The external situation deteriorated further as a result of heightened competition from Nigeria after the devaluation of the naira. The overall value of Nigerien exports dropped by nine percent in 1989 and a further decline was observed in 1990.

The GON's draft budget for 1992 cited four internal constraints affecting the economic and financial situation of Niger: a continuing decline in uranium prices, drought, debt service and the unfavorable exchange rate of the naira to the F/CFA. Of these four items, only one can be considered within the influence of the government - debt service. Niger's debt burden was substantially reduced in 1989, 1990 and 1991 as a result of debt forgiveness by official creditors. France forgave \$158 million and the U.S. canceled all development debt (about \$7.6 million). In December 1990, Niger became the first country to be approved for support from the IDA Debt Reduction Facility. These funds, combined with co-financing from France and Switzerland, led to the elimination of about 70 percent of Niger's total outstanding commercial debt amounting to \$111 million. The ratio of debt service to exports (before rescheduling) is expected to decline from 48 percent in 1989 to 38 percent in 1993. Additional debt relief through rescheduling is more likely to be forthcoming if the GON makes solid efforts to put its fiscal house in order.

The current account deficit has been increasing while the overall balance of payments turned from a surplus in 1988 into a deficit in 1989. Fiscal receipts are down, falling below IMF/World Bank targets by an estimated 12 percent or more. Containment of government expenditures, particularly the wage bill, has not been achieved. For FY 1992, the GON's budget deficit is expected to be on the order of F/CFA 50 billion, about \$180 million, leaving Niger's economy in distress.

The size and nature of the informal sector (around 70% of GDP) reduce the GON's ability to raise revenues through tighter fiscal control. While means must be achieved to impose greater taxation on the participants in this sector, it has proven an effective haven for tax evasion and has been attracting a growing number of

participants away from the formal sector. The GON will not be able to collect more taxes without finding ways to restore its own authority in the eyes of the public.

The country still has to overcome severe financial imbalances and structural weaknesses and doing so will not be simple given the narrow physical and human resource base. In the short-term, the focus should be on improving the efficiency with which existing resources are utilized, while efforts continue to expand the productive base of the economy to restore a minimum acceptable rate of growth in the longer term.

Niger's natural resources are few, and they suffer from overuse and misuse. Depleted soils, overcut forests, pasture land under stress and erratic water supplies are evidence of human pressure on the environment in the continuing presence of wide irregularities in rainfall. The government's emphasis on patrolling and controlling natural resources, practices that are widely perceived by local residents as coercive, has limited the extent to which people gain a direct stake in the consequences, negative as well as positive, of their actions. Better ways must be found to encourage rural inhabitants to control and manage the resources they use in a manner that will sustain the productive base.

Industrial development is handicapped by the limited size of the domestic market, the landlocked position of the country, the lack of local raw materials, and economic developments in Nigeria. Nevertheless, private initiative should be encouraged in all sectors (e.g., handicrafts, artisanal production, food processing, upgrading the quality of skins and hides, etc.) by the establishment of an incentive and regulatory environment more conducive to private sector operations and investment. Improved financial intermediation should be given high priority, together with streamlined taxation and investment administration systems.

The greatest need of all (and the key to sustainable economic improvement) is accelerated development of Niger's human resources. The health and education status of the burgeoning population is among the very lowest in the world. Child survival, fertility, life expectancy, literacy, marketable job skills and--consequently--income remain at unacceptable levels. Some of these indicators probably worsened during the 1980s. It is imperative that the promising political changes underway be accompanied by effective attacks on these fundamental problems. Only then will Nigeriens be able to hope for an improved standard of living in the long term.

USAID/Niger's program is centered around two strategic objectives, the achievement of which will help to lay the groundwork for eventual economic growth: Natural Resources Management and Primary Health and Family Planning. The rest of this section is devoted to a summary analysis of each.

Constraints Affecting the Health/Family Planning Sector

1. Demographic Setting

The following statistics are based on the 1988 Niger National Census which received substantial technical support from A.I.D. A Demographic and Health Survey in 1992 funded under the Family Health and Demography Project will provide more detailed health and family planning information.

1988 Population	7,251,626
Estimated 1992 Population	8,258,000
Crude Birth Rate	52/1000
Crude Death Rate	20/1000
Rate of Natural Increase	3.2% per year
Rate of Observed Intercensal Increase	3.3% per year
Total Fertility Rate (TFR)	7 live births
Estimated Population Doubling Rate	21 years
Per Cent of Population Under Age 15	44% in 1977 50% in 1988
Children Under Age 5	21% of total pop.
Women of Childbearing Age (15-45)	21% of total pop.
Infant Mortality (est)	138-158/1000
Child Mortality 0-5 (est)	280/1000
Maternal Mortality (est)	7/1000 births
Contraceptive Prevalence Among Married Women of Reproductive Age	2% in 1991

Health Status: Available data indicate the most serious health problems for the most vulnerable population (women 15-45 and children under 5, or 42% of the total population) are malaria, diarrhea, complications of pregnancy and delivery, acute respiratory infections, common vaccine-preventable diseases (measles, polio, tetanus, etc.), meningitis and malnutrition.

Health facility data for 1986 show presumed malaria to be the most frequently reported disease (19%), followed by diarrheal disease (9%), respiratory and eye infections (both 8%).

Most frequent causes of death in children, from a 1985 Ministry of Public Health study, were reported as follows:

Fever	26%
Measles	26%
Diarrhea	18%
Acute Respiratory Disease	11%
Other ailments	19%.

A nutrition survey in 1985 found 17% of under five children to be acutely malnourished (low weight for height) and 25% chronically malnourished (low height for age). Epidemics of preventable diseases occur cyclically in an under-protected child population

with low rates of vaccination coverage (16%). The frequency of maternal deaths is associated with a high percentage of pregnancies occurring among high risk groups (girls under 18, women over 35, and women of high parity) and with an inadequate risk detection and referral system.

## 2. Infrastructure and Financial Constraints

As in other sectors in Niger, health and family planning are considered to be the government's responsibility. There is little private sector activity in this field. A few private clinics and pharmacies have been started in Niamey and other major towns, but the government continues to be virtually the exclusive source of health services for the population.

<u>Public Health Care Facilities:</u>		<u>Of Which # Offering Family Planning Svcs.</u>
Medical Posts	27	7
Rural and Urban Dispensaries	265	40
Maternity Wards or Units	72	53
Maternal and Child Health Clinics	41	39
Medical Centers (Referral Clinics)	31	2
Departmental Hospitals	5	
National Hospitals	3	
Total	444	141

The present coverage of health services is very low, with existing fixed facilities accessible (within 5 km.) to only 30% of the population. Perhaps half of that population is actually using the facilities for curative services. The rate of preventive visits of all types is even lower, as are coverage rates of outreach programs (notably the vaccination program). A total of 141 health facilities now offer family planning services compared with 114 in March 1989.

Personnel: In October 1991, in the 37 districts and the city of Niamey, a total of 1,804 nurses and 107 doctors were at post. Depending on the districts, coverage per 100,000 population varied considerably:

Nurses:                   134/100,000 in Niamey (623 total)  
                              5/100,000 in three outlying districts  
                              22/100,000 on average

Doctors:                   11/100,000 in Niamey (52 total)  
                              0/100,000 in 5 outlying districts  
                              1/100,000 on average

Rapid turnover of staff in the field is a common debilitating characteristic of the health system, affecting almost all functions. This problem is further aggravated by the skewed distribution of health personnel, with an estimated 60-70% of

technical personnel allocated to urban-based secondary and tertiary levels of care. This matter will continue to be a subject of policy reform dialogue by USAID and other donors.

Financial Resources: In general, basic medications and operating budgets in outlying facilities are grossly inadequate to meet primary health care needs. Scarce budgetary resources are disproportionally spent on urban-based tertiary care. While partial cost recovery has been proposed and accepted in principle by the Ministry of Public Health, it is not yet practiced except in hospitals.

Shortages of drugs, vehicles and operating expenses due to lack of government funds are serious constraints in the health sector. The lack of drugs at health facilities is seen as one of the major barriers to effective services.

### 3. Management Concerns

Planning: Health priorities - "Health For All" - have been defined so loosely by the Ministry of Public Health (MOPH) and the Ministry of Social Development, Population and Promotion of Women (MSD) as to be non-functional. There is not yet a clearly enunciated overall health policy and strategy with an implementation plan and priorities. There is little evidence that the data available are used for decision-making.

Verticality of Health Programs: The Ministry of Public Health is responsible for public health services, personnel and facilities, but the Ministry of Social Development, Population and Promotion of Women houses the Directorate of Family Planning which is responsible for policy and technical control of the family planning program. Other preventive health programs, including vaccination, diarrheal control and nutrition programs, have been organized as vertical programs within the Ministry of Public Health. Organizational problems at the central level, which strongly affect service delivery in the field, will take time and political will to resolve.

Centralized and Inefficient Management: Despite considerable rhetoric about decentralization of health program implementation, budgetary and administrative control rests almost entirely at the central level. There is no workplan or general system for supervision and evaluation of performance of personnel, facilities or programs. A.I.D. has invested considerable time and resources in the development of a National Health Information System (SNIS), but this information is not regularly transmitted to or used by health planners. To date, the integration of family planning with maternal and child health services has been haphazard and inefficient.

## Opportunities Affecting Health/Family Planning in Niger

The summary of constraints to Niger's health and demographic situation points out the need for accessible and acceptable family planning services in association with basic preventive maternal and child health services to improve not only maternal and child survival but also the economic and social potential for Niger.

The strategy adopted by USAID/Niger is to focus on population growth as a primary constraint to development and health improvement in Niger and to improve the basic functioning of the preventive health care system as the most appropriate and sustainable means of improving maternal and child health and delivering family planning services.

USAID and the other major donors and non-governmental organizations in the health field in Niger have been working to help define health priorities, emphasize preventive and integrated approaches that are most cost effective, and deliver services to the most vulnerable populations.

### 1. Policy Reform

USAID must continue to play an influential role in bringing about required policy and administrative reforms to address problems in resource distribution, efficiency and cost recovery.

Under the Health Sector Support Grant, USAID has supported MOPH efforts to develop a policy analysis capacity, to institute reforms and improve the efficiency of resource allocations. A National Health Information System (SNIS) has been developed with USAID assistance for personnel, infrastructure and health statistics. The SNIS is the basis of any improvements in planning, whether decentralized or at the national level. Reporting is improving but there are still gaps in the system and the training process to support it. These efforts must continue, and increased attention must be paid to the application of data for decision-making.

The high fertility rate (Total Fertility Rate of 7 live births) has increasingly been recognized by the GON as deleterious to health, social and economic development. The MOPH and MSD, with assistance from USAID, recently developed a document entitled Integrated Maternal and Child Health/Family Planning Policy and Standards. In association with the draft Population Policy (submitted to the Transition Government but not yet adopted), this document represents considerable evolution of thinking among health professionals and policy-makers, and provides an opportunity for increased effectiveness of health programs in the field.

An essential drugs policy coupled with better training of providers in accurate diagnosis and rational prescribing would result in

large savings and lower costs to the patient. Cost recovery for drugs has been accepted as a necessary strategy by decision-makers in Niger, and USAID will support the large-scale testing of two alternative schemes for cost recovery in rural health facilities, in association with use of a standard treatment protocol. Cost recovery and cost containment activities under the USAID-supported hospital reform program are underway. These measures are designed to free up additional resources from the curative sector and allow increased GON allocations for preventive services.

Many of the personnel constraints must be resolved through the equitable transfer of human resources to the departments and by using adequate incentive systems to decrease high turnover rates. Revision of curricula in the public health schools to correspond better to field realities is also urgently needed.

## 2. Increased Integration of Services

Measures must be taken to assist concerned GON directorates in designing verticality out of programs; improving service delivery effectiveness; and supporting the integration of service delivery that exists as a matter of necessity at the field level.

Through the Health Sector Support Grant (NHSS) and the Family Health and Demography Project (NFHDP), USAID has supported the policy, planning, training and implementation of two specific health programs: family planning and the national diarrheal disease program, and provided complementary assistance to improve performance of MOPH malaria control and immunization programs.

Nutrition and food security are also areas in which USAID has made technical assistance available, to develop the necessary strategies and planning for a national growth monitoring and nutrition program and to develop an early warning surveillance system (FEWS). Other ongoing child survival efforts, generally funded through PVOs, have been important but of small scale (villages in two to four districts), testing interventions such as combatting Vitamin A deficiency and malnutrition, improving the quality of services provided by village health workers and improving water supply.

The central ministries must continue to support these priority programs with supplies, supervision, training, educational strategies and materials, and operations research. USAID needs to balance the resources it already provides to the central level of these programs by increasing assistance to field activities, preferably those which also reinforce the integration of services. Innovations in promotional activities are needed to create a real demand for family planning and other preventive services. Further support is needed to make outreach more effective.

3. Support for Decentralization of Program Management

Another goal is to encourage greater decentralization in the planning and management of MOPH resources. A key objective here is the preparation of a national health planning document, updated annually. This document should articulate MOPH strategies, with clearly identified objectives in the areas of morbidity and mortality reduction and service utilization, related to available resources. This plan would provide the basis for improved resource use and organization of time and personnel at lower levels of the system, especially at dispensaries.

Decentralization can be encouraged by planning and implementing integrated interventions at the department and district level and working directly with the local authorities. Interventions can alleviate some important constraints: enlightened supervision/on-the-job training for health facility levels from the district down to the village health worker, providing the small equipment and mobility necessary for carrying out work, and organizing work schedules to make more efficient use of available time and better accommodate clients.

## Constraints Affecting Rural Productivity and Natural Resources Management

### 1. Physical Constraints

Climate: Niger is characterized by highly variable temporal and spatial distribution of rainfall, increasing the farmer's risk and causing significant fluctuations in agricultural production and yields and rural incomes. Farmers have adopted risk averse behavior in the use of agricultural inputs and cropping patterns, but decreasing rainfall over the past decade has made rainfed crop production and livestock activities even more difficult.

Soils: Soils are very low in essential plant nutrients, organic matter and water-holding elements, and are highly variable over small distances. They are very susceptible to wind and water erosion.

Vegetative Cover: Vegetative cover has decreased through removal and degradation, leading to decreased biodiversity.

### 2. Human Resource Constraints

Population Growth: High population growth rate has led to the expansion of agricultural and livestock activities into increasingly marginal lands. Between 1960 and 1985, Niger doubled its land area under cultivation (World Bank, 1989). While average production has increased (1.6% over the past 20 years for millet/sorghum), agricultural yields for the major cereal grains have been decreasing and per capita grain production is decreasing.

Labor Availability: The high population growth rate notwithstanding, labor availability for crop production at the household level continues to be a significant constraint at certain key periods of the growing season (particularly weeding and harvests).

Health: Poor health services in rural areas affect labor productivity directly.

Education: Extremely low literacy rates in Niger have important consequences for development programs seeking to spread new technologies and to stimulate the private sector.

### 3. Capital Constraints

Exchange Rate: The overvalued exchange rate is unfavorable for agricultural exports and encourages imports resulting in unfavorable trade balances with Nigeria, the primary trading partner.

Investment: Limited opportunities for domestic investment have resulted in an underdeveloped private sector with most investments being made in livestock or other non-liquid assets.

Financial Markets: The formal banking sector has become increasingly truncated and fragile, with several bank failures decreasing confidence in the Nigerien financial sector. Rural financial services are essentially non-existent in the formal sector, and the rural population depends on traditional money lenders and rotating credit groups to provide credit and savings services.

### 4. Institutional and Policy Constraints

Since independence, the government has played the predominant role in Niger's development process. The GON has been highly centralized, has lacked transparency and, due to very limited revenues following the precipitous decline of world uranium prices, has depended almost exclusively on external aid for its investment budget. Due to the heavy involvement of the government in almost all aspects of the economy, the private sector has had limited opportunities to develop. Under various donor programs in the 1980s, Niger undertook a privatization program which has been for the most part unsuccessful in developing private sector entities to handle what used to be performed by parastatals.

A number of policy constraints affecting agricultural and rural development were removed or relieved through USAID and other donor programs in the 1980s (e.g. cereals pricing and marketing, agricultural input subsidies, cooperative and credit union development, marketing of agro-pastoral exports, local control and management of natural forests). Ongoing and planned programs focus on policy reform in the areas of natural resources management (e.g. land and resource tenure, decentralization of NRM activities, incorporation of biodiversity concerns, transformation of field agent roles), and institutional development (e.g. rationalization of GON planning, programming and staffing; more effective coordination of development programs; broadened role for NGO and private sector participation in development).

Opportunities Affecting Rural Productivity and Natural Resources Management in Niger

Although the list of constraints facing Niger is daunting, important targets of opportunity exist for rural sector development. An extensive matrix of opportunities developed by USAID/Niger, based on the analytical work of the GON's Rural Development Sub-Committee and their report Principes Directeurs d'une Politique de Developpement Rural Pour le Niger (December 1990), taking into account all existing donor programs, identifies four strategic axes with four cross-cutting themes.

The strategic axes are:

- \* natural resources management
- \* organization of the rural world - popular participation and modifications in the role of the state
- \* food security
- \* the intensification and diversification of production.

The cross-cutting themes are:

- \* investment policy
- \* rural credit policy
- \* population policy
- \* land use ("Amenagement du Territoire") policy.

Careful review of constraints and opportunities led to the selection of nine program priorities as the underpinnings for USAID programs to enhance rural productivity. Gender issues and steps to be taken to ensure the full participation of the female population will receive special attention in each of the following.

1. Risk Mitigation: The highly variable nature of Niger's climate and physical environment results in significant fluctuations in incomes dependent on agriculture. Thus, attention must be directed to alleviating risk associated with agricultural production through increasing our understanding of risks and rural household strategies used to reduce risk. The Mission will focus on land and water resources tenure and food security warning and response systems.

2. Increased On-Farm Productivity: Increases in production are currently coming from expanding the area under cultivation. This has brought increasingly marginal lands into agricultural production, contributing to land degradation. Efforts should focus on low-cost technologies in water harvesting, small-scale irrigation and land rehabilitation in rainfed production systems. In the pastoral zone, high potential micro-sites should be targeted.

3. Revenue Diversification: The agricultural sector will not be able to support or absorb the growing labor force in Niger. Off-farm opportunities must be developed. Labor intensive rural works can be used to build needed infrastructure and carry out land rehabilitation.

Product diversification (such as developing cash crops) and marketing these for export will also become increasingly important in generating revenue. Attention should be given to decreasing marketing costs, incorporating value-added elements and increasing market efficiency as incentives to raise agricultural production and revenues.

4. Financial Markets: The truncated nature of financial markets in rural areas has severely limited the rural inhabitant's access to credit and investment opportunities. Support should be continued to increase the availability of credit and savings facilities leading to the establishment of healthy, sustainable financial markets. Access to credit and savings institutions will allow rural inhabitants to invest in agricultural and off-farm income generating activities.

5. Voluntary Associations: Recent changes in the Government of Niger's policy toward non-governmental organizations (NGOs, including groups of traders, producers, cooperatives, credit unions) presents an important opportunity to involve them in development activities. This will be critical for NRM activities, with strong emphasis on community-based natural resources management, as well as for work on agricultural marketing, cooperative and credit union development, and democratization initiatives. The challenge will be to help these newly-emerging organizations become active and respected participants in Niger's development.

6. Training: Primary emphasis will be on functional literacy and numeracy, vocational training and information dissemination techniques. Training is a key element of virtually all the Mission's programs and is absolutely key to their successful implementation.

7. Family Planning: Given the central effect of population growth on per capita agricultural production, natural resource degradation and the increasing use of marginal lands, vigorous family planning programs at all levels are essential to increase rural productivity and promote natural resources management.

8. Nutrition: Improved nutrition is also central to increasing rural productivity. Targets of opportunity include diet diversification through the introduction and promotion of new products (e.g. using cowpeas, cornmeal and peanut products, new meat and milk products, vegetables).

9. Participation, Transparency, and Democratization: The installation of democratic governance and an etat de droit, including transparent and impartial enforcement of popularly approved laws and regulations, provides an essential underpinning to each of the elements outlined above.

SECTION III:

What Other Organizations (Other Donors, International and National PVO's and NGO's, and Host Country and Public and Private Sectors) are Doing to Address the Constraints and Take Advantage of the Opportunities.

The importance of donor activity in Niger's development plans is best demonstrated by the fact that about 97 percent of the Government of Niger's investment budget derives from donor resources.

A host of bilateral and multilateral donors is active in USAID's two strategic areas. In the health sector, UNICEF provides substantial support in its traditional areas of interest, i.e. immunization and safe motherhood. UNICEF is the principal provider of vaccines in Niger. It also provides related equipment for the vaccination service points, training of provider staff and operational costs to assure adequate program supervision. Support to maternal and child health includes training, technical assistance, oral rehydration salts procurement and health education. UNICEF is also financing a pilot trial of its Bamako Initiative in the Department of Maradi to strengthen the quality of basic health services, increase the availability of essential drugs and more actively involve local communities in the operation of the health system.

The World Health Organization provides general technical assistance support as well as some financing for the recurrent budget, mobile health service teams, short and long-term technical training and limited medical equipment and supplies.

The World Bank has a five-year \$20 million program providing substantial support in the sector. The loan finances a wide range of commodity procurement, facilities construction and renovation, and general operating support for the Ministry of Public Health's maternal and child health programs. The loan also provides technical assistance to assist the GON in the execution of studies and analyses to undertake necessary policy reform measures, principally in pharmaceutical procurement, management and distribution.

The World Bank's recently prepared \$26 million Population Project is designed to strengthen health services in three departments with priority placed on family planning, improving demographic data collection/use and supporting population policy implementation. The UNFPA also provides assistance to population activities with

inputs ranging from technical assistance and training to local cost support and commodity procurement, including contraceptives.

The European Community provides substantial support for the procurement of essential drugs and related medical supplies, along with additional financial support for MOPH operating costs. Other European bilateral donors include the French who provide the bulk of commodity, recurrent costs and technical assistance for the operation of health services in the Department of Zinder. A major component of this assistance is ongoing support to strengthen the MOPH's decentralized management and planning capacity. The Belgians provide assistance to strengthen service quality, staff competence and overall performance of MCH program operations in the Department of Dosso. The Dutch have supported improvements in basic health services in the Department of Tillabery through the provision of equipment and supplies and the financing of required technical and training support. The Italians have provided support for the construction and equipping of maternities and the procurement of medical supplies.

Other donors assisting the health sector are Russia and Algeria, primarily medical and paramedical staff; China, medical supplies and equipment; and Canada, support to strengthen basic and refresher training for physician and paramedical staff. A large number of small programs have been carried out by bilateral donors and NGO's in the health sector, each making small but often important contributions, usually within a limited geographical area. The way these have proliferated shows little evidence of planning on the part of the Ministry of Public Health, so the cumulative impact of these projects will be difficult to determine.

The French Government is the largest bilateral donor in the agriculture sector. Their assistance is directed principally towards the University of Niamey's Agronomy Department; however, they have also provided some modest support to INRAN, Niger's National Agriculture Research Institute. Until now, USAID/Niger has been the principal donor assisting INRAN. Since 1976, USAID has expended about \$37 million supporting agricultural research; however, the current project is on a phase-down track with technical assistance ending in June 1992 and the training component ending a year later. The World Bank with its new \$20 million agricultural research project will be the lead donor in this field. A continuing but reduced U.S. presence is being considered through the Collaborative Research Support Programs.

The German Government, the second largest bilateral donor in the agriculture sector, has emphasized natural resources management in major projects undertaken in Tillabery and Tahoua. USAID/Niger is

third largest in this sector and the Canadians fourth, with NRM projects in Birni N'Goure and Diffa. Italy also has a fairly large program and the Japanese have recently added their resources to agriculture/NRM as well.

Among the multilaterals, the European Community has the largest program in agriculture/NRM followed by the World Bank, UNDP and the African Development Bank, the West African Development Bank, and assistance from a consortium of Arab countries. The World Bank will be adding an agricultural services project in FY 1992 to support extension services under an agriculture/natural resources management strategy. The World Bank has maintained a leadership role in natural resources management through a Small Rural Operations Project which began in 1988 to fund the appraisal, execution and evaluation of small rural operations representing groups of farmers making investments in bottomlands improvements, small irrigated perimeters, soil conservation and watershed management, and social forestry including village tree nurseries. The World Bank, UNDP, USAID and other donors have been working with the GON to develop a framework to coordinate and harmonize the many NRM investments being financed by donors as well as PVO/NGO projects, e.g., CARE, AFRICARE, Lutheran World Relief, Sudan Interior Mission and the World Wildlife Fund. This harmonization is a key policy reform in USAID's Agriculture Sector Development Grant (ASDG) II.

Only UNDP has an ongoing project in agricultural marketing. This project is setting a marketing strategy for major agro-pastoral products. USAID, UNICEF, ILO, the Canadians and a French NGO are the major donors in cooperative development. In addition to USAID, the Canadians support credit union development in Filingue and the Germans have a program in Kollo. USAID supports micro-enterprise development in Maradi through CARE. The Dutch support micro-enterprise in Koni, Tahoua, Dosso and Maradi, and IFAD will soon follow with the Agrie Rural Development Project.

As indicated in the ASDG II PAAD, when a number of donors focus their attention on a particular development problem, as in the case of natural resources management, the net result is an enormous number of individual projects, each with its own design documents, approval procedures, funding sources, technical assistance, accounting systems, lifespan, equipment specifications, individually-negotiated counterpart and support systems, extension approaches and messages, implicit development strategies (if any) and specific objectives. A review of the data base at the Ministry of Agriculture revealed that a list for one subsector alone in one arrondissement contained over 100 actual or planned projects.

Faced with this profusion of projects, most individual donors have had very little information about what other donors are doing or planning to do. Under ASDG II, the universe of donor investments to NRM will soon be subject to analysis in a Geographic Information System to be used for strategy formulation and monitoring purposes (see GIS discussion in Section VI). On the NRM policy and strategy fronts, the GON has been taking the initiative to move the entire process towards closer coordination of several initiatives including the Integrated Program for Management of Natural Resources (PIGRN), the National Anti-Desertification Plan (PNLCD), the Tropical Forestry Action Plan (TFAP), the National Conservation Strategy (NCS), and preparations for Niger's Rural Code with the inter-ministerial Rural Development Sub-Committee situated at the Ministry of Economy and Finance (formerly Plan) serving as the final policy and coordinating forum.

Donors often need a clear impact attribution for their specific programs and are unable to integrate their efforts with that of other donors or undertake investments where close complementarity is required. The problem of verticalization occurs as donors protect their investments by putting their projects and programs under the control of a separate, and often new, branch of the central ministry. Donors also tend to build basic functions into each vertical program, such as health education.

Another important issue in both the health and NRM sectors concerns financial commitments and GON accountability. Donor funding for projects often falls short of the timespan needed for objectives to become fully effective or sustainability achieved. The result can be a legacy of cumbersome, ineffective vestigial structures which demand recurrent funding. GON accounting systems are seriously deficient for donor funds as well as its own funds. There is a lack of precision in accounting for the way funds are actually disbursed which reduces transparency and undermines systems tracking project spending. This has been the cause of the slow disbursement rate of the USAID health sector grant as well as World Bank projects.

The UNDP has been commissioned to study the problem and it has been suggested that in the future it may be necessary for UNDP to maintain direct budgetary control over counterpart funds, clearly a stopgap measure. It would be extremely useful to have a model budgeting and accounting system which could be applied to individual donor projects across the board to facilitate global program impact assessments. Such a system would be a valuable adjunct to decentralized planning.

The government's poor track record in providing the multilaterals (IMF/World Bank) with actual, credible figures for the current account and investment budgets, as well as actual numbers for the civil service, has undermined donor confidence. The GON must overcome the uncertainties plaguing budget assessments. No donor is yet working with the GON to develop and institutionalize an improved financial management system for the entire government.

Non-governmental organizations, including PVOs, were earlier restricted by the GON in the role they were allowed to play in rural development. Until 1988, indigenous NGOs were absolutely banned. Cooperatives were little more than an arm of the government and not freely organized economic units. Through ASDG I policy conditionality and technical assistance provided by CLUSA, this has been changing. Although the GON has articulated policies and charged offices with PVO/NGO encouragement, international PVOs--given past experience--have reacted cautiously to the new receptivity being demonstrated by the government. It is expected that new PVO entrants will be still difficult to attract, particularly in view of the administrative overhead costs involved in opening up activities in a new country. Despite their promising emergence on the scene, indigenous NGOs are as yet few in number and those having effective operational systems in place are even fewer.

Donor skepticism of the Government of Niger's ability to deliver services to the rural sector and deal appropriately with tough policy issues has led to ever-increasing numbers of donors looking to the PVO/NGO community as the vehicle for channelling their development resources. PVO/NGO absorptive capacity and institutional constraints will keep this channel from fully meeting a large and increasing demand. The UNDP has one project underway in Niger to help NGOs, including defining strategies for GON-NGO cooperation, developing communication between the two parties and financing workshops addressing NGO issues. ASDG II's institution-building resources will also help. The development of functional NGOs sufficient to serve as catalysts for widespread grass-roots development will, however, be a long, slow process.

SECTION IV:

AID's Role and Experience in Addressing these  
Constraints and Exploiting these Opportunities

What sets USAID/Niger apart from other AID Missions in Africa is the extent to which it has incorporated Non-Project Assistance (NPA) into the Mission program. USAID/Niger currently has four sector grants -- Agriculture Sector Development Grant I (ASDG I), Niger Health Sector Support (NHSS), Niger Economic Policy Reform Program (NEPRP), and Agriculture Sector Development Grant II (ASDG II) -- with total authorized life-of-project (LOP) funding of \$111.4 million. In contrast, total authorized LOP funding for active Project Assistance (PA) is \$49.1 million, which is less than half of the funding available for sector grants and comprises only 31 percent of total funding for the Mission program.

The Mission's original decision to use the sector grant approach to development assistance was prompted by the severe fiscal and economic crisis the Government of Niger (GON) faced in the early 1980s following the collapse of the uranium market. Falling revenues from uranium sales sharply reduced the GON's ability to allocate funds to development activities, including government contributions to USAID projects. From 1979 to 1983, GON development expenditures were less than 60 percent of planned levels, and USAID judged that GON funding in the vital agriculture and livestock sector had fallen below minimum requirements. The estimated total recurrent cost requirement for agriculture and livestock of \$17 million in 1984 and 1985 was three times the projected ministerial budget.

Under these circumstances, USAID was faced with two choices: to sharply cut back its development assistance portfolio so that project activity would be in line with the level of contributions expected from the GON or to increase the amount of financial resources available to the GON through counterpart fund generations under an NPA. The Mission chose the latter course of action, for several reasons. First, the fiscal and economic crisis had so shaken the country that the GON seemed seriously committed to economic reform measures and realignments in budget outlays. As proof of its good intentions, the GON, in 1982-83, implemented a number of IMF-sponsored austerity measures to restrain public spending. Secondly, USAID was convinced that policy reforms were badly needed in the agriculture and livestock sector. A series of sector assessments carried out in the early 1980s had identified a number of obstacles to growth caused by inappropriate government policies, including government-imposed prices on cereals,

parastatal monopolies in agricultural trade, and restrictions on agro-pastoral exports by the private sector.

In 1982, USAID made a precedent-setting proposal to the Africa Bureau to design an agricultural sector grant that would combine NPA and PA in a single package. The Mission's concept proved controversial in AID/W, and it was two years before the program was allowed to go ahead. Basically, the model contains three major components: a policy reform program, local currency generations, and a project component.

ASDG I was expanded after its initial start in FY 1984 by three substantive amendments to a \$52.9 million activity (\$44.8 million in NPA and \$8.1 million in PA). This sector grant became the centerpiece of the Mission's agriculture portfolio. Most project activities that existed before ASDG I started in 1984 were folded into the sector grant or completed, and as new areas of interest, such as agricultural credit and natural resource management emerged, they were added as new grant components. In its present form, ASDG I is organized into seven distinct policy areas: agricultural inputs; seed production and distribution; grain marketing and pricing; agricultural credit; cross-border trade; private sector participation, including cooperatives, agricultural marketing, export and storage; and natural resource management.

A subsequent sector grant, Niger Health Sector Support, was approved in FY 1986 (\$10.5 million in NPA and \$6.7 million in PA). NHSS became the focal point of the Mission's health portfolio putting main emphasis on bringing about structural change within the Ministry of Health (MOH). Experience in the health sector under the earlier project approach had been that efforts to establish better health infrastructure and technical systems in the field were being hampered by inappropriate policies at the central level. The sector grant's policy agenda aimed at increased cost recovery; containment of unit costs in hospital services and pharmaceutical supply systems; reallocation of financial resources within the ministry; improved management of the ministry's existing human and material resources; increased institutional capacity to plan, manage and monitor health programs and services; and promotion of the development of national population policies and increased access to family planning services.

In FY 1988, USAID/Niger undertook a sectoral program focusing on regional agricultural trade. The Mission perceived that GON export policies were a significant encumbrance to trade and the growth of the agricultural sector and that the government was willing to make changes in its policies. The result was the authorization in 1988 of the Niger Economic Policy Reform Program (NEPRP), with \$13.3

million in NPA and \$3.0 million in PA. Policy reform under the NEPRP has concentrated on eliminating export taxes on agro-pastoral products, easing regulations and controls that impede the utilization of official export channels, and supporting government initiatives to promote exports and strengthen regional trading relationships. The NEPRP differed in one major respect from the two previous sector grants: there was no local currency fund. Instead, the cash transfer was used as budget support to government entities charged with implementing GON private sector initiatives. As NEPRP called for, the GON canceled agro-pastoral export taxes, resulting in a direct loss of government revenues that could not be made up in the short run. The budget support was intended to cover those losses for a three-year period.

ASDG I and NHSS counterpart generations were placed in Special Accounts in the Treasury and managed by an ASDG/NHSS Secretariat, an entity set up under the Ministry of Plan with links to the agriculture and health ministries. Subsequent mismanagement and accountability irregularities at the Secretariat led to the decertification of ASDG I and NHSS in February 1990. When these problems failed to be resolved by the end of that year, the Mission determined the entire financial management operation needed reform. Since then, the Secretariat has been thoroughly overhauled and, once contracting delays are overcome, will be placed under the eye of a private accounting firm. A decision was also reached to shift subproject technical oversight from the Secretariat to the line ministries where they would be integrated into the regular monitoring functions of the respective directorates of studies and planning.

The problems that led to ASDG I/NHSS decertifications had a constructive influence on the outcome of the design for the second generation of policy reforms in the agriculture sector. The Agriculture Sector Development Grant II provides three tracks for local currency programming: (1) funds to be managed and monitored by a U.S. private sector organization for PVO and private sector projects; (2) funds for operational (current account) budget support in selected agencies with key roles in fulfilling the program's objectives; and (3) funds for the GON's investment budget to support programming contributing to the objectives of the grant. In the case of two and three, these funds will be provided as direct budget support and will not create a pool of off-budget resources that must be channeled through a separate secretariat.

Of all the NPA programs, ASDG II had the longest gestation period. The first phase of the Mission's agricultural policy reform program had concentrated on areas where inefficiencies were most acute and

where macro-level changes were possible. While it appeared likely that natural resources management would be the basis for the second phase ASDG, an appropriate policy matrix for a large, new initiative remained illusive. Plans to launch the second phase shifted from FY 1988 to FY 1989 and then again to FY 1990. At AID/W's suggestion, ASDG I was amended in FY 1989 to add a modest NRM tranche (\$5 million), touching on a few key policies that had already been identified as constraints. Then, over the course of a year, a series of reviews and analyses were launched by the Mission, taking a broad look at the rural sector and its development needs. ASDG II emerged out of this expanded analytical environment in FY 1990, \$20 million in NPA and \$5 million in PA, and is aimed at enhancing the ability of individual rural inhabitants to gain control over resources they habitually use and to manage and profit from them in a sustainable manner.

Natural resources management is the major focus of ASDG II. The program will help the GON create the legal and policy framework for NRM management in Niger, including the formulation and implementation of a national NRM strategy and program, clarification of resource tenure rights, progressive decentralization of decision making power on resource issues to local populations, and the creation of a regulatory environment conducive to individual investment in resource-related activities.

ASDG II also embodies an institutional component to strengthen service providers that work directly with rural producers. The institutional changes include revised roles for government professional personnel, such as forestry agents, increasing their responsibility for promoting individual and community endeavors in resource management; reducing government restrictions on non-governmental organizations (NGOs); and helping the ministries involved with rural development improve the management of their human and financial resources.

In the six years that elapsed between the approval of ASDG I and ASDG II, the basic framework of combined NPA/PA proved sound and capable of adaptation to a number of sectors. Experience gained in program implementation did yield a number of valuable lessons for each subsequent design. First and foremost, maximum flexibility should be built into sector grant design and implementation as policy reform and its results are neither totally controllable nor completely predictable. Design teams tended to be overly optimistic when stating expected results.

Care should be taken to keep projected economic benefits from sector grants within reasonable limits. The whole question of how to define and measure sector program impact continues to present a

complex analytical challenge for both the Mission and the Agency. New methodologies have been required to analyze impact and efforts made to consolidate and indeed build a data base for key economic variables. We must also not lose sight of the fact that it is generally not feasible to separate the effects of AID's sector programs from other factors, including other donor programs and exogenous influences. Requirements for tracking people-level impact bring with them a heightened need for disaggregated data; however, these data are frequently not available or of questionable reliability. Proxies for people-level results are also difficult to define. It should not be surprising, therefore, that the most definitive people-level data being reported in the Mission's annual Assessment of Program Impact reports come principally from project activities.

The pace at which the sector grants have moved forward has been slower than anticipated. Although ASDG I's NRM amendment was authorized in FY 1989, no funds have been released to date although conditions precedent are now nearing completion. In the case of NHSS, which began in FY 1986, conditions precedent for only two of five tranches have been met with the most recent release taking place in September 1991. In general the GON has taken considerably longer to fulfill conditions precedent under sector grants than projects.

A recent evaluation of the NHSS grant cited the coupling of policy and institutional areas as the first and largest implementation constraint. Conditions precedent under NHSS are spread over six areas in a structure which assumes that benchmarks across each can be completed at the same time. The evaluation team observed that insufficient weight seems to have been given to the fact policy and institutional development proceed at different rhythms in different arenas. They added that this resulted in little incentive and no reward for the satisfaction of substantial portions of the conditions precedent. While interdependence is a major factor that had to be taken into account in health sector policy reforms, it is clear the degree of complexity present in the conditions precedent prevented the incentives from achieving their desired effect.

In addition to problems of complexity and delays, local currency operations under the ASDG I and NHSS sector grants also encountered serious management problems, as noted above, due to inadequate financial controls and misuse of funds which ultimately led to the decertifications. NHSS was recertified in August 1991; ASDG I is expected to follow in 1992.

Regarding demands on Mission personnel, sector grants, contrary to original predictions, have proven even more management intensive than traditional project assistance. USAID staff has remained responsible for policy dialogue, performance evaluation, and impact monitoring. On the contractor side, higher level and more expensive personnel have been required.

Despite the various design problems and implementation difficulties encountered by USAID in using sector grants as a development tool, the Mission feels that the overall results from trying the new approach have been positive and plans to continue carrying out a substantial part of its program through such grants. Traditional project assistance will continue to have an important role to play. Indeed, the two different approaches enrich and support each other, giving the Mission's program a diversity and flexibility it could not obtain by relying exclusively on either NPA sector grants or project assistance.

The Mission fully recognizes that it has not learned everything there is to know about designing and implementing combined NPA/PA sector grants and integrating them into the overall USAID program, but it believes that it has made a solid start in creatively using all the assistance tools at its disposal.

SECTION V:

The Proposed Country Development Assistance Strategy or  
- Program Logical Framework -  
Goal, Strategic Objectives, Targets and Indicators

**GOAL: PROMOTE SUSTAINABLE MARKET-BASED ECONOMIC GROWTH WHILE  
EMPHASIZING LOCALLY MANAGED RESOURCES AND REDUCED  
POPULATION GROWTH**

Niger's real GDP is now about what it was at the start of the 1980s and has, consequently, fallen in per capita terms.

Two fundamental factors dominate the country's macroeconomic picture. The highly variable climate comes first, a function of Niger's Sahelian location. Traditional agriculture remains the base of the economy. Consequently, rainfall--more than any other factor--explains annual economic change. Drought or poor rainfall in 1984, 1987 and 1989 led to GDP declines of 17, 5 and 7% respectively for those years. Agricultural sector growth in non-drought years was not sufficient to lift the economy beyond pre-drought levels. The estimated 3.3% annual population growth is the second major factor, along with the national fertility profile which will continue to depress per capita GDP well into the 21st century despite increased use of family planning.

Although per capita growth is not likely in this decade under any formulation, a strategy aimed at the obstacles impeding growth must be the long-term development position.

The Government of Niger has taken tentative but important steps to liberalize the economy and move away from its statist past. Accelerated political change since late 1990, with the ideals of openness and participation it embodies, is related to USAID/Niger's goal and bears directly on resource management by those who depend on the resources. Without greater local control, sustained development consistent with Niger's limited and vulnerable resources seems improbable. At the same time, population pressure puts an unrelenting toll on those resources, restricting access to basic services and undermining the fragile natural base. Drought and other natural disasters are plaguing growing numbers of people.

Accordingly, the USAID's strategic planning is directed to effective management of the natural resource base, to reducing population growth and to improved protection from natural disasters.

PROGRAM LOGFRAME

GOAL

PROMOTE SUSTAINABLE MARKET-BASED  
ECONOMIC GROWTH WHILE EMPHASIZING LOCALLY  
MANAGED RESOURCES AND REDUCED POPULATION GROWTH

STRATEGIC OBJECTIVES

INCREASE QUALITY,  
COVERAGE AND USE OF  
FAMILY PLANNING,  
MATERNAL AND  
CHILD HEALTH

INCREASE THE OPPORTUNITIES  
FOR SUSTAINABLE  
AGRICULTURAL PRODUCTION  
AND RURAL ENTERPRISES

TARGETS

DEVELOP AND IMPLEMENT  
SUSTAINABLE COST  
RECOVERY AND CONTAIN-  
MENT SYSTEMS

INCREASE INDIVIDUAL  
AND COMMUNITY CONTROL  
OF NATURAL RESOURCES

ALLOCATE INCREASED  
PERCENTAGE OF HEALTH  
RESOURCES TO BASIC  
HEALTH SERVICES

INCREASE PARTICIPATION  
IN AND OUTPUT OF  
PRIVATE SECTOR  
ACTIVITIES

EXTEND AND INTEGRATE  
PRIORITY FAMILY  
PLANNING, MATERNAL  
AND CHILD HEALTH  
PROGRAMS IN PRIMARY  
HEALTH CARE FACILITIES  
AND IMPROVE SERVICE  
DELIVERY EFFECTIVENESS

PROMOTE SYSTEMS TO  
FORECAST AND RESPOND  
APPROPRIATELY TO  
NATURAL DISASTERS

Target of Opportunity: Democracy and Governance

**STRATEGIC OBJECTIVE 1: INCREASE QUALITY, COVERAGE AND USE OF FAMILY PLANNING, MATERNAL AND CHILD HEALTH**

This strategy, aimed at cutting population growth and child death rates, provides for project and non-project assistance to bring about more rational planning, management and allocation of health sector resources, through enactment of required policy and administrative reform measures, coupled with direct assistance to the GON for the development and implementation of a national family planning, maternal and child health program.

Assistance is targeted to the most vulnerable groups, women and young children, and focuses on the most direct means of effecting fertility decline: increasing the prevalence of contraception among married women of reproductive age. Given the strong correlation between reductions in infant and young child mortality and increased contraceptive use, the strategy targets both family planning and other child survival services. Institutional development and system improvements are needed for family planning and other health services. Integration of these priority interventions increases the efficiency and effectiveness of each program.

Specific targets toward achieving this strategic objective include:

- 1.1 Develop and implement sustainable cost recovery and containment systems.
- 1.2 Allocate increased percentage of health resources to basic health services.
- 1.3 Extend and integrate priority family planning, maternal and child health programs in primary health care facilities and improve service delivery effectiveness

Some mechanisms to achieve these targets include:

--Increasing planning, management and evaluation capacity at the central and regional levels;

--Increasing efficiency and effectiveness of family planning and related health services in the field; and

--Increasing community-level participation and support for family planning and other primary health programs.

**STRATEGIC OBJECTIVE 2: INCREASE THE OPPORTUNITIES FOR SUSTAINABLE AGRICULTURAL PRODUCTION AND RURAL ENTERPRISES**

Niger's poor resource base, difficult climatic conditions and high population growth rate all create a difficult environment for sustainable agriculture. While the type of technological-based "Green Revolution" found in Asia is not forecast for the Sahel, low-cost technologies are available to conserve and improve the resource base, paving the way for better agricultural returns. These include water harvesting, land rehabilitation (wind breaks, diguettes, dune stabilization) and improved management techniques, all of which have been tried and tested in Niger but are as yet practiced on a limited basis. These practices must be more widespread to generate the level of agricultural surpluses needed for economic growth. To achieve growth, however, off farm employment must also be encouraged to reduce pressure on non-renewable resources and provide mechanisms to capture the maximum value from its current output and to create a more productive rural sector. The focus of this strategic objective is on increasing opportunities for such changes.

Specific targets to achieve this strategy include:

2.1 Increase individual and community control of natural resources.

2.2 Increase participation in and output of private sector activities.

Some mechanisms to achieve these targets include:

--Extension and information dissemination, including PVO/NGO participation in community-based NRM interventions and the formulation and popularization of the Rural Code to promote increased security of land and resource tenure.

--Support for agricultural marketing and rural financial markets to create incentives to increase production and to make long- and short-term investments in natural resources management.

--Support for rural organizations which play central roles in promoting rural development (e.g., NGOs, cooperatives, credit unions, producer and business associations) and in rural enterprises to deepen the commercial base.

--Targeted agricultural research to help further refine understanding of the biological, economic and socio-cultural dimensions of natural resource management in the varied production systems across Niger as well as to identify, test and supply additional low-cost technologies that can further assist the agriculture sector.

**Cross-Cutting Target - 1.4/2.3:**

**Promote Systems to Forecast and Respond Appropriately  
to Natural Disasters**

Special consideration has been given to the cycle of disasters that plague Niger. As a result, a cross-cutting target has been included in the Program Logical Framework, connecting the two strategic objectives. This target covers disasters related to famines and floods, pest invasions and pestilence in the form of epidemics and uncontrolled outbreaks of disease. Disaster preparedness and mitigation, the famine early warning system, disaster response mechanisms and economic development to reduce the occurrence of emergency situations are all aspects of the A.I.D. strategy.

**Target of Opportunity:**

An Embassy/USAID/USIA Democracy Action Working Group is considering strategies for U.S. involvement in democracy and governance in Niger. The underlying theme chosen for small-scale assistance is the effective communication of concepts of democracy to the Nigerien populace, especially in preparation for the upcoming elections. It is expected that activities will initially support a media campaign to sensitize the population through assistance that helps create, produce and broadcast media programs on democracy issues to the Nigeriens via radio, TV and press.

INDICATOR DATA FORM

<u>Objective</u>	<u>Indicators</u>	<u>Source of Data</u>	<u>Frequency Collection</u>	<u>Form Received</u>
S01: Increase quality, coverage and use of family planning, maternal and child health	End use distribution of modern contraceptives	Family Planning Service	Semi-Annually	Annual Report from Ministry of Social Development
	Percent of children vaccinated against measles at 1 year	National Health Info System	Quarterly	Annual Report from MOH Directorate of Studies & Program/Tulane
1-1 Develop and implement sustainable cost recovery and containment systems	No. of facilities with staff and equipment for standard treatment protocols and pharmaceuticals in stock	National Health Info System	Quarterly	Annual Report from MOH Directorate of Studies & Program/Tulane
	No of PHC (non-hospitals) facilities implementing cost recovery systems	Special Study, Directorate of Studies & Program	Ad Hoc	Report from MOH Directorate of Studies & Program/Tulane
1-2 Allocate increased percent of health resources to basic health services	Percent of pharmaceuticals distributed to non-hospitals	National Pharmacy Office	Annually	Annual Report MOH Pharmacy & Drug Directory
1-3 Extend and integrate priority family planning, maternal and child health programs in primary health care facilities and improve service delivery effectiveness	No of PHC facilities providing family planning services	Family Planning Service Program Statistics	Semi-Annual	Annual Report from Ministry of Social Development, Population & Women
	No. of PHC facilities providing vaccination	National Health Info System	Quarterly	Annual Report from MOH Directorate of Studies & Program/Tulane
	Annual number of non-hospital consultations .. Curative .. Pre-Natal .. Well Baby .. Family Planning	National Health Info System	Quarterly	Annual Report from MOH Directorate of Studies & Program/Tulane

**INDICATOR DATA FORM**

<u>Objective</u>	<u>Indicators</u>	<u>Source of Data</u>	<u>Frequency Collection</u>	<u>Form Received</u>
SO2: Increase the opportunities for sustainable agricultural production and rural enterprises	No. of resource users adopting NRM practices: .... Men .... Women	Field survey in project zones	Ad Hoc	Project Reports
	Metric Tons Exported: .... Onions .... Cowpeas .... Skins/Hides .... Livestock	Ministry of Economy and Finance	Annually	Annual Report/ME&F
2-1 Increase Individual and community control of natural resources	No. of hectares of managed agricultural land	Ministry of Ag & Live-stock	Annually	Annual Report MAEL with ASDG II teams
	No. of hectares of community-controlled woodland sites	Ministry of Hydraulics & Environment	"	"
	No. of public wells attributed to individual or community management	Ministry of Ag & Live-stock	"	"
	No. of hectares of pasture under management by pastoral associations	"	"	"

**INDICATOR DATA FORM**

<u>Objective</u>	<u>Indicators</u>	<u>Source of Data</u>	<u>Frequency Collection</u>	<u>Form Received</u>
2-2 Increase participation in and output of private sector activities	No. of coops engaged in commercial activities	CLUSA/WOCCU ILO, UNICEF CAV (French PVO)	Annually	Annual Reports
	Loans:			
	Total number of marketing loans	CLUSA	Annually	Annual Reports
	Total number of cowpea loans	CLUSA	"	"
	Value of marketing loans	CLUSA	"	"
	Value of cowpea loans	CLUSA	"	"
	Total loans of credit unions	WOCCU	"	"
	Total loans of rural banks	CARE	"	"
	Loan repayment rates	CARE WOCCU CLUSA	"	"
	Total No. of credit unions: .... Male/Mixed .... Female	WOCCU	"	"
	Total savings of credit unions	WOCCU	"	"
	No. of small enterprises created	CARE	"	"
	No. of new jobs created	CARE	"	"

INDICATOR DATA FORM

<u>Objective</u>	<u>Indicators</u>	<u>Source of Data</u>	<u>Frequency Collection</u>	<u>Form Received</u>
1-4 Promote Systems to 2-3 forecast and respond to natural disasters	Use of vulnerability assessment in GON	SAP*	Quarterly	Reports
	No. of people in SAP using SAP vulnerability assessments	USAID	Quarterly	Reports
	No. of people in MOPH using SNIS** to respond to disease outbreaks	MOPH	Per Outbreak	Reports

\* Early Warning System Operations located in Office of Prime Minister

\*\* National Health Information System

SECTION VI:

Plans for Implementation: Level and Use of Resources, Monitoring, Reporting and Evaluation, Policy Agenda.

Level and Use of Resources: USAID/Niger's CPSP Concept Paper spans a three-year period, covering FYs 1992 through 1994, during which time the following resource flows are expected to occur:

FY 1992	\$26.5 million
FY 1993	\$21.6 million
FY 1994	\$26.0 million.

The above are based on current FY 1992 OYB and FY 1993 Congressional Presentation figures. Of the total DFA resources planned for the strategy period, about half (\$38.6 million) will be programmed for sector assistance and half (\$35.5 million) for project assistance. The overall program currently includes projects and sector assistance totalling \$160.5 million.

The Mission has 16 full time USDH (FTE) positions and an organizational structure composed of seven offices. These include the Director's Office (Director and Deputy Director), the Executive Office (Executive Officer), the Controller's Office (Controller and Deputy), the Program Office (Program Officer and Program Economist), the Project Design Office (Project Development Officer), the Agriculture Development Office (ADO Chief, Deputy, Agriculture Economist and two Project Managers) and the General Development Office (GDO Chief, Health Development Officer and Special Project Officer). Since 1988, USDH FTE staff levels have been cut by seven resulting in the elimination of the following positions: Agriculture Project Officer (2), Assistant Project Development Officer, General Project Development Officer, Assistant Health Officer, Assistant Program Officer, and Secretary.

To compensate partially for these losses, a series of actions have been taken including the addition of a Resident Hire USDH Secretary and the assignment of a Child Survival Intern under Johns Hopkins' CS Fellows program, as well as simply doing more with less. Our ability to tap quality local nationals for professional and support jobs at the Mission has been limited due, in part, to the thin layer of technical skills generally available in Niger. Three of our most senior Foreign Service Nationals are seconded from the Government of Niger. The Mission has, however, been able to supplement program management coverage of health and agriculture sector interventions through long-term FSN and US PSCs. In addition, a US Ph.D. rural sociologist has been added to our staff by buy-in to the African Development Support Project, significantly

sector interventions through long-term FSN and US PSCs. In addition, a US Ph.D. rural sociologist has been added to our staff by buy-in to the African Development Support Project, significantly enhancing our in-house analytical skills for program development and implementation. While we have been successful in filling a significant part of the gap, the current USDH FTE level is considered the bare minimum. The Mission will be shifting one position (eliminating the Agriculture Economist) from ADO to GDO to improve the latter's management coverage.

Monitoring, Reporting and Evaluation: USAID/Niger's program management and monitoring includes traditional field tools consisting of routine backstopping by project managers, general and ad hoc management meetings, project design and committee meetings, bi-annual project implementation reports, federal and non-federal audits, and evaluations. With the increased need to report impact results under the Development Fund for Africa, USAID/Niger has been modifying its approach to emphasize program impact in addition to the achievement of project purposes, as well as taking into account related Africa Bureau Strategic Objectives and Targets under the DFA Action Plan. We have also stressed the need to develop quantifiable reporting indicators to meet the requirements of the annual Assessment of Program Impact report.

Program monitoring responsibilities are decentralized in this USAID with all responsible parties reporting to the Program Office as the principal coordinating unit. Consideration was given to the establishment of a separate Program Monitoring Unit (PMU) attached to the Program Office; however, due to funding and ceiling limitations, this has not been possible. However, concrete steps have been taken to enhance and expand performance monitoring to add depth to our impact assessment capabilities. The following provides an overview of some of these efforts:

Abt Associates prepared an Agricultural Database Assessment Report under the Agriculture Policy Analysis Project (APAP II) cataloging all the agricultural data and data bases existing in Niger. It examines their usefulness and accuracy and makes observations and recommendations on the potential for their updating and maintenance. From this report, a user's guide to agricultural data will be prepared for GON use through APAP II. This has been a cost-effective approach to increased efficiency of existing program assessment tools.

To improve the analytical tracking of policy reforms, the University of Michigan/Center for Research on Economic Development (UM/CRED) has continued to elaborate new methodologies for examining program impact of the reforms promoted by our Agriculture

Sector Development Grant. Their last contribution, completed in May 1991 and entitled "Measuring Policy Reform Impact on Agriculture Inputs," showed that the role of the parastatal responsible for agriculture supply (Centrale d'Approvisionnement - CA) has decreased significantly during the reform period. It now sells fertilizer at the market price and is in direct competition with the private sector. Owing to the weak database on fertilizer imports/consumption patterns, it is difficult to ascertain the quantities of fertilizer used by all farmers in Niger. A credible proxy has been achieved in a survey of farmers on irrigated perimeters who traditionally use the most fertilizer. That survey shows that fertilizer use has not decreased for this particular group of farmers despite the elimination of subsidies. Moreover, fertilizer use has continued at the same levels despite the CA's greatly decreased supply to farmers. This implies that the shortfall is being made up by the private sector.

Database creation is often the only option to improve impact assessment, particularly assessments that require observations at the grassroots or people-level. Some headway has been made in this regard through an International Food Policy Research Institute (IFPRI) study funded in part under the Niger Economic Policy Reform Program (NEPRP). The study examines the nature and determinants of household strategies and their influence on the effects of policy changes on supply, production, and investment, and on demand. It will give us useful insights into rural household income levels and composition (agriculture and non-agricultural), consumption of food and non-food items, crop production and storage, input use, and crop and livestock purchases, sales, and transfers.

IFPRI completed the field work phase, which spanned more than two years, in July 1991. The study is now in the analysis and writing phase and will be completed in June 1992. We are currently exploring possible research extensions using the considerable raw data that have been collected by IFPRI. The survey was concentrated in Western Niger, covering 15 villages composed of sedentary agriculturalists. Nomad pastoral groups were not covered. While it is not representative of all ethnic or income groups in Niger, the survey did cover three latitudinal zones and is fairly representative of the various climatic conditions affecting economic activity in Niger.

The FY 1990 Policy Analysis and Monitoring (PAM) project stemmed from a lack of rigor in the GON's ability to analyze policy options for decision-makers and to track the implementation of reforms to ensure they are properly applied and, when appropriate, revised. These problems arise from a lack of necessary data and

analytical methods. It is aimed principally at the needs of the Ministry of Plan, now folded into the Ministry of Economy and Finance, but will also help reinforce other GON Ministries and Mission systems as well. Because contracting for PAM institutional support took more than a year to complete, the first TA field visit has just gotten underway. Later in the spring, a Research Agenda will be elaborated. The first research/database fieldwork/monitoring methodologies will not be on stream much before late 1992.

Initiatives related to Geographic Information Systems (GIS) are moving forward on a number of fronts:

Under ASDG I, the UM/CRED team has been putting together a GIS that will locate and track all Natural Resources Management activities in Niger. Their numbers are substantial considering the high interest accorded NRM by the donor community. These numerous and as yet loosely coordinated investments will be substantially valorized through the emergence of an analytical tool that can gauge the spread of NRM coverage in terms of location and the type and degree of specific inputs.

Under the regional Sahel Water Data III project, which funds A.I.D.'s contribution to the multilateral United Nations-led AGRHYMET (AGROMeteorological/HYdrological/METEorological) program, the U.S. Geological Survey PASA is establishing GIS technology to enhance information management and applications. An extensive historical data base and techniques for archiving these data exist. Decision-makers, however, require useable information products to make appropriate decisions on increasing food production in the Sahel. The utilization of microcomputer technology through GIS will transform these data into map formats that will present information such as the distribution of rainfall, condition of crops, and estimated crop yields. GIS will offer AGRHYMET offices, both at the national (NAC) and regional central levels (ARC), a way to improve the effectiveness of their analytical bulletins. Due to the heavy training demands and the time required to install the desired software, GIS will not be viable in the AGRHYMET system until late FY 1992 and beyond for most NACs. The Famine Early Warning System (FEWS) will also incorporate GIS to help link the many levels and sources of information necessary to monitor food security in the seven FEWS countries. In Niger, FEWS/GIS remains at a very early stage.

The Niger National Health Information System's use of GIS tracks the geographical dispersion of health care service dispensation at the national, departmental, and arrondissement level. The focus is on the plotting of services rather than

facilities. Depending on the location of the facilities, i.e., the health care dispensaries, and the size of the populations they are supporting with these services, four categories of size and service provision can be designated. The categorization is made on the basis of the size of the facility, the staffing and the level of health care services available. The GIS data are collected at the regional level and fed back into the central facility at the Ministry of Health. GIS tracking is done for health services which cover prevention and curative services, immunizations, family planning, and nutrition. This GIS also tracks health support systems: the personnel, their stationing and movements, infrastructure and vehicles. The final use of GIS in health is mapping the geographical dispersion of budget resources, a function which is the least developed of all the tracking procedures for the moment.

In December, Cornell University completed the field work phase of the Niger Case Study under the Policy Reform and Poverty Project. Over the next year work will continue at the Washington-based project office to move the Niger study as closely as possible to a Computable General Equilibrium Model (CGE) which allows a numerical global analysis of policy impact. Due to data limitations which have prevented the requisite level of disaggregation, a full CGE may not be possible for Niger within the time frame established for Cornell's assistance. With a well-established methodology in place in the GON, however, disaggregation limitations can be overcome eventually and a complete CGE established.

The Policy Agenda: As noted throughout this Concept Paper, USAID/Niger is heavily involved in NPA/PA programming. The ongoing policy dialogue during the current strategy period, FY 1992 - FY 1994, will encompass the issues below related to our two strategic objectives:

**Strategic Objective One: Increase Quality, Coverage and Use of Family Planning and Maternal Child Health.**

Policy Issues:

- o Final adoption of the draft National Population Policy and draft Family Planning and Maternal Child Health Service Policy.
- o Allocation of an increased percentage of GON health sector resources to primary care and preventive health services in lieu of the current disproportionate allocation in favor of hospital-based curative care.

- o Increased decentralization of planning and management of health sector programs and resources to the regional level.

- o Implementation of cost recovery systems, with retention of funds collected at the various levels, for hospital and non-hospital services.

**Strategic Objective No. 2: Increase the Opportunities for Sustainable Agricultural Production and Rural Enterprises**

**Policy Issues:**

- o Promote wider implementation of natural resources management policies that increase the incentives for communities and individuals to invest in the land to increase sustainable agricultural production and rural income while maintaining and enhancing the natural resource base.

- o Enhance the ability of individual rural inhabitants to gain control over resources they habitually use, and to manage and profit from them in a sustainable manner.

- o Identify opportunities for sustainable agricultural production through analyses of agricultural policy and policy-related constraints and opportunities.

- o Strengthen, direct, conduct and integrate agricultural research to provide valued technologies for sustained agricultural production. Develop linkages between INRAN (the national agricultural research institute) local institutions, IARCs (international agricultural research centers) and CRSP university affiliates in the U.S.

- o Integrate environmental and agricultural interventions to promote a system for sustainable agricultural production by improving the quality of life for the target populations and protecting the environment from degradation.

- o Expand private sector participation in and output of rural-based cooperatives, micro-enterprises and democratic member-owned and operated credit unions.

- o Improve business climate for the expansion of traditional and non-traditional exports and for expanded domestic economic activity.

- o Strengthen and broaden private business associations and expand their role in the formulation of domestic economic policy.

Cross-Cutting Policy Issues:

- o Strengthen host government capacity to manage disaster, including early warning and coordination of domestic and international planning and response.

- o Encourage decentralization of disaster management.

- o Encourage greater private sector role in disaster management, as implementing agents of emergency disaster assistance and as participants in alternative responses to disaster mitigation.

- o Increased participation of victims in formulation of policies for disaster responses.

- o Last but not least, an overriding issue: Encourage the government to put its fiscal house in order, improving the efficiency with which existing resources are utilized and exploring means to promote greater assistance and support from donors to ease the country over its continuing budget crisis.

The policy dialogue on all of the above will take place principally within the context of USAID/Niger's existing NPA programs (ASDG I, ASDG II, NHSS and NEPRP) and the Disaster Preparedness and Mitigation Program currently under design. Our dialogue with the GON will be consistent with the GON-IBRD-IMF policy framework being established under Niger's Economic and Financial Recovery Program and the need to ensure greater consultations among the donor community to optimize returns to the large pool of donor resources being provided Niger.