

PD-ABP-673

95377

USAID/MALI
ASSESSMENT OF PROGRAM IMPACT
FISCAL YEAR 1992

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Mali is a poor country. That is a fact. But that is no reason for us to give up, no reason for us to be ashamed, no reason for us to think that change is not possible. We founded our democracy so that we could change things...so that we could be responsible for ourselves and determine our own destiny. These past eighteen months have given us undeniable proof that indeed we can change whatever we want to change. They have shown our ability to make choices about how we want to live and how we want to develop our country. They have shown that we are not condemned to say "yes" all of the time. They have shown that everyone, in this civil society, has the right to say "no", without fear of reprisal. That, my fellow citizens, is a great accomplishment.

*President Alpha Oumar Konaré
September 1992*

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AGENCY FOR INTERNATIONAL DEVELOPMENT

OFFICE OF SAHEL AND WEST AFRICAN AFFAIRS
WASHINGTON, D.C. 20523-0033

MEMORANDUM

November 19, 1992

TO: See Distribution

FROM: AFR/SWA, William Darkins *WD*
OIC, Mali and Burkina Faso

SUBJECT: Mali - Assessment of Program Impact (API) Review

NOTICE OF MEETING

Date: Tuesday, November 24, 1992
Time: 10:30 a.m.
Place: Room 3491 NS (AFR/SWA Conference Room)

Distribution:

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MAP OF THE REPUBLIC OF MALI



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SECTION I: SPECIAL FACTORS AFFECTING THE USAID/MALI PROGRAM

Change and Continuity

Mali. October 1990. Year 23 of the Second Republic. The military regime of General Moussa Traoré, legitimized by the single-party UDPM, is on the firing line. "Multi-partyism" and "political pluralism" have crept into the Malian vocabulary -- spearheaded by the powerful Workers Union (UNTM) and Student Movement (AEEM). The government's (read UDPM) position is to integrate these new slogans into party ideology, controlling the debate as well as the media coverage. Another thorn is the Tuaregs, who are increasingly becoming a problem in the North. A meeting with them is forthcoming, probably in Algeria. One way to appease them is to create an Eighth Region in Kidal which could be administered with some degree of local autonomy.

Mali. October 1991. Month 7 of a joint military-civilian Transitional Government (CTSP) piloted by Lt. Col. Amadou Toumani Touré. The former president is under arrest, toppled in a violent uprising led by the UNTM and AEEM. Military are off the streets; calm and order are restored, all but in the North. But the scars of destruction and human tragedy are still very visible, and very felt. The UDPM is now just a memory, replaced by a myriad of nascent political parties and democratic associations that together represent a broad spectrum of ideologies, interests, and groups. They have popular legitimacy, a legal

right to exist, and the wherewithal to express themselves freely and assemble at will. Malian press, represented by a score of new tabloids and radio stations, give them and the CTSP good and objective coverage, with an openness and fairness that did not exist before. The groundwork for a new Constitution, a charter for political parties, and an electoral process for local, legislative, and presidential elections are all in place -- with mid-1992 still scheduled as the time the CTSP will self-destruct and turn reins over to an elected civilian government.

Mali. October 1992. Day 100 of the Third Republic and Africa's newest multi-party democracy. The CTSP indeed kept its promise. President Alpha Oumar Konaré -- historian, archaeologist, man of the people -- is in power, as are 751 municipal leaders and 116 National Assembly Deputies -- all of whom were elected by popular vote in the course of six pollings from January to April. 21 political parties nationwide participated in elections that were judged by international observers to be free and fair. Other 'firsts':

- o A new Constitution, drawn up in August 1991 and endorsed by a popular referendum in January 1992. Key elements are empowerment of local populations, separation of powers, protection of human rights, and independence of the judiciary. Innovations include freedom to create political parties and participate in a multi-party state, freedom to assemble and to strike, and freedom of speech and the press. The Constitution also reduces the potential for abuse of power by government officials.

- o A multi-party National Assembly, with 65% of the seats controlled by ADEMA, the Malian Democratic Alliance (Alpha Konaré's party), and the remaining 35% by 10 other parties, now combined into four parliamentary groups. The Assembly's first session in July attracted skepticism, as voiced by a local newspaper: "The National Assembly has many challenges it must address right away: first, to prove that it is an independent power; next, to appease an opposition fearful of being crushed by the majority; and finally, to work for all the Malian people, and not just for ADEMA." The initial signs were good. All legislation proposed by the government was approved, but not without lively debate and the eventual incorporation of many 'minority' but important amendments. The content of the new legislation is further elaborated below.

- o A 19-member Ministerial Council. Four Ministers occupying key positions belong to opposition parties, two of them being former presidential candidates. Some new names set a positive tone, e.g. the Ministry of Justice now has "Human Rights" tagged on; and the Prime Minister now watches over a new Ministry for Private Initiatives. These changes send a clear message that the government is indeed capable of functioning with political diversity in the ranks; that Malians indeed have rights; and that the private sector, not the government, is the motor for Mali's economic development.

- o An independent judiciary, with a separate Constitutional Court whose mandate is to rule on laws and conflicts of jurisdiction, and to

proclaim election results; a High Court of Justice, with complete authority to try senior governmental officials in case of treason; and a Council of Magistrates that assigns judges and gives opinions on judiciary independence.

o A freer and even livelier press, now with some 30 independent newspapers and close to 10 private radio stations nationwide. The government-owned newspaper and radio/TV stations are open, and give space to a wide range of views. Malians increasingly view the media as a vital and believable source of information, and a watchdog against official abuse and corruption.

How has all this affected our program and the way we do business? We did not have to stand our program on its head overnight, nor did we. What we did do, however, was strengthen our portfolio by capitalizing on some 'democratic' opportunities while at the same time furthering the country's and our own broader social and economic interests. For example:

o The \$1.1 million secured under the 116(e) appropriation for the Mission's Democratization Support Project was instrumental in mobilizing \$5 million of additional donor funds for election support, and in setting the stage for a comprehensive civic education program that will begin in FY 1993. USAID was the first off the block to support Mali's democratic governance initiatives, playing a catalytic and technically critical role during the entire electoral process, and beyond.

o The PRED policy reform program targeted the administration of justice as a way to advance private sector initiatives while at the

same time better governance and the rule of law. Support to the nascent commercial and administrative courts, institutions which lend themselves to efficient, fair and reliable resolution of commercial disputes, will produce some 15,000 new jobs and generate about \$5.5 million of additional annual income during the next five years.

o Mission assistance to the *Contrôleur Général d'Etat* (Mali's Inspector General) through the Financial Management and Training Project yielded an important and immediate payoff when there arose suspicion of certain financial irregularities and shortfalls in the Treasury Department. The CGE conducted a prompt and thorough investigation in June, resolving the problem and paving the way for the IMF's critical \$85 million Extended Structural Adjustment Facility (ESAF), signed by the new government in August. Without this transparency and accountability the ESAF would have been postponed - threatening Mali's economic recovery, calling into question the integrity of the transition and undermining many of its accomplishments.

o The new agricultural research (SPARC) and livestock production and marketing (APEX) projects are not just "old wine in new bottles", i.e., straight technology transfer from the station or laboratory to the farm or the herd. Rather, these projects bring together elements of research, production and marketing in ways that give farmers, herders and others an integral role in planning and management. Two years ago these actors would have had a more limited role -- following what officials wanted to do and how they wanted to do it.

o Finally, responding to a genuine commitment to broad-based participation and social equity *à la base*, USAID, through the PVO network, is helping communities to do what they want to do. This is no better illustrated than in World Education's microenterprise activities in Bamako where some 60 NGOs have mobilized thousands of residents to carry out a variety of small-scale urban renewal projects. Local civic committees set their own priorities, contracted their own workers, and did the work -- quickly and inexpensively. Again, two years ago these same bridges, gutters, schools, and latrines might have been built or repaired -- for UDPM party favorites and at a much higher cost.

Three governments in two years. Autocracy to democracy. Repression to freedom. Desperation to hope. All kinds of changes, some welcome, others difficult to understand and cope with. Was it a great year? Yes. Are things all rosy? No. Students still take to the streets, workers still want more jobs and more money, business people still want compensation for last year's damages, the military still wants a positive role, Moussa Traoré and his colleagues still wait for trial and, perhaps the most critical element in the security-development equation -- the North still waits for peace.

There is change, and there is continuity. But not just continuity of problems. *Au contraire*. Most important this past year has been seeing the continuity in the will and spirit of the Malian people to build a strong, integrated and free society; continuity among Mali's partners to help them move this new society ahead.

SECTION II: PROGRESS TOWARD OVERALL COUNTRY PROGRAM GOALS

PROGRAM GOAL: TO PROMOTE ECONOMIC GROWTH

COUNTRY TREND INDICATORS	BASELINE 1989	1990 ESTIMATED	1991 ESTIMATED	1992 PROJECTED	1993 PROJECTED	1995 PROJECTED
Real Gross Domestic Product (GDP) increases.	\$2.1B	\$2.23B	\$2.25B	\$2.4B	\$2.7B	\$3.3B
Per Capita GDP increases.	\$260	\$278	\$294	\$310	\$325	\$355
Exports of goods and non-factor services increase.	\$343M	\$368M	\$400M	\$381M	\$419M	\$559M

Macroeconomic performance was weaker in 1991 due to poor weather conditions in 1990, the destruction of private and governmental facilities during the January-March 1991 unrest, and the post-coup disruption of numerous productive activities. The result was a 0.2% drop in the GDP. Despite this, all macroeconomic targets for 1991 were met, with satisfactory progress on structural reforms during 1992. An excellent 1991 harvest and continued good weather bode well for the 1992 economy, with real GDP growth expected to increase by 5.9%. The "wild card" in this projection, however, will be stability of the international cotton market. Exports grew by 8.7 percent in 1991 largely as a result of increased export volume of cotton and livestock. (Sources: MEFP, IMF, World Bank statistics)

PROGRAM SUBGOAL: TO IMPROVE THE QUALITY OF LIFE

COUNTRY TREND INDICATORS	BASELINE: 1987	1991 ESTIMATED	1992 ESTIMATED	1993 PLANNED	1994 PLANNED	1995 PLANNED
Life expectancy increases.	47 years	47	48	49	50	51
Literacy rate increases.	14%	15%	15%	16%	16%	17%

Positive trends in Mali's fundamental quality of life indicators are imprecise because of an overall lack of national-level comparable data. The result is a series of guesstimates based on a broad spectrum of figures in the health and education sectors. Whereas there was basic agreement on life expectancy of 47-48 years in 1990 and projections of 60-years for Malians born today, the infant mortality rate -- a key factor in determining life expectancy -- now ranges anywhere from 102 to 166 per 1000 live births. Literacy rates are similarly variable, ranging in 1990 between 11-15% for females and 16-31% for males. National-level management information systems, which are operational for basic education and in the design stage for health and population, already indicate that the 1990 literacy projections were overestimated. (Sources: GRM Ministries; DNSI, World Bank and UNDP Reports; USAID estimates)

Progress Toward Promoting Economic Growth and Improving the Quality of Life

This year's "slice of Malian life" showed some noticeable progress in overall economic and human quality-of-life indicators. Using our favorite "Grand Equalizer", i.e., the UNDP's 1992 Human Development Index, we find that Mali surged to 155 on the Top 160 Chart -- up one notch from last year! Given a coup, lots of destruction, some confusion, a little less public and private money to invest, and a wait-and-see reticence on the part of many investors, this ranking isn't bad. But we must not ignore, in our perception of Mali and the climate in which economic growth takes place, the determination on the part of the government and the Malian people to get on with things, to rebuild, to change, and to put their lives and their country back in good order.

In Mali we have seen that economic growth and the enabling environment for private investment is largely contingent on macroeconomic reform performance. In this area the GRM continues to make good progress. The Third Republic, following in the footsteps of the Transitional CTSP, remains fully committed to reducing the role of government in the economy. This is being done largely through liquidating and privatizing remaining parastatals, and removing other barriers to private sector growth. Many policies are now in place that simplify and streamline administrative procedures, enhancing public resource allocation, providing production incentives for industry, and boosting confidence among private investors. The most notable measures taken this past year were:

- o the satisfactory divestiture of the eight remaining public enterprises under the World Bank's PESAP program. Of the 29 firms that were liquidated or restructured under this program, 13 have now been privatized -- one through a joint venture with an American firm (cf. Strategic Objective 1 narrative below).

- o the total liberalization of prices, with the last price control (petroleum products) eliminated in June 1992. Liberalizing prices, an effort that took over six years, remains one of Mali's most sustained and significant achievements in promoting economic growth.

- o the introduction of the value-added tax and its July 1992 extension to retail trade, which increased the potential for broadening the tax base and added a good measure of transparency to economic activities.

- o the abolition of all export and import monopolies and quantitative trade restrictions, along with revenue-enhancing and efficiency measures which rationalize customs tariffs and reduce the number of customs duties.

- o the continued reduction in the size of the civil service, with the leaner public roster of 36,000 and FCFA 41 billion wage bill on track for 1993-1994.

- o the National Assembly's adoption of the revised Commercial Code which simplifies the regulations applicable to local private firms and foreign investors, and improves the procedures for establishing and capitalizing businesses; and a new Labor Code which liberalizes hiring and firing procedures within the private sector, effectively eliminating GRM controls.

- o the establishment and operationalization of Mali's first Commercial Courts (in Bamako District; Kayes and Mopti Regions), providing an outlet for Malian businessmen and banks to resolve commercial disputes and free-up capital for productive investment.

This array of accomplishments, however, did not automatically unlock the coffers to the IMF ESAF Agreement, urgently needed by Mali for its economic recovery and sustained growth. Initial consensus on the ESAF was reached in early 1991, with Board review scheduled for May. This was dashed with the events of March 1991. It was put back on track for spring 1992, only to have it postponed again due to financial performance shortcomings during the last stages of the transition. These were handled quickly and adeptly by the new government, and the ESAF was finally signed in August. The budgetary significance of this 3-year (1992-95) adjustment program is substantial, providing Mali with \$85.5 million in credits and enabling the GRM to secure an additional \$68 million in program support from the World Bank and an estimated \$47 million from bilateral donors.

Priority structural areas over the next three years include further liberalization in the pricing and marketing systems, revisions to fiscal and regulatory texts, implementation of reforms in the cotton and cereals sectors, expansion of public enterprise restructuring program, allocation of public expenditures to directly productive sectors, further reform for the civil service, and improved allocation and management of resources to the social sectors. This is a full, but edible, meal.

In the social sectors, the government and NGOs continue to make progress in educating Malians and keeping them healthier -- but not without some stern "we are not there yet" admonitions and reminders from the country's leaders. The October 1992 school entry occasioned President Konaré to remind Bamako's residents that last year 50,000 school-aged children were not enrolled in the city's public schools; State Minister of Education Haidara to lament that Mali's 25% primary school enrollment rate was a bit removed from Sub-Saharan Africa's 70% average; and for Basic Education Secretary Diallo to stress the unacceptability of having some schools with 140 children in a classroom.

That said, we would not want to ignore some impressive gains this past year, especially the 34,000 new primary-level students enrolled nationwide in 1992. This doubles last year's figure and makes it the largest single-year increase in Mali's post-independence history. It also boosts the number of new primary school students to nearly 70,000 since 1989. Considerable progress has also been made in the number of children completing 6th grade, the number of girls enrolled and retained, the quality of teachers, the quantity of books and availability of other didactic materials, the physical appearance of schools, the presence of on-site potable water and sanitary facilities, the development of tools for measuring student achievement, and perhaps most important -- the involvement of parents and entire communities in mobilizing resources for basic education.

Last year's National Debate on Education, which among many things stressed the necessity to increase literacy rates through non-formal education, was a principle factor in the recent

integration of *alphabétisation* under the new Secretariat for Basic Education. Prior to this, "basic" meant primary-level formal education in French. Now it encompasses non-formal education for adults and children 9-15 not in school, in national languages. Given that the Secretariat is a focus for considerable GRM and donor funding, it will be interesting over the next few years to watch the evolution of resource allocations between the two sectors.

USAID support to literacy/numeracy training comes mainly through the Haute Vallée Project (DHV), situated in Region II where last year half of the nation's literacy training took place. The program is well-anchored but not project-dependent: of the 373 literacy centers in action, 90 are fully supported by community resources and 100 more by a combination of community and PVO resources. 101 are women's literacy centers (up from 37 in 1988), 12 of which are entirely financed by women's groups or village associations. 24% of this year's 13,579 DHV participants were women, up from 21% in 1991. 604 women are now completely literate, as compared to 47 in 1988.

On the health and population side, the Ministry of Health had the unenviable distinction of being the Transitional Government's most transitory Ministry -- with four ministers transitting through the 15-month interim. Adding insult to injury was a 6-month hiatus in securing a bona fide Project Director for the new \$60 million multi-donor funded *Projet Santé, Population et Hydraulique Rurale* program -- the cornerstone of the GRM's health, population, and rural water supply activities and recipient of CHPS funds. With

an energetic Minister and PSPHR Director now firmly in place, the government officially launched the program in October.

Lack of continuity in the leadership did not disrupt the inertia of last year's "adoptions" on the policy, institutional and regulatory fronts. The National Population and "Health for All" policies, the Family Planning and IEC strategy, and pharmaceutical and privatization reforms set this year's stage for some tangible gains in health care delivery in Mali. Estimates of life expectancy, for example, are creeping up to the 48-year range, with infant mortality inching down to the 102/1000 range. Section III will detail other positive changes that have occurred this year as a result an ever-increasing share of the national budget being allocated for health and population activities; steady increases in private sector investment for health centers, pharmacies, and health practitioners; and focused child survival efforts spearheaded by Mali's active PVO/NGO community.

In the end, though macroeconomic performance was slightly weaker in 1991, Mali did pretty well all things considered. And the outlook for next year is even brighter. With good weather this year and a good harvest in 1991, real GDP could grow as much as 5.9% in 1992. Much of this will be apportioned to productive and social sectors. What is important to realize in these up-and-down scenarios is that there exists the political will to build a strong economy and society, and the momentum to do it. There is progress, sustained with popular leadership. Although balancing the realities of economic costs and political demands in a new democracy is still not a given, in Mali it is now being done with increasing savvy and determination.

Strategic Objective 1:

Increasing Private Sector Participation in the Economy

Setting the tone for the new government's interactions with Mali's private sector was the June 1992 creation of the Ministry for the Promotion of Private Sector Initiatives, attached directly to the Prime Minister's Office. Its birth and status within the administration are both positive signs. In three short months the Minister has held court with all major players in Mali's economic community, proposing an ambitious agenda designed to energize the industrial and productive sectors. One big problem he inherited, however, is settling the estimated \$25 million in damages incurred by the private sector during the events of March 1991. These losses, which decreased 1991 private investment about \$6 million more than anticipated, are spread among 206 companies -- 50 of which are large industries accounting for 90% of the total losses. Donors are discussing special assistance for reparations.

Small firms fared better this year, capturing 6% more credit in a year which saw a decline in the amount of available credit and increasing reticence on the part of banks to part with it. The lion's share went to peri-urban and rural-based cooperatives and village associations whose diverse agri-based activities show the most potential for aggregate gains. Given the opportunities in this sector, and the fact that membership in the formal sector is a *sine qua non* for bank credit, it is not surprising that there was another substantial annual increase (26%) in the number of registered firms. That

2,800 new firms are on the roster reflects in large part the GRM's interest and capacity to promote small business activity. Kudos to the Ministry of Finance's *Direction Nationale des Affaires Economiques* (DNAE) which, with PRED assistance, is pioneering the one-stop licensing-registration window.

Overall employment in the private sector is an elusive figure mainly because two-thirds of Mali's workforce is still informal. Tracking Voluntary Early Departees, the first 650 of which came under EPRP, has shown mixed results, i.e., nice reductions in civil service roles but only a modest (15%) re-absorption into private business roles. Re-training of about 250 in the past 8 months, coupled with assistance in compiling bankable dossiers, will help this talented pool become productive in key areas of the economy.

In the area of policy reform, the February 1991 elimination of all export taxes under the PRED program (a condition precedent for the first \$7 million cash disbursement) has already shown some positive results. Export receipts rose by 8.7% this past year, a higher level than expected primarily due to increases in export volumes for cotton and livestock. Discussions with exporters and customs officials also reveal that increased transparency in the absence of any export taxes, along with simplified export procedures, have contributed to this increase.

USAID also ventured into privatization this year, capitalizing on a "target of opportunity" that surfaced under the World Bank's Private Enterprise Restructuring (PESAP) program. For the 1992 liquidation of the *Tannerie du*

Mali (TAMALI), one of the last parastatal enterprises slated for divestiture, the GRM conducted an aggressive search for partners interested in establishing a private company to take over the company's assets. The Mission, with valuable assistance from MDI/ONI, found an American businessman in the international skins-and-hides market and brought him to Mali for a look-see. The outcome: the Ministry of Finance has accepted his bid to buy TAMALI. Final negotiations are underway, with closure expected by early 1993. The projected impact: an first-year production of an estimated 40,000 hides will increase to about 200,000 hides and 100,000 skins by year four, with total sales reaching \$6 million. By year eight sales will exceed \$7.5 million for finished leather, and \$12 million for cut-and-sew operations. Job creation will reach 1,200 in the factory, making it one of Mali's largest industrial employers. There is also a 4-fold employment multiplier for herders, transporters, and others involved in value-added products. As for program focus and integration, the synergy that will occur between this "Son of TAMALI", PRED export reforms, and the private sector production-marketing thrust of the APEX project should be nothing short of electric.

Private sector activities supporting the social sectors also picked up this past year. The new performance contract for the PPM (*Pharmacie Populaire du Mali*) resulted in privatization of all their outlets, integration of wholesalers into the essential and specialty drug markets, and better service delivery to a host of new private health practitioners. Further details of these and similar gains in the educational sector are provided in Section III below.

Strategic Objective 2:

Increasing Incomes in Areas of High Productive Potential

During the past year there have been several signs that technical, institutional, and policy advances made over the past years are having a positive effect on rural incomes -- showing "people-level impact" that Mission project and program monitoring efforts are now beginning to capture. A few notable examples:

- o Livestock owners, transporters, and traders are all benefiting from new customs rules and procedures, largely as a result of the 1990 elimination of livestock export taxes. These and other regulatory measures resulted in an average of 6,000 FCFA (app. \$25) per head of cattle exported in 1992 -- adding \$5 million to Malian incomes.

- o Farmers in the Segou/Mopti region are getting significant returns from improved sorghum/millet varieties developed by Mali's Institute of Rural Economy (IER) and U.S. collaborators. These new varieties, which covered 10% of total sorghum/millet acreage in 1992, have increased production by 8,000 MT. This added another \$1.5 million to incomes.

- o 1992 saw producers, Village Associations, and transporters in the Haute Vallée zone profit from a 36% reduction in transportation costs of marketing cotton, due in large part to the complete privatization of the transportation system. For the first time 100% of all cotton marketed in the DHV zone was transported by the private sector. Also, and again a first, two

Village Associations solicited, negotiated, and awarded transportation contracts directly with private trucking firms. As a result the 10,000 farmers that produced the 12,000 tons of cotton increased their incomes by an average of \$83 a family -- not an insignificant sum in rural Mali.

- o Recommendations from a VPR tree tenure study prompted the Bandiagara Forest Service to give the small Dogon village of Tougoumé more control of the woodlots surrounding their village -- much of it exploited for commercial sale. In a trial run villagers paid the GRM FCFA 32,000 for exclusive rights to harvest 160 steres (1 stere = 28 stacks) of fuelwood, with an agreement that they could sell either the wood or cutting permits for up to FCFA 700 per stere. The result: Tougoumé netted a profit this year of FCFA 80,000, which it can use at its own discretion. This was a "first" in the Mopti Region, but not the first in Mali. Similar community-management protocols were developed further east in 13 villages around Douentza, with assistance from the Near East Foundation; and with 12 Village Associations in the Haute Vallée zone. This is "empowerment" and local resource management at its best.

1992 also saw more commercial credit going to rural cooperatives, Village Associations, and private grain traders. 82% of the \$1.9 credit portfolio in the DHV zone is now handled by commercial banks, up from 68% in 1990. The economic benefits derived these loans are of such consequence, and repayment rates (98%) so impressive, that beginning next year the banks will assume 100% (as opposed to the current 75%) of the credit risk. It is also noteworthy that the two commercial banks that took over the formerly donor-managed PRMC

grain market credit lines expanded their loans to the private grain sector last year by \$2.6 million. That 75 new grain traders (up from 30 in 1991) have entered the market reflects the value of staple grains, which boosted the purchasing power of those working in the agricultural sector 30% in 1991-1992.

Credit assistance to grain traders also supported interventions in grain price stabilization which have been critical to maintaining food security, particularly in the unsettled North. The PVO and NGO communities have been key players in this effort, positioning food stocks in the most needed areas while still managing to carry out a host of local development initiatives, both income-generating and humanitarian, under extremely trying circumstances.

As touched on above, a lot of what works in the areas of high productive potential does so because of increased efforts to decentralize and privatize service delivery as well as the management of local resources. It's hard to put a price-tag on decentralization though easy to cite Mali's efforts to get maximum benefit from it. The best example of this was the December 1991 National Convention on Rural Life (one of several *Etats Généraux*), which gave rise to the National Strategy for Rural Development. Viewed by many as the premier blueprint for implementing decentralization policy, this strategy gives legal status to Village Associations for carrying out local-level planning; identifies areas for increased GRM, donor, and private sector investment in the rural sector; and replaces sectoral development strategies by a participatory approach. Its implementation will be monitored closely.

Strategic Objective 3:

Improving the Delivery of Health and Educational Services

The IFAHS-assisted network of fifteen health centers in Bamako District is good place to start talking about improvements in health care delivery this past year. All centers are now fully staffed and equipped, with modern data collection systems operational and staff expert in maternal-child health and family planning. Since 1991 prenatal and post-natal care visits are up 50% and 36%, respectively, with clinic-assisted deliveries up 20%. This translates into about 57,000 more people receiving services, 42,000 more received family planning services, up 44% from 1991 -- boosting the contraceptive usage rate to 36% among the centers' users.

This last factor has helped contribute to another albeit modest increase in Mali's contraceptive prevalence rate. Key to this, besides training in FP/IEC methods for an additional 137 health professionals, has been USAID assistance in contraceptive logistics and management. The uncountable stock ruptures in 1988 have been reduced to one in 1992 -- in the currently precarious zone of Timbuktu. But the highlight of 1992 was SOMARCs successful launching of the Protector Condom. In the first three months 250,000 condoms were sold in private pharmacies, small shops and villages -- more than the *Pharmacie Populaire du Mali* (PPM) sold in its entire 27 year history! It is no exaggeration to say that "Songalo and Zanke", SOMARC'S media heroes and caricatures of "responsible vs. irresponsible men", put family planning on the map in Mali and elevated the

condom from a stigmatic device for protecting against AIDS and STDs to a culturally accepted method for promoting family well-being. 26% of all profits, now used for advertising, could eventually be used for condom purchase. With the September 1992 approval of Norplant as a contraceptive method in Mali, the Mission will add this, along with oral contraceptives (the "pilplan") and spermicides to its contraceptive social marketing program.

Given the potential for creating new jobs and recovering costs, it is likely these modern marketing techniques will spread to other health care areas, i.e. pharmaceuticals. During the past six months the first steps were taken to restructure the PPM with a three-year blueprint known as the *Contrat Plan*. To provide Malians with a continued, efficient, and low-cost supply of 189-recommended essential generic drugs, the PPM stopped all specialty drug orders and sales, reorganized management, cut a third of their personnel (600 to 400), commissioned an external audit, and installed an information system to manage its 15 remaining stockpoints and new distribution facilities in Segou, Kayes and Sikasso. Training salespersons in essential generic drugs will begin in November, as will pilot social marketing activities. Side-by-side with the PPM are private drug wholesalers who also furnish Mali's pharmacists with essential as well as specialty drugs. It is competition at its best, resulting in more private and village-based pharmacies (250 alone this past year), reduced consumer costs, and fewer stockouts. Providing the PPM and private wholesalers with five (and soon ten) essential drugs is the *Usine Malienne des Produits Pharmaceutiques* (UMPP), the Bamako-based pharmaceutical

company which is gearing up to capture 40% of the essential drug market in the next two years.

Last year's policy reforms in child survival had a direct effect on 1992 activities, especially in nutrition and acute respiratory infections (ARI). Integrated nutrition health messages made some headway in the more remote and economically depressed rural areas. This year in Dioro, for example, the chronic malnutrition rate dropped to 27% from nearly 30% 1991. USAID hopes to improve this rate through continued multi-sectoral support to nutrition activities, especially adoption of a National Nutrition Action Plan to be completed by December.

The incidence of diarrheal disease in Dioro also dropped to 20% this year from 41% in 1989, with 66% of mothers now using ORS for treatment, compared to 5% three years ago. Other PVOs report similar successes. Another important step was taken in June 1992 with the adoption of an Acute Respiratory Infection Plan. 90% of the 40,000 ARI-related child deaths each year are due to pneumonia, curable by simple antibiotic treatments. This Plan, and the availability of essential drugs, will combat ARI infections beginning this year.

Progress was also made in infectious diseases, notably AIDS. Expanding coverage to most of Bamako has increased the percentage of high risk people with access to information and condoms. As a result of this, the number of gonococcal infections among this group were reduced from 47% in the 1991 to 6% in 1992. USAID and the Ministry of Health infer from the reduction of gonorrhea transmission that the prevalence of the HIV virus and other STDs are also being reduced.

On the education front, the new government and National Assembly moved quickly to set a positive tone, reinforcing their commitment to human resource development in general and basic education in particular. One of their first acts was to upgrade the status of the Ministry of Education to "State Ministry" (only 4 of 19 ministries now have this rank), create a State Secretary for Basic Education, and within it a permanent unit to promote Girls Education. It is clear that this new cabinet-level secretariat is not just a symbol designed to placate advocates of *education à la base*, but rather an all-out effort to educate Mali's youngest children and enlarge the base of the educational pyramid.

Doing so will not be easy. It will require considerable resources and the ability to balance legitimate but competing demands from the secondary and tertiary educational sectors. The Minister of Education recently addressed this issue head-on, advocating a broad-based strategy to reform and modernize the entire system. Key to his program is a tripod of challenges to (a) "democratize" education in Mali, broadening geographic coverage, social access, and types of instruction; (b) upgrade the qualifications of teachers and administrators, making education more useful and responsive to people's needs; and (c) improve management of programs and resources, making decisions that are educationally sound and cost effective.

This "shot over the bow" reflects priority areas that the Basic Education Expansion Project (BEEP) has addressed from the outset. This past year alone we have found, for example, 34,000 more children enrolled at the primary level, a 9.8% increase in the enrollment rate

over 1991. This doubles the previous year's increase and matches the two-year 1989-1991 increase. 37% of new enrollees are girls, up from 33% last year and 26% in 1990. We also find the number of girls increasing 12% from 1991-1992, which raises the percentage of girls in primary school by 1%. More children are staying in school, with 17% more completing the sixth grade this year than last year. Also significant is a 65% decrease in the girls' dropout rate.

BEEP has also made strides in repairing and equipping schools for the 1992 entry. Having the most immediate impact was "fast-tracking" a renovation program in Koulikoro Region and Bamako. In two months 120 virtually vacated classes in 30 schools became reuseable. The project also introduced the "Complete School" concept, a comprehensive effort which melds both quantitative (renovation and equipment) and qualitative (training and management) improvements in the classroom. 366 schools in Koulikoro are targeted for this three-year effort. Also, in response to an emergency, BEEP distributed 150,000 books to primary schools nationwide and ordered 250,000 more. Now there is one book for every two students; before, over half the schools had none at all.

Teacher in-service training has already broken the 6,000 mark (300% more than targeted), of which a third are women. This year the project supplied all 1,788 primary schools in Mali with new curriculum guides and trained teachers to use them. 90% of those trained are applying these new skills, a marked improvement from the 54% in 1991. On the management side, over 250 top-level administrators have been trained, with emphasis in budget analysis.

Helping them make decisions are accurate primary school statistics providing information on 375,000 children by age, grade, gender, school, inspectorate and region. They also have a completed personnel redeployment plan which has enabled them to use and assign staff more effectively. Over 5% of teachers have been transferred to the basic education sector, adding nearly 800 primary teachers to the pool.

Local initiatives have also played a major role in moving basic education ahead. School parent groups (*Associations des Parents-Elèves*), using their own or FAEF matching funds, contributed to the vast majority of new school construction and renovation this year — showing the ability of the APEs to mobilize and allocate resources at the local-level. The National Assembly, recognizing the efficiency and reliability of APE involvement, recently changed tax laws to permit direct and immediate use of APE funds for school construction and equipment. BEEP and the PVO Co-Financing projects have just created an education PVO-PIVOT partnership group to support APE initiatives and respond to other community-based education opportunities.

The bottom-line for all these interventions is student performance. How are students doing? As of this year BEEP has a start at measuring this. Project staff, in close coordination with the Ministry, developed and administered the first-ever Malian-adapted student achievement tests to 10% of all 2nd and 5th graders in the project area. The results: students in project-assisted schools performed significantly better than those in non-assisted schools. Contrary to some predictions, there were no difference in achievement levels between boys and girls!

SECTION III: PROGRESS TOWARD STRATEGIC OBJECTIVES AND PROGRESS INDICATORS

STRATEGIC OBJECTIVE 1: INCREASE PRIVATE SECTOR PARTICIPATION IN THE ECONOMY

PROGRAM PERFORMANCE INDICATOR	BASE: 1989	1991 EST.	1992 PL.	1993 PL.	1994 PL.	1995 PL.
1A. Private investment in the economy increases. (FCFA billions).	75	77.7	94.8	104.8	113.1	120

The estimated \$25 million in losses to the private sector from the March 1991 uprising decreased last year's private investments by about \$6 million more than anticipated. This will be easily offset in 1992 through increased investments among small and medium enterprises, as well as the recent liquidation and privatization of the remaining 8 firms under the Public Enterprise Sector Adjustment Program (PESAP). One of the most notable and visible examples of private sector confidence is BHP-Utah's \$70-million expansion of the Syama Gold Mining operation, which targets Mali's third-largest export earner. (Sources: IBRD, IMF and Mission estimates)

PROGRAM PERFORMANCE INDICATOR	BASE: 1990	1991 ACT.	1992 ACT.	1993 PL.	1994 PL.	1995 PL.
1B. New firms obtaining business licenses in Bamako District increases.	12,588	12,574	13,460 (1st qtr)	16,000	19,000	23,000

First-quarter 1992 returns indicate an impressive 26% jump in the number of firms obtaining licenses in Bamako, largely due to (a) further revisions and refinements in the Investment, Commercial and Labor Codes; (b) liquidation and privatization of parastatals, with accompanying tax and other investment incentives; (c) the active role of the Ministry of Finance's DNAE in making the one-stop registration window functional; and (d) the GRM's penchant for transparency. Continued improvements in codes, wide dissemination of licensing information, and increased public debate of issues affecting business investment will likely quicken the pace of new registrations. (Source: MEFP statistics)

PROGRAM PERFORMANCE INDICATOR	BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL.	1995 PL.
1C. New traders increase participation in the grain trade, due to market conditions and improved licensing procedures.	40	43	30	105	150	TBD

The record 1991 harvest, coupled with simplified licensing procedures and expanded credit availability, stimulated a dramatic increase in the number of grain traders operating in the market. Traders supplied 32,563 MT in reconstituting the 58,000 MT National Security Stock; another 6,000 MT for World Food Program distribution; and 3,500 MT for regional triangular food aid programs involving Mauritania and Niger. (Sources: OPAM, WFP, PRMC, Mission estimates)

Target 1.1: Improve Regulatory Policies and Practices

SUBTARGET		BASE: 1989	1991 ACT.	1992 PL.	1993 PL.	1994 PL.	1995 PL.
1.1a	Simplification: GRM introduces a single direct income tax.	11 income taxes	No change	Legislation passed	1 income tax		

The 1992-1995 ESAF agreement stresses the need for continued reform and simplification of the tax system, particularly regarding direct taxation. The single direct income tax figures prominently in this scenario, as it will broaden the tax base and increase incentives for private enterprise investment. It will also decrease marginal tax rates and leakages from the central budget. Restructuring the income tax remains a viable option for policy reform under the PRED program, the analysis for which is currently underway. PRED will also monitor the impact of this tax on revenue and investment during the 1993-95 period. (Sources: DNI, MEFP, ESAF Agreement)

SUBTARGET		BASE: 1988	1989 ACT.	1990 PL.	1991 PL.	1994 PL.	1995 PL.
1.1b	Transport: (a) Price controls on internal transport are abolished, (b) allowing the private sector to provide agricultural transport services.	a. controls in place b. 17% of DHV	a. urban enforced b. All DHV transport	a. same b. same	a. controls abolished b. same	Private transporters provide 80% nationwide	100% nationwide

Private operators were responsible for the transportation of 100% of all cotton produced and marketed in the DHV zone in 1992. This resulted in a 36% savings in transportation costs compared to 1991 and a savings of 58% from 1988. While national-level data for agricultural transport are still unavailable, anecdotal information indicates a significant increase in the number of private transport companies being established. (Sources: OHV and DNAE reports; private sector interviews)

SUBTARGET		BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL.	1995 PL.
1.1c	Privatization: The Pharmacie Populaire du Mali stops importing and distributing all non-essential drugs, permitting private pharmacies to do so directly.	PPM has monopoly on all drug imports	No change	PPM monopoly abolished	Private sector has entire market for non-essential drugs	Private sector has 50% of entire drug market	Private sector has 75% of entire drug market

The Bamako Initiative promoting the use of essential generic drugs at affordable prices took another leap forward in 1992 with the signature of the *Contrat Plan*, the GRM blueprint for restructuring the PPM, the parastatal import monopoly. PPM personnel have been reduced from 600 to 400 in the first six months of the Plan, and all non-essential drugs are now completely imported by the private sector. The PPM is developing a strategy for liquidating remaining stocks of specialty drugs and is stocking essential generic drugs in regional storage depots in Segou, Kayes and Sikasso. The PPM will begin an aggressive social marketing campaign in November. (Sources: PPM and PSPHR reports)

SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 PL.	1994 PL.	1995 PL.
1.1d Judicial System: Commercial courts in Bamako, Kayes and Mopti become fully operational, successfully handling business and industrial litigations.	Business litigation inefficient in civil courts	Decrees establish Commercial Courts	Buildings secured; magistrates trained	Court cases litigated in Bamako District	Court cases litigated in Kayes Region	Court cases litigated in Mopti Region

1992 witnessed litigation taking place in Bamako, Kayes and Mopti Commercial Courts, though not at the necessary levels and with the required jurisdictional authorities to make these courts efficient and responsive to private sector demands. This is now being rectified with PRED support to the Ministry of Justice, specifically through three mixed public-private Commissions preparing reforms for the Commercial and Administrative Courts, as well as procedural codes. Their work, and National Assembly ratification of the results, will be completed in late 1993. Courts will be fully functional shortly thereafter, possibly in Ségou and Sikasso regions as well. (Source: MJDH)

Target 1.2: Decrease Fiscal Burden on the Private Sector						
SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 PL.	1993 PL.	1995 PL.
1.2a Export Promotion: GRM eliminates all export taxes.	Export taxes exist	Taxes suspended	Taxes abolished	Export procedures simplified	One-Stop Window functional	

The 1991 elimination of export taxes, which was the first reform under the PRED program, has already had a positive effect on the economy. Export receipts (in FCFA) rose by 8.7% in 1991 at a level higher than projected, notably as a result of increases in export volumes of cotton and livestock. We suspect that some of this increase is due to more transparency (in the absence of export taxes), and in a functional one-stop window for export permits. Though the market for gold (14% of Mali's 1991 exports) continues to be weak, Mali's membership in the FCFA zone has provided an important outlet through sales to the Central Bank. (Sources: IMF reports; DNI and Customs records)

SUBTARGET	BASE: 1989	1991 ACT.	1992 PL.	1993 PL.	1994 PL.	1995 PL.
1.2b Fiscal Pressure: GRM reduces (a) the minimum business profits tax and (b) the payroll tax.	a. .75% of all sales b. 7.5% of payroll	No change	Further analysis conducted	Both rates are reduced		

These fiscal reforms, which the GRM has been advocating for the past two years as a means to further stimulate employment generation and investment in the private sector, were not specifically targetted in the recent ESAF agreement. Still under discussion, these proposed tax rate reductions will be analyzed by the PRED technical assistance team in early 1993, along with expected benefits and impact from the single income and the value-added taxes. (Sources: MEFP, ESAF agreement)

SUBTARGET		BASE: 1989	1991 ACT.	1992 PL.	1993 PL.	1994 PL.	1995 PL.
1.2c	Equity: Number of taxpayers increases, with fiscal burden equitably distributed.	35% estimate	To be determined	1991 plus 10%	1992 plus 10%	1993 plus 10%	1994 plus 10%

As the October 1992 *Special Program of Assistance Status Report for Mali (SPA)* notes, "new tax reforms, in particular the simplification of the import duty structures, are aimed at spreading the tax burden more equitably among the various income groups." The recent elimination of the head tax by the new government is another major step in this direction. Initial reports show the tax base broadening and equity improving. Further reconstruction and computerization of the tax records, wherein each taxpayer will have a unique number, will increase the tax rolls as well as efficiency in collection. (Sources: DNI, IMF projections)

Target 1.3: Improve Public Sector Performance							
SUBTARGET		BASE: 1989	1990 ACT.	1991 ACT.	1992 PL.	1993 PL.	1995 PL.
1.3a	Support to Private Sector: The DNAE is reoriented to a private sector support role.	Exclusive Regulatory Role	Private Sector Mandate	No change	New Role Established	DNAE functional in new role	

The DNAE has begun to improve its image vis-a-vis the private sector, taking on a more facilitative role during the transitional phase. DNAE agents played a major part in the 1991 licensing of hundreds of new businesses (cf. 1B), providing them with information on import-export laws, credit access, the new Commercial/Labor/Investment Codes, etc. Plans are underway to begin publishing a periodic Journal through which DNAE will layout the range of support and informational services it can provide to the business community. (Source: MEFP records).

SUBTARGET		BASE: 1989	1990 EST.	1991 EST.	1992 PROJ.	1993 PROJ.	1995 PROJ.
1.3b	Fiscal performance: Government fiscal deficit as a percentage of GDP is reduced.	10%	8.4%	12%	10.7%	7.1%	5.9%

The 1989-1990 reduction in the fiscal deficit reflected in the IMF/SAF budgetary projections jumped nearly 50% in 1991 due to unforeseen expenses for post-coup construction and decreases in tax and customs revenues. Increased donor support for new construction and reparations, coupled with reforms in domestic and trade taxation (e.g. rationalization of customs tariffs and reduction in the number of customs duties), should result in further future reductions in this ratio. (Sources: IMF, MEFP, USAID reports)

1.3c	Revenue Promotion and Equity: Tax revenues increase, through increase in the tax base and equitable rates (FCFA billion)	BASE: 1988	1989 ACT.	1990 EST.	1991 EST.	1994 PL.	1995 PL.
		85.6	109.6	116	82.4	106.2	113.7

The 1991 post-coup drop in tax and customs collections was more severe than anticipated, resulting in January-June 1992 revenue shortfall that delayed the signing of the ESAF until August. The push to restructure and modernize the tax system, which in addition to the VAT and direct taxes will involve revamping the existing *Tax de Développement Régional et Local (TDRL)* at the local level and integrating more operators from the informal sector, will likely increase tax revenues to the previously projected 1995 levels. (Sources: DNI and MEFP)

Target 1.4: Increase Job Opportunities							
1.4a	Employment: Growth in private sector employment absorbs 18,000 from public sector overflow and unemployed graduates.	BASE: 1990	1991 ACT.	1992 PL.	1993 PL.	1994 PL.	1995 PL.
	42,400 civil. 15,000 mil. 10,000 grads	No change	No change	8,000	36,000 TBD	4,000 TBD	34,000 TBD 2,000

Though civil service retirement is tracked easily, re-absorption into the private sector (and reliable employment figures in general) remain an elusive figure. Government-wide staffing reorganizations, along with the July 1992 adoption of a new Labor Code liberalizing hiring and firing procedures, have reduced public roles and given the formal private operators more flexibility in running their businesses. The Voluntary Early Departure Program has been slower than anticipated, resulting in a higher wage bill for 1991. Maintaining the 2,000+ annual civil service reduction levels and limiting annual public sector re-stocking to 250 is still on track. (Sources: MEFP and IBRD figures)

Target 1.5: Increase the Availability of Credit to Small and Medium Enterprises							
1.5a	Lending: Bank credit for (a) private sector activities and particularly (b) small and medium enterprises (SMEs) increases. (FCFA millions).	BASE: 1988	1989 ACT.	1990 ACT.	1991 ACT.	1992 PL.	1995 PL.
	a. 68,073 b. 13,420 or 14.13%	1989 ACT.	a. 68,548 b. 12,978 or 15.44%	a. 68,484 b. 12,988 or 15.11%	a. 68,457 b. 13,813 or 16.17%	To be determined	To be determined

Despite a decrease in credit to the private sector during the 1990-1991 period, credit to SMEs increased 6 percent, with much of it going to village associations in peri-urban and rural areas. Commercial banks handled over \$4 million in credit for agricultural inputs, grain marketing and storage; hundreds of microenterprises operating in value-added sectors received credit through various loan guarantee funds. The Ministry for Private Sector Initiatives' focus on developing SMEs should help meet these credit targets. (Sources: BCEAO, DHV and PRMC)

SUBTARGET		BASE: 1988	1989 ACT.	1990 ACT.	1991 ACT.	1992 PL.	1995 PL.
1.5b	Non-Commercial Credit: The share of credit given to non-commercial activities increases.	54%	53%	55.9%	53.3%	59%	64%

The share of credit given to non-commercial activities has remained at a steady 53-55% during the period 1988-1991, with 64.5% of it going to the private sector in 1992. From 1990 to 1991, the private sector share of non-commercial credit rose moderately in the agricultural sector, remained fairly constant in the mining and industrial sector, and dipped slightly in the communications/transportation sector. The continued restructuring of several more agricultural parastatals, along with other policy reforms encouraging growth in the production, transformation and marketing side of non-commercial activities, should reverse the 1991 downward trend. (Sources: BCEAO, Mission estimates)

STRATEGIC OBJECTIVE 2: INCREASE INCOMES IN AREA OF HIGH PRODUCTIVE POTENTIAL							
PROGRAM PERFORMANCE INDICATOR		BASE: 1988	1989 ACT.	1990 ACT.	1991 ACT.	1992 EST.	1995 PL.
2A.	The value of agricultural production (grains and cotton) increases.	Index: 100 124B FCFA	Index: 101	Index: 131	Index: 83	Index: 119	Index: 130

As record 1991 harvest (October-November 91) caused cereal prices to plunge. Cotton prices were slightly higher, but the net result was a sharp decrease in the value of agricultural production in 1991. The 1992 harvest is projected to be good, and prices are expected to be firmer than last year. If world market prices for cotton do not fall excessively in late 1992, we can expect the index will rise sharply in 1992. (Sources: MDRE, DNSI, FAO)

PROGRAM PERFORMANCE INDICATOR		BASE: 1988	1989 ACT.	1990 ACT.	1991 ACT.	1992 PL.	1995 PL.
2B.	The value of agricultural exports increases. (FCFA billions)	60	76	91	79.3	110	120

The lower value of exports in 1991 reflects the poor harvest of 1990 (Oct.-Nov. 1990). The resulting high cereal prices, coupled with increased demand, reduced incentives to export cereal in 1991. Cotton fiber exports decreased from 102,389 MT in 1990 to 86,560 MT in 1991, thereby reducing the value of cotton exports. Cattle exports increased in 1991 compared to 1990, but export prices decreased. The overall impact has been a decrease in the value of agricultural exports in 1991 relative to 1990. Due to the record 1991 harvest, grain and cotton exports are projected to increase in 1992. (Sources: IBRD, FAO, Mission estimates)

Target 2.1: Increase Agricultural Production						
SUBTARGET	BASE: 1989	1990 ACT.	1991 EST.	1992 PL.	1993 PL.	1995 PL.
2.1a Staple grains: (a) Annual grain production outpaces (b) annual population growth.	a. 1.5 MT (1981-1989) b. 2.7%	a. 1.76 MT (+17%) b. 2.7%	a. 2.23 MT (+26%) b. 2.7%	a. 2.06 MT (-7.6%) b. 2.7%	a. 2.41 MT (+17%) b. 2.7%	a. 2.61 MT (+8.3%) b. 2.6%

The 1992 harvest, currently projected at 2.06 million MT, will be a good one -- 37% above the 1980 average. It is, however, about 7.6% below the record harvest of 1991/1992. The decrease is attributed to a less favorable rainy season than in 1991. Mali's cereal grain production at this level meets aggregate demand and, along with the previous year's yield, could once again put Mali in a favorable export position, especially vis-a-vis Mauritania and Niger. (Sources: FAO, PRMC, DNSI, DNA)

SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL.	1995 PL.
2.1b Food Security: Intra-annual grain price variation is reduced.	11.2% avg. (1982-1989)	20.9%	8.1%	6.4%	6%	4%

Retail consumer prices in Bamako have been stable for cereal grains in 1992, as indicated by the within-year coefficients of variation (1991 compared to 1992). These decreased from 8.3% to 1.5% for sorghum, 8.8% to 2.9% for maize, and from 2.2% to 1.9% for rice. The bumper 1991 harvest, along with market information, grain marketing credit and greater market liberalization and transparency, are largely responsible for the reduction of intra-annual price variation. (Source: PRMC)

SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 PL.	1993 PL.	1995 PL.
2.1c Rural Credit: Credit given to rural cooperatives triples (\$ millions).	4.3 total 1.2 DHV	4.4 total 1.38 DHV	4.5 total 1.48 DHV	7.0 total 1.8 DHV	9.0 total 2.5 DHV	12.9 total 4.2 DHV

Credit operation in the DHV for the 1991/92 season totalled \$1.9 million to farmers and village associations, of which 82% (up from 76% in 1991 and 68% in 1990) was through commercial bank channels. In 1992 the contribution of the Cereals Market Restructuring Program (PRMC) to this subtarget was \$2.6 million. Coincidentally, grain marketing and storage credit given to rural cooperatives through commercial bank channels by the PRMC reached 648 million FCFA in 1992, or approximately \$2.6 million. (Sources: DHV and commercial bank records; MFC, DNSI)

Target 2.2: Increase Staple Grain Sector Productivity						
SUBTARGET	BASE: 1989	1991 ACT.	1992 PL.	1993 PL.	1994 PL.	1995 PL.
2.2a Technology: New technologies are developed by research organizations and adopted by farmers.	8 varieties; 1 practice (1980-89)	6 new varieties	1 new cropping practice	2 new cropping practices	3 new varieties	2 new varieties and 1 cropping practice

In the mid-1980s research organizations in Mali released cowpeas; they were generally well received by farmers. This was followed in 1991 by improved millet and sorghum varieties were released in 1991, which were multiplied to meet about 10% of the seed requirements for the 1992/93 season. This year they released the first recommended, bundled technologies (treated, improved millet or sorghum intercropped with improved varieties of cowpeas and with appropriate fertilizer levels). With the appropriate varietal selections for each ecological zone, these packages can be used across a large percentage of rainfed agricultural lands -- with yield increases about 30-40% higher than monocropping technologies. (Sources: IER, FSRE, ICRISAT, INTSORMIL)

SUBTARGET	BASE: 1989	1991 ACT.	1992 PL.	1993 PL.	1994 PL.	1995 PL.
2.2b Research: The National Agricultural Research System is reorganized; NAR strategy is developed and adopted.	Not done	Reorgan. completed; draft NAR	Strategy completed and adopted	Strategy guides programs	Program budgeting functional	Research management functional

In 1990 the Ministry of Agriculture merged all agricultural, forestry and livestock research into the Institute for Rural Economy, the Ministry's premier research unit. This year, the IER adopted a National Agricultural Research strategy and issued a long-term integrated research plan (based on a 1991 draft) which provides for the decentralization of research, operations, personnel and funding. The early steps of this decentralization are in process, financed largely through the USAID/SPARC Project. (Source: IER)

SUBTARGET	BASE: 1989	1991 ACT.	1992 ACT.	1993 PL.	1994 PL.	1995 PL.
2.2c Resource Management: Farmers adopt improved farming practices.	3 improved practices in DHV Zone	12 DHV; other PVO TBD	17 improved practices	To be determined	To be determined	100% DHV coverage (minimal)

A range of resource conserving practices in areas of soil conservation, soil fertility, and water management are being extended to farmers, primarily through the DHV and the PVO/natural resource activities. In the DHV, an estimated 8,000 of the 10,000 farm households practice at least one recently-introduced conservation measure. During the past three years the use of animal power and animal drawn equipment to increase farm productivity in the zone increased by about 800 units or 8%. (Sources: DHV, FSRE, IER records)

SUBTARGET	BASE: 1989	1991 ACT.	1992 ACT.	1993 PL.	1994 PL.	1995 PL.
2.2d Land Use and Tenure: Land use and forest policies favoring private agro-forestry investment are approved and implemented.	State owns and controls forest lands	Forestry Code reviewed	National debates; legislation	De-Control of forest lands	Application of new Codes/Laws	Continued application

Following the Land Tenure Center's 1989-1991 applied research on tree tenure, the National Forest Service, with VRP project assistance, initiated a process that by March 1993 will lead to revision of all rural Codes that are under its authority, e.g., forestry, land clearing, fisheries, and hunting. The process, which begins with consultations at the rural organizational level, is designed to maximize participation and consensus. A major objective, especially of the forestry and land clearing codes, is to decentralize authority and give local communities a greater voice in definition and application of the codes, and the management of their natural resources. (Source: LTC Reports)

Target 2.3: Increase Livestock Exports						
SUBTARGET	BASE: 1989	1991 ACT.	1992 ACT.	1993 PL.	1994 PL.	1995 PL.
2.3a Fiscal and Regulatory Measures: The GRM abolishes export taxes, minimizes nuisance and "rent-seeking" taxes, and simplifies procedures for livestock exports.	Taxes and complex procedures exist	Export taxes eliminated	Export procedures simplified	Nuisance taxes eliminated	Integration of regional and export economies	Further integration

The elimination of livestock export taxes in November 1990 has already generated an average additional profit of FCFA 6,000 (app. \$25) per head of cattle transported from Sikasso (Region III in southern Mali) to Abidjan. Simplification of export procedures has also encouraged increase livestock exports, which accounted for 27% of all exports in 1991. Malian exporters have also worked out arrangements with Ivoirian truckers and customs agents that standardize the fees for transporting livestock within the Ivory Coast. (Sources: USAID Reports: Koulibaba and Holtzman 1991; Sarrasoro 1990/1991)

SUBTARGET	BASE: 1989	1991 ACT.	1992 ACT.	1993 PL.	1994 PL.	1995 PL.
2.3b Animal Health: The vaccination rate for rinderpest increases.	55%	58%	63%	69%	74%	80%

In 1991 the Central Veterinary Laboratory (CVL), as a measure of the efficiency of Mali's vaccination program and/or past exposure to disease, collected 9,700 blood samples to test the nationwide cattle population for the presence of antigens against rinderpest. Results showed that 63% of the tested cattle carried antigens against rinderpest disease. This is a marked success, confirmed by the fact that there have been no outbreaks of rinderpest in 1991/92. The CVL was also able to confirm 56 of 86 suspected cases of other contagious diseases reported from the field. (Sources: CVL and MDST records)

SUBTARGET		BASE: 1989	1991 ACT.	1992 ACT.	1993 PL.	1994 PL.	1995 PL.
2.3c	Private Practice: The number of private veterinary practitioners increases.	Civil service moonlighters	60 vets; 30 assistants	90 vets; 70 assistants	To be determined	To be determined	To be determined

The opening of veterinary pharmacies in all major and many secondary towns has grown at a surprising pace, providing greater access to veterinary health products. Currently there is a higher service delivery rate in southern Mali, mainly due to insecurities in the more northern pastoral regions. These pharmacies are also purchasing more vaccines from the Central Veterinary Laboratory, as evidenced by last year's sale of 18 percent of the total CVL vaccine production to private veterinarians. Farmers themselves are also taking care of their most immediate and basic animal health needs, due to the relatively easy (and not yet fully controlled) access of health products. (Source: MDRE information, field trip reports)

STRATEGIC OBJECTIVE 3: IMPROVE THE DELIVERY OF HEALTH AND EDUCATIONAL SERVICES						
PROGRAM PERFORMANCE INDICATOR	BASE: 1987	1991 ACT.	1992 EST.	1993 PL.	1994 PL.	1995 PL.
3A. Infant mortality declines.	107 per 1000	107	102	100	97	95

Though there has been no new survey in the national infant mortality rate since the 1987 DHS survey, CERPOD estimates that the rate is now hovering around 102/1000. The Mission's three years of monitoring key child survival (CS) indicators show that the GRM's public health program, with donor and PVO support, is effecting a noticeable and sustainable reduction in disease episodes, particularly those most responsible for infant deaths. One group of PVO-assisted villages (SCF/Kolondiéba) where CS interventions have been closely monitored indicates a drop in the infant mortality rate from 102/1000 in 1989 to 59/1000 in 1992. (Sources: 1987 DHS; BUCEN Survey; World Bank and UNDP Annual Reports; IFHAS and PVO statistics)

PROGRAM PERFORMANCE INDICATOR	BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL.	1995 PL.
3B. The number of primary school children completing 6th grade increases.	19,379 (6%)	26,100 (8%)	28,900 (8.5%)	33,714 (9%)	42,000 (10.5%)	55,000 (11.3%)

The 4,800 increase in the number of students completing six grade in 1991-1992 represents an 17% annual increase, raising the number of primary school graduates to 9% of Mali's total student population. Coupled with this increase is a jump in the completion rate for girls (25.2% to 27.2%) during that same period, reflecting BEEP's commitment to girls education and primary school completion. Additional qualitative and infrastructural improvements discussed in Section 3.2 below will also increase enrollment and retention rates and reduce drop-out rates, leading to further gains in sixth-grade completion. (Source: MEN and DNSI statistics)

Target 3.1: Improve Health Care						
SUBTARGET	BASE: 1989	1991 ACT.	1992 ACT.	1993 PL.	1994 PL.	1995 PL.
3.1a Village Health Centers: New centers are established, staffed with trained personnel, and financed from local community funds.	3	3	59	94	126	156

To date no new village health centers have been established under the PSPHR/CHPS program, though the groundwork is now in place for takeoff. Health care access has nonetheless improved with the addition of 56 new community-run health centers (11 in Bamako and 45 in rural areas), all of which were created through local initiative and funding. The IFAHS project, with its 15 urban health centers now functional, is helping nine of these community centers to train personnel and establish efficient management systems. (Source: MSSPA)

SUBTARGET	BASE: 1987	1991 ACT.	1992 PL.	1993 PL.	1994 PL.	1995 PL.
3.1b Infant Vaccination: The number of children under age 1 immunized against major childhood diseases increases.	5%	41%	45%	52%	58%	65%

This year the conversion from mobile to static vaccination units, coupled with insecurity in the North that prevented thousands of families from accessing any kind of health care facility, kept the national vaccination rate at 20.64% during the January-June 1992 period. Once the static units are all in place it is expected that the rate will break the 50th percentile. Localized PVO efforts are more impressive, with Save the Children and World Vision reporting rate increases from 10% and 40% in 1989 to 65% and 81% in 1992, respectively. (Source: CNI, PVOs)

SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 PL.	1993 PL.	1994 PL.
3.1c Mothers at risk: The number of women of reproductive age vaccinated with two doses of tetanus toxoid increases.	Coverage: 30% urban 7% rural	11.4% total	18.76% total	35.39%	44% urban 17% rural	60% urban 30% rural

National coverage for tetanus toxoid has tripled in the past three years, largely due to improved service delivery through the GRM's "Expanded Program of Immunization" (EPI), more and better equipped health care facilities, and a national campaign advocating the importance of this vaccine for mother-child health. The absence of comparable data from one local to another will be remedied now that the EPI, which is responsible for tetanus toxoid, has been integrated into the PSPHR/CHPS Community Health Centers project. (Sources: CNI and IFHAS)

SUBTARGET		BASE: 1987	1991 EST.	1992 EST.	1993 PL.	1994 PL.	1995 PL.
3.1d	The chronic malnutrition rate decreases (New Subtarget).	24%	22.1%	21.6%	21.2%	20.4%	20%

The 1987 DHS survey established the national chronic (stunting) malnutrition rate at 24%. It was significantly higher among children born less than 2 years after a previous pregnancy (34%) than among children born with a birth interval of more than 2 years (20%), with no significant difference by gender. Local surveys conducted by PVOs put the rate higher, at 33.7%; a 1990 NCP/KAP survey of three PVO areas (AFRICARE/Dioro, CARE/Macina, SCF/Koutiala) set the chronic malnutrition rate at 30.6% in those areas and the moderate rate at 28.9%. These higher percentages reflect more severe living conditions in these remote areas. (Sources: DHS, NCP, PVO reports).

SUBTARGET		BASE: 1987	1991 EST.	1992 EST.	1993 PL.	1994 PL.	1995 PL.
3.1e	Contraceptives: The national contraceptive prevalence rate increases.	1.3%	2.9%	3.5%	5%	7%	8.5%

Launching the SOMARC social marketing project; expanding FP/IEC services through urban health clinics, the National Family Planning ONG (AMPPF), and rural-based PVOs; and improving contraceptive logistics management and distribution have all contributed to the current 3.5% estimate of contraceptive prevalence. IFAHS-assisted clinics servicing Bamako District report an increase in family planning consultations of 44% and in contraceptive use of 36%; CBD activities in 19 CEDPA-assisted villages in Koulikoro Region indicate that 3,250 women (representing 50% of all eligible couples) use modern contraceptive methods. (Sources: DSF, AMPPF, FHI-II, DHS baseline, IFHAS reports)

SUBTARGET		BASE: 1990	1991 ACT.	1992 ACT.	1993 PL.	1994 PL.	1995 PL.
3.1f	Pharmaceuticals: The number of village pharmacies fully stocked with essential drugs and contraceptives increases.	0	5	257	292	347	437

Pharmaceutical reforms, access to essential and reasonably-priced medications through public and private channels, and the presence of more and better-trained village health care professionals are all helping to meet the high unmet demand for local health services. Many health professionals judge the 257 figure reported by the Health Ministry for 1992 for local pharmacies as under-reported, particularly in the Kayes region bordering Senegal. Training in village-run community pharmacies will be carried out under the CHPS Project this coming year. (Source: DNSP)

SUBTARGET		BASE: 1990	1991 ACT.	1992 ACT.	1993 PL.	1994 PL.	1995 PL.
3.1g	Private Practice: The number of private health practitioners increases.	9 clinics (Bamako)	20 clinics (Bamako)	41	To be determined	To be determined	To be determined

The 41 private medical practitioners reported for 1992, which doubles the 1991 level and shows movement to rural areas, is a positive sign that last year's regulatory reforms are having a positive effect. The figure could be better, however, especially when one considers that there are an estimated 139 unemployed physicians and 357 unemployed nurses in Mali. The potential for further expansion remains great, especially if these skilled professionals can access start-up capital for infrastructure, equipment, and medical products. (Source: DNSP)

SUBTARGET		BASE: 1990	1991 ACT.	1992 EST.	1993 PL.	1994 PL.	1995 PL.
3.1h	Disease Coverage: The number of disease episodes treated through the public health system increases.	15%	20%	27%	35%	44%	52%

Though accurate national-level information is difficult to obtain, we can track some improvements in service delivery in Bamako District, particularly in the 15 IFAHS-assisted clinics. There the number of prenatal and post-natal care visits have increased 50% and 36%, respectively, with the number of assisted deliveries increasing 20%. We project from this information that the number of disease episodes treated in a modern health facility has increased as well. AIDS activities have expanded to provide gynecological exams and appropriate referrals to high risk women. The result: gonococcal infections among them was reduced from 47% in the pre-test phase to 6% this past year. (Sources: Family Health Division records; IFAHS and AIDSTECH reports).

SUBTARGET		BASE: 1990	1991 ACT.	1992 ACT.	1993 PL.	1994 PL.	1995 PL.
3.1i	Budget Restructuring: MSPASPF's share of the GRM central budget increases.	6.6%	7.3%	8%	8.2%	8.5%	9%

Annual increases in health care allocations, though not as dramatic as hoped, are still keeping pace with plans set out three years ago. This year the Ministry of Health's share of the total budget has increased \$4 million, despite a 2% decrease (\$16 million) in the state budget. Complementing these increases in public expenditures are important health care investments by the private sector, as witnessed in the recent proliferation of private clinics and village pharmacies. (Sources: MSSPA, MEFP, World Bank statistics)

Target 3.2: Improve Basic Education						
SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL.	1995 PL.
3.2a Enrollment: The number of children enrolled in grades 1-6 increases. (Note: Percentages represent total annual enrollment rates).	311,873 (22.16%)	323,354 (22.39)	340,573 (22.97%)	374,041 (25%)	(Range) 399,545 440,213 (28%)	(Range) 485,289 528,000 (31%)

The 9.8% increase in the enrollment rate this year, which put over 34,000 more children in primary schools, nearly doubles the increase from the previous year and equals the increase during the two-year 1989-1991 period. About 75% of these increases are recorded in the BEEP project area alone. Though these gains are still not keeping pace with Mali's population growth nor desired enrollment rates, the continued upward trend reflects Mali's commitment to basic education and the willingness on the part of the government and local communities to allocate scarce resources to it. (Source: MEN and DNSI statistics; USAID projections)

SUBTARGET	BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL.	1995 PL.
3.2b Gender: The number of girls enrolled in grades 1-6 increases. (Note: Percentages represent girls annual enrollment rates).	115,300 (16.66%)	118,284 (16.50%)	124,407 (16.95%)	139,430 (18.74%)	(Range) 150,469 165,827 (20%)	(Range) 183,779 200,000 (22%)

Though the enrollment ratio of girls-to-boys has remained relatively constant at 1:2, 15,000 more girls enrolled in primary school during 1992 than 1991. This 12% increase represents an overall 1% percent increase in the percentage of in the primary student body. Efficiency rates as measured by the number of female-pupil years it takes to complete the 1st cycle have also increased 7%, from 23.75 in 1990 to 22.2 in 1991. Much of this is due to regionally-adapted and adopted "get girls in school" strategies, the focal point for which are TV and radio campaigns, contests, plays, and community discussions designed to make communities aware of the long-term benefits derived from educating girls. (Source: MEN and DNSI statistics)

SUBTARGET		BASE: 1988	1989 ACT.	1990 ACT.	1991 ACT.	1992 ACT.	1995 PL.
3.2c	Repeater Rate: The number of students repeating primary school grades decreases.	30%	28%	29%	29%	33%	15%

During the post-coup period the transitional government decided to "move the students through the system" and discourage repeating grades. We can only assume that when this unofficial policy was relaxed a year later that the elastic bounced back and captured some of the students who would have normally repeated the previous year. We believe that the 33% is a knee-jerk reaction to a special circumstance, and not as a preview of some longer-term trend. A more realistic indicator of retention is the primary-level drop-out rate which has decreased from 12% in 1991 to 11% in 1992. (Source: MEN statistics)

SUBTARGET		BASE: 1989	1991 ACT.	1992 ACT.	1993 PL.	1994 PL.	1995 PL.
3.2d	Student-Teacher Ratio: The number of students per teacher decreases.	51:1	49:1	46:1	44:1	40:1	35:1

Though the number of useable classroom has increased this year (cf. 3.2i below), the rate of new construction and renovation absorbs only a third of new students. What mainly accounts for the improved student-teacher ration is implementation of a recently approved teacher redeployment plan (an NPA condition) in which school demands are more evenly matched with available staff. To date about 5% of MEN personnel have been redeployed in the basic education sector, adding nearly 800 primary teachers to the pool. (Source: MEN statistics)

SUBTARGET		BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL.	1995 PL.
3.2e	Training: Number of teachers and other staff retrained in more efficient pedagogical and management skills increases.	0	1200	3264	6170	TBD	5500 (To be revised)

In-service teacher training is outpacing initial targets by nearly 300%, with the 1992 cumulative total of 6,170 exceeding the most optimistic expectations. Information collected from follow-up evaluations shows that 90% of those trained are actually applying new techniques and skills developed from the BEEP training curriculum, a marked improvement from the 54% in 1991. Reinforcing this training is the availability of more textbooks (cf. 3.2f/g below), as well as a full range of didactic materials. (Source: BEEP project records)

SUBTARGET		BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1993 PL.	1995 PL.
3.2f	Textbook availability: The number of textbooks available per student increases.	.3 textbooks per student	No change	.22 books per student	.5 books per student	2 books per student	2 books per student

The ratio of textbooks-to-students for 1991-1992 was 1 to 2, up from 1 to 3 during the 1988-1989 reporting period. 1991 figures were based on the number of books already in the classroom, along with 225,000 books in stock that were to be delivered. Though the actual number of books distributed (148,396) fell short of the target and resulted in lower ratios for the 1991-1992 school year, distribution was nonetheless equitable between rural and urban areas. USAID's 1992 purchase and distribution of 250,000 reading books will improve the ratios further. (Source: MEN and BEEP project records)

SUBTARGET		BASE: 1991	1992 ACT.	1993 PL.	1994 PL.	1995 PL.	
3.2g	Textbook Use: The % of (a) teachers using textbooks, and (b) classrooms where students use textbooks, increases. (New subtarget)	(a) 10%	22%	40%	50%	50%	
		(b) n/a	6%	40%	50%	50%	

Classroom monitoring shows availability of texts does not automatically translate into textbook use. Currently, most teachers have access to texts whereas students do not. But only 1-in-5 teachers use the newly-distributed books for instructional purposes, mainly because of a lack of training. Experience has shown that 90% of teachers who have received BEEP "behavioral objectives training" now use those materials in the classroom. The 1992-1993 addition of training on textbook use, coupled with increased availability of books for students, will increase percentages of teachers and students using textbooks in the classroom. (Source: MEN statistics; BEEP project data)

SUBTARGET		BASE: 1990	1991 ACT.	1992 ACT.	1993 PL.	1994 PL.	1995 PL.
3.2h	Decentralization: (a) School Parent Groups (APEs) increase their share of funding for school improvements; (b) the number of classrooms increases.	(a) 20%	TBD	TBD	TBD	TBD	TBD
		(b) 7300	7591	7788	8500	9000	9450

Though we do not yet have complete data on APE contributions, a 1992 sample of 10% of the schools in the BEEP project area indicated that the APEs, using 100% of their own funds, built 5 schools (average size: 3 classrooms), renovated 11 and equipped another 12; and with 75% FAEF matching funds built another 14 schools, renovated 10 and equipped 10. Only one school was built and five equipped with funds allocated from the local/regional development tax (TDRL). The recent decision to extract the APE contributions from the TDRL will further stimulate local initiatives, giving APEs the ability to mobilize and allocate their own resources for school improvements. (Source: BEEP)

SUBTARGET		BASE: 1992	1993 PL.	1994 PL.	1995 PL.		
3.2i	Number of "Complete Schools" increase in the Koulikoro Region (new subtarget).	0	110	240	370		

Noting that improvements in infrastructure are a necessary but not sufficient step toward quality education, the BEEP project instituted the concept of the "Complete School" in Koulikoro Region. In addition to physical improvements in classrooms, equipment and sanitation, the complete school will ensure that qualified trained teachers are assigned to all classrooms, that didactic materials are available, and that APEs receive training in managing their funds, and in literacy and numeracy. This concept has already perked the interest of other donors working in the sector. (Source: BEEP Project data)

SUBTARGET		BASE: 1989	1990 ACT.	1991 ACT.	1992 ACT.	1994 PL.	1995 PL.
3.2j	Budget Restructuring: (a) MEN's share of GRM central budget increases; (b) primary education share of MEN budget increases.	(a) 25%	25%	27%	26%	27%	27%
		(b) 38%	35%	37%	34.4%	44%	45%

The MEN's share of the total GRM budget has held its own during the past three years, exceeding the 1992 target by 1%. The share allocated to basic education, however, decreased in 1992 mainly due to competing demands from resident secondary and tertiary students, and overseas university students whose scholarships were cut. USAID's position in this "enough or not enough" debate is supportive of GRM efforts, recognizing the context of these demands and the ongoing ability of the GRM to effect quality improvements in primary education irrespective of budget percentages. (Source: MEFP).

SUBTARGET		BASE: 1992	1993 PL.	1994 PL.	1995 PL.		
3.2k	Student performance in core areas improves in the 2nd and 5th grades (new subtarget).	44.4	50	60	75		

Student achievement is the most significant "people-level impact" indicator in this sector -- the *raison d'être* for all BEEP activities. During the previous school year BEEP and MEN personnel designed and administered a culturally-appropriate Student Achievement test to 10% of the 2nd and 5th graders in the project area (6,160 students from 110 schools). The 44.4 figure represents the mean number of correct answers. Using a 20% control group, researchers found that scores were higher in the project area than the non-project area, with correlations of 0.13 in 2nd grade and 0.31 in 5th grade. There was no significant difference in boys and girls achievement. (Source: MEN and BEEP records)

Annex A
USAID/Mali Program Logical Framework, Fiscal Years 1990 - 1993

<p>MISSION PROGRAM GOAL To Promote Economic Growth.</p> <p>SUBGOAL To Improve the Quality of Life.</p>	<p>COUNTRY TREND INDICATORS</p> <ol style="list-style-type: none"> 1. Real GDP grows at least 4% per year, surpassing \$3.3 billion by 1995. 2. Per capita GDP increases from \$260 in 1989 to \$355 in 1995. 3. Exports of goods and non-factor services increases from \$268 million in 1989 to \$468 million in 1995. <ol style="list-style-type: none"> 1. Life expectancy increases from 47 in 1987 to 51 by 1995. 2. Literacy rate increases from 14% in 1989 to 17% in 1995.
<p>STRATEGIC OBJECTIVE 1: Increase Private Sector Participation in the Economy.</p>	<p>PROGRAM PERFORMANCE INDICATORS</p> <ol style="list-style-type: none"> A. Private sector investment in the economy increases from FCFA 75 billion in 1989 to FCFA 130 billion in 1995. B. New firms obtaining business licenses in Bamako district increase from 12,500 in 1990 to 23,000 in 1995. C. 50 new traders increase participation in grain trade by 1995, due to favorable marketing conditions and improved licensing procedures.
<p>TARGET</p> <ol style="list-style-type: none"> 1.1: Improve Regulatory Policies and Practices 1.2: Decrease Fiscal Burden on the Private Sector 1.3: Improve Public Sector Performance 1.4: Increase Job Opportunities 1.5: Increase the Availability of Credit to Small and Medium Enterprises 	<p>SUBTARGET</p> <ol style="list-style-type: none"> a. Simplification: GRM reduces the number of business income taxes from 11 in 1989 to 1 by 1992. b. Transport: Price controls on internal transport are abolished by 1993, allowing private sector to provide agricultural transport services. c. Privatization: The Pharmacie Populaire du Mali (PPM) stops importing nonessential drugs by 1991, permitting private pharmacies to do so directly. d. Judicial system: Commercial courts in Bamako, Kayes and Mopti regions are fully operational by 1995. <ol style="list-style-type: none"> a. Export promotion: GRM eliminates all export taxes by 1992. b. Fiscal pressure: Business profits tax and payroll tax are reduced one-third by 1993. c. Equity: Number of taxpayers increases 10% per year, with fiscal burden being distributed equitably. <ol style="list-style-type: none"> a. Support to private sector: Ministry of Finance's DNAE is reoriented to a private sector support role by 1992. b. Fiscal performance: Government fiscal deficit as a percentage of GDP is reduced from 10% in 1989 to 6% in 1993. c. Revenue promotion and equity: Tax revenues increase from FCFA 85.6 billion in 1988 to FCFA 125 billion in 1995, through increases in the tax base and equitable income tax rates. <ol style="list-style-type: none"> a. Employment: 18,000 new jobs are created by 1995, to absorb public sector overflow and unemployed graduates. <ol style="list-style-type: none"> a. Lending: Bank credit for small and medium enterprises increases by 5% per year from 1989-1995. b. Non-Commercial Credit: The share of credit given to noncommercial activities increases from 54% in 1988 to 64% in 1995.

<p>STRATEGIC OBJECTIVE 2: Increase Incomes in Areas of High Productive Potential.</p>	<p>PROGRAM PERFORMANCE INDICATORS</p> <p>A. The value of agricultural production increases an average of 4% per year during the 1989-1995 period.</p> <p>B. The value of agricultural exports increases from FCFA 60 billion in 1988 to 120 billion in 1995.</p>
<p>TARGET</p> <p>2.1: Increase Agricultural Production</p> <p>2.2: Increase Staple Grain Sector Productivity</p> <p>2.3: Increase Livestock Exports</p>	<p>SUBTARGET</p> <p>a. Staple grains: grain production outpaces population growth (2.7% per year) during the 1989-1995 period.</p> <p>b. Food security: intra-annual grain price variation is reduced from an average of 11.2% in 1989 to 4% in 1995.</p> <p>c. Credit: Credit extended to cooperatives triples, from \$4.3 million in 1989 to \$12.9 million in 1995.</p> <p>a. Technology: Five new technologies are developed and adopted by farmers during the 1990-1995 period.</p> <p>b. Research: The national agricultural research system is reorganized, and a national agricultural research strategy is developed and adopted by 1995.</p> <p>c. Resource Management: Farmers adopt improved farming practices.</p> <p>d. Land use and tenure: Land use and forest policies favoring private agroforestry investment are implemented by 1993.</p> <p>a. Fiscal and regulatory measures: The GRM abolishes export taxes by 1991, minimizes nuisance taxes by 1993, and simplifies procedures for livestock exports by 1994.</p> <p>b. Animal health: The vaccination rates for rinderpest and other economically important diseases increase.</p> <p>c. Private practice: The number of private veterinary practitioners increases.</p>

<p>STRATEGIC OBJECTIVE 3: Improve Delivery of Health and Educational Services</p>	<p>PROGRAM PERFORMANCE INDICATORS</p> <p>A. Infant mortality declines from 117/1000 live births in 1989 to 98/1000 in 1995.</p> <p>B. The number of primary school children completing the sixth grade increases from 19,300 in 1989 to 82,600 (cumulative) in 1995.</p>
<p>TARGET</p> <p>3.1: Improve Health Care</p>	<p>SUBTARGET</p> <p>a. Village health centers: 156 new health centers are established, staffed with trained personnel, and financed entirely from local community funds during the 1991-1995 period.</p> <p>b. Infant vaccinations: The number of children under age 1 vaccinated against major childhood diseases increases from 5% in 1987 to 65% in 1995.</p> <p>c. Mothers at risk: The number of urban and rural women of reproductive age vaccinated with two doses of tetanus toxoid increases from 30% and 7% (1990) to 60% and 30% (1995).</p> <p>d. Malnutrition rate decreases.</p> <p>e. Contraceptives: The national prevalence rate increases from 1.3% in 1987 to 8.5% in 1995.</p> <p>f. Pharmaceuticals: The number of village pharmacies fully stocked with essential drugs and contraceptives increases from 0 to 100% in the CHPS project zone and 50% nationwide.</p> <p>g. Private practice: The number of private health practitioners increases.</p> <p>h. Disease coverage: The number of disease episodes treated through the public health system increases from 15% in 1990 to 52% in 1995.</p> <p>i. Budget restructuring: MSPASPF's share of the GRM central budget increases from 6.5% in 1990 to 9% in 1995.</p>

<p>STRATEGIC OBJECTIVE 3: Improve Delivery of Health and Educational Services</p>	<p>PROGRAM PERFORMANCE INDICATORS</p> <p>A. Infant mortality declines from 117/1000 live births in 1989 to 98/1000 in 1995.</p> <p>B. The number of primary school children completing the sixth grade increases from 19,300 in 1989 to 82,600 (cumulative) in 1995.</p>
<p>TARGET 3.2: Improve Basic Education</p>	<p>SUBTARGET</p> <p>a. Enrollment: The number enrolled in grades 1 through 6 increases from 311,000 in 1989 to 528,000 in 1995.</p> <p>b. Gender: The number of girls enrolled in grades 1 through 6 increases from 115,000 in 1990 (17% of all school-age girls) to 200,000 in 1995 (29%).</p> <p>c. Repeater rate: The number of students repeating primary school grades decreases from 30% in 1988 to 10% in 1995.</p> <p>d. Student-teacher ratio: The number of students per teacher decreases from 51:1 in 1989 to 35:1 in 1995.</p> <p>e. Training: The number of teachers and other staff retrained in more efficient pedagogical and management skills increases from 0 in 1989 to 5,500 in 1995.</p> <p>f. Textbook availability: The number of textbooks per student increases from 0.3 in 1990 to 3 in 1995.</p> <p>g. Textbook use: (a) the percentage of teachers using textbooks increases; (b) the percentage of classrooms where students use textbooks increases.</p> <p>h. Decentralization: School parent groups (APEs) increase their share of funding of school improvements from 20% in 1991 to 40% in 1995; the number of classrooms increase by one-third.</p> <p>i. Number of "complete schools" increases in the Koulikoro Region from 0 in 1992 to 370 in 1995.</p> <p>j. Budget restructuring: MEN's share of the central budget increases from 25% in 1989 to 27% in 1995; resources for basic education increase from 38% of MEN's budget in 1989 to 45% in 1995.</p> <p>k. Student performance in core areas improves in the 2nd and 5th grades.</p>

Annex B
List of Acronyms

ADEMA	The Malian Democratic Alliance	LTC	Land Tenure Center
AEEM	The National Student Association	MDI	Marketing Development and Investment
AMPPF	Malian Association of Family Promotion and Protection	MDRE	Ministry of Rural Development and Environment
APEs	School Parent Groups	MDST	Management Development Support Team
APEX	Animal Productivity and Export Project	MEFP	Ministry of Economy, Finance and Plan
BCEAO	Central Bank of West African States	MEN	National Ministry of Education
BEEP	Basic Education Expansion Project	MJDH	Ministry of Justice and Human Rights
CEDPA	Center for Development and Population Activities	MSSPA	Ministry of Health, Solidarity and the Elderly
CHPS	Community Health and Population Services Project	MSU	Michigan State University
CMDT	Mali National Textiles Company	NAR	National Agricultural Research
CNI	National Center for Immunization	NCP	Nutrition, Communication, and Education
CTSP	Transitional Committee for the People's Salvation	NGOs	Non-Governmental Organizations
CVL	Central Veterinary Laboratory	NRMS	Natural Resources Management System
DHS	Demographic Health Survey	OHV	Opération Haute Vallée
DHV	Development of the Haute Vallée Project	OPAM	Malian Office of Agricultural Products
DNA	National Directorate for Agriculture	PESAP	Private Enterprise Restructuring Program
DNAE	National Directorate for Economic Affairs	PL	Public Law
DNI	National Directorate for Industry	PPM	Malian National Pharmacy
DNSI	National Directorate of Statistics and Information	PRED	Policy Reform for Economic Development Program
DNSP	Naitonal Directorate for Public Health	PRMC	Cereals Market Restructuring Program
EPI	Expanded Program of Immunization	PSPHR	Health, Population and Rural Water Supply Project
ESAF	Extended Structural Adjustment Facility	PVO	Private Voluntary Organization
FAEF	School Construction/Renovation Funds	SAP	Structural Adjustment Program
FCFA	Franc of the African Finance Community	SCF	Save the Children Foundation
FP/IEC	Family Planning/Information, Education, Communication	SMEs	Small and Medium Enterprises
FSRE	Farming Systems Research and Extension Project	SOMARC	Social Marketing of Contraceptives
FY	Fiscal Year	SPAAR	Special Program for African Agricultural Research
GDP	Gross Domestic Product	SPARC	Strengthening Planning and Research on Commodities
GRM	Government of the Republic of Mali	TAMALI	The Malian Tannery Company
HDI	Human Development Index	TDRL	The Regional and Local Development Tax
IBRD	International Bank for Reconstruction and Development	UDPM	The Democratic Union of the Malian People
ICRISAT	International Center for Research in Semi-Arid Tropics	UMPP	Mali National Factory of Pharmaceutical Products
IER	Institute of Rural Economics	UNTM	Mali National Trade Union
IFHAS	Integrated Family Health and Services Project	VED	Voluntary Early Departure Program
IMF	International Monetary Fund	VRP	Village Reforestation Project
INTSORMIL	International Sorghum and Millet Project	WFP	World Food Program
KAP	Knowledge, Attitude and Practice Survey		