

PD BCB 293

AGENCY FOR INTERNATIONAL DEVELOPMENT

PROJECT DATA SHEET

COUNTRY/ENTITY COTE D'IVOIRE

BUREAU/OFFICE AFRICA

PROJECT ASSISTANCE COMPLETION DATE (PACD) MM DD YY: 11/03/1993

1. TRANSACTION CODE A = Add, C = Change, D = Deletion

2. PROJECT NUMBER 100-0000

3. PROJECT TITLE (maximum 60 characters) MUNICIPAL DEVELOPMENT SUPPORT PROJECT

4. ESTIMATED DATE OF OBLIGATION (Under "C" below, enter 1, 2, 3, or 4) A. Fiscal FY 93, B. Quarter 3, C. Fiscal FY 92

8. COSTS (\$000 OR EQUIVALENT II) -

A. FUNDING SOURCE	FIRST FY			LIFE OF PROJECT		
	B. FX	C. L/C	B. Total	E. FX	E. L/C	G. Total
AID Appropriated Total	1,700	0	1,700	5,000	0	5,000
(Grant)	(1,700)	(0)	(1,700)	(5,000)	(0)	(5,000)
(Loan)						
Host Country	0	0	0	0	1,667	1,667
Other Donor(s)	0	0	0	0	0	0
TOTALS	1,700	0	1,700	5,000	1,667	1,667

9. SCHEDULE OF AID FUNDING (\$000)

APPROPRIATION PURPOSE	B. PRIMARY CODE	C. PRIMARY TACH CODE	D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
			1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
1) DEA	720	867	0	0	1,700	0	5,000	0
TOTALS			0	0	1,700	0	5,000	0

SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)

120 | 860 | 710 | 720 | 840 | 862

11. SECONDARY PURPOSE C 710

SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)

A. Code: BU

PROJECT PURPOSE (maximum 600 characters)

To improve the efficiency and effectiveness of local government operations, particularly in the areas of governance, finance, management and service delivery; and, to create models of sound municipal management, including those involving the effective use of the private sector, that can be replicated in other Ivorian secondary cities.

SCHEDULED EVALUATIONS

Interim: MM YY 03/92 | Final: MM YY 11/93

11. SOURCE/ORIGIN OF GOODS AND SERVICES

800 911 Local Other (Specify) 935

AMENDMENT/NATURE OF CHANGE PROPOSED (This is page 1 of a ___ page 17 Amendment.)

Mission Controller Concurrence

Methods of Implementation and Financing

Douglas W. Arnold

Douglas W. Arnold

12. APPROVED BY

Frederick G. Hillant

Title: Director, XEDCO/WCA

Date Signed: MM DD YY 01/27/93

13. DATE DOCUMENT RECEIVED BY AID/F, OR FOR AID/F DEMENTS, DATE OF DISTRIB

MM DD YY 11 03 93

FD-BCB-293

PROJECT PAPER
MUNICIPAL DEVELOPMENT SUPPORT
(681-0004)

UNITED STATES OF AMERICA
AGENCY FOR INTERNATIONAL DEVELOPMENT
REGIONAL HOUSING AND URBAN DEVELOPMENT OFFICE

ACTION MEMORANDUM FOR THE DIRECTOR OF THE REGIONAL ECONOMIC
DEVELOPMENT SERVICES OFFICE OF WEST AND CENTRAL AFRICA

FROM: Stephen W. Giddings, Assistant Director RHUDO/WCA *SWG*
SUBJECT: Municipal Development Support Project (681-0004)

Problem: Your approval is requested to authorize a grant of \$5 million from the Development Fund for Africa (DFA) for the Municipal Development Support Project (681-0004). The grant is to be disbursed in three annual tranches of \$1.7 million, \$1.4 million and \$1.9 million, respectively, beginning in FY 1990.

Discussion: The Cote d'Ivoire is currently experiencing serious economic difficulties. In an effort to ameliorate the situation, it has adopted a program of structural adjustment and extensive economic reform. Closely linked to the government's adjustment efforts is its program of urban reform which is implemented through the decentralization of the system of territorial administration and the creation of autonomous municipalities. Since 1980, the GOCI has created over 100 municipalities governed by democratically elected mayors and municipal councils. These elected officials have been assigned the task of managing local-level development and providing their local populace with basic services.

The decentralization program is an ambitious one, which, if successful, should promote local economic development and encourage participatory democracy. However, decentralization is in its infancy, and it is encountering the a number of obstacles which will have to be overcome if the program is to succeed.

The Municipal Development Support Project is designed to assist the GOCI's urban reform efforts by addressing the three major constraints on decentralization. These constraints pertain to the ineffective management, the inadequate financial resource mobilization and the limited infrastructural development of Ivorian municipalities.

UNITED STATES ADDRESS
ABIDJAN (1C)
DEPARTMENT OF STATE
WASHINGTON, D. C. 20522
TEL. : (202) 632-0632

INTERNATIONAL ADDRESS
RHUDO
110 AMERICAN EMBASSY
B. P. 1712
ABIDJAN, IVORY COAST
TEL. : 22-22-81

Brief Project Description: The Municipal Development Support Project (MDSP) is designed to respond to the needs of the nascent Ivorian municipalities. Its purposes are: to improve the efficiency and effectiveness of local government operations, particularly in the areas of governance, finance, management and service delivery; and, to create models of sound municipal management, including those involving the effective use of the private sector, that can be replicated in other Ivorian secondary cities. The project is composed of three major components which are described below:

1. The Municipal Management Training Component: This component is intended to strengthen the capacity of the GOCI to implement urban decentralization and growth at both the national and municipal level. To this end, A.I.D. will finance training and technical assistance, and the procurement of limited commodities.

At the national level, A.I.D. assistance will focus on the Ministry of Interior's Department of Local Government (DCL) in order to expand and, ultimately, institutionalize its administrative support to Ivorian municipalities. This will be done through the formation of a training unit within the DCL, responsible for the training of agents from the municipalities and for providing technical assistance to those municipalities. The training unit will also provide the DCL with inputs for policy development intended to advance the decentralization process.

At the municipal level, A.I.D. will provide training and technical assistance in order to enhance the management and service delivery capacity of municipal officials and agents. In addition, with A.I.D. assistance this component is designed to promote more efficient urban planning and management at the municipal level, and to encourage the utilization of the private sector as a provider of public services.

2. The Revenue Enhancement Component: This component is designed to increase municipal revenues by expanding local revenue sources and improving tax collection methods through the development of cadastral studies and the training of agents in the preparation and management of contracts with private sector entities. In addition, municipal revenues will be increased through the installation of a user-fees system in the project-funded facilities and the rationalization of existing fee and tax collection systems in other municipal facilities. A.I.D. assistance will fund technical assistance, training and the procurement of limited commodities under this particular component of the project.

3. The Facilities Construction Component: Under this component of the project, A.I.D. will provide assistance for the construction of revenue generating service facilities (markets, transport depots, commercial centers, slaughterhouses) in five selected municipalities. The construction component will be implemented through a modified Fixed Amount Reimbursement agreement with the GOCI.

Analyses and Requirements: Analyses of technical, financial, economic, social soundness and environmental aspects of the project were conducted during Project Paper preparation. Technical review has found the project to be institutionally, financially, socially, economically, technically and environmentally sound as well as consistent with the bilateral and regional development policies and strategies of A.I.D., other donors and the host country.

Committee Review and Findings: The Project Paper was reviewed at Issues and ECPR meetings held on August 29, 1990 and September 4, 1990, respectively. The paper was approved with its three year \$5 million LOP, and authority was delegated to the REDSO/WCA Director to authorize and obligate funds.

The ECPR congratulated the RHUDO REDSO/WCA Offices on their team effort which "... resulted in an excellent draft". The ECPR also provided guidance for the preparation of the final version of the Project Paper. Specific items of guidance and the resultant modifications in the Project Paper are detailed below.

1. The ECPR proposed that the project purpose be amended to indicate that this was a "governance" activity and consistent with A.I.D.'s emerging interest in and focus on governance. The project purpose was so modified.

2. The ECPR requested that a technical annex, containing preliminary plans or prototypes along with specifications and cost estimates for the facilities that were to be constructed under the project, be developed. Annex P, entitled Plans and Cost Estimates, was prepared and is appended to the PP.

3. A concern of the ECPR, focused upon the Condition precedent to additional disbursements which required that the legal status of municipal employees be changed. The question was raised as to whether or not PP designers were certain that the decree changing municipal employee status could be made within the proposed timeframe. A detailed discussion of this issue was inserted in the Policy Dialogue section which provides the rationale for the project's CPs and Covenants. The discussion enumerated the reasons why the PP designers were reasonably confident that the desired decree would be promulgated.

4. Procurement issues, including the participation of Gray Amendment entities in the project, were also raised by the ECPR. In response to a Memorandum from Mr. A. Harding, AFR/PD, it was proposed that the procurement plan be amended to set aside the single institutional training contract for a Gray Amendment or 8A firm. An alternative proposal was that the single institutional contract be broken up into smaller contracts which could be distributed among IQCs, and other firms, including Gray Amendment entities.

The Procurement Plan has been altered to reflect the above concerns. However, additional information and guidance is being requested to clarify a number of questions that have arisen in the wake of the above.

5. Finally, the ECPR requested that additional information be provided on gender issues. Detailed suggestions were given on how to best integrate this information into the text. All of the proposed WID related changes were incorporated in the PP.

Summary Financial Plan: The total cost of the project, if fully funded, is estimated to be \$6.667 million of which A.I.D. plans to contribute \$5 million over the life of the project. The GOCI's contribution is estimated to be the local equivalent of \$1.667 million calculated at the exchange rate of 265 CFA francs equals one dollar. The GOCI contribution will be in cash and in kind. Table I and Table 2 below list A.I.D.s and the GOCI's contributions respectively.

Table I

	AID Contributions (\$000s)		TOTAL
	Cumulative Obligations	Future Planned Obligations	
Technical Assistance	1,273	1,222	2,495
Construction	340	1,940	2,280
Monitoring. Evaluations	87	113	200
Audits	0	25	25
TOTAL	1,700	3,300	5,000

Table 2

GOCI Contributions
(\$000s)
(265 FCFA = \$1.00)

	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>Total</u>
Office Space	0	41	41	43	124
Personnel	1	71	71	70	213
Tech. Assistance	1	28	28	30	87
Commodities	0	3	3	0	6
Construction	0	276	372	468	1,116
Training	0	40	40	41	121
TOTAL	2	459	555	651	1,667

Responsible Officers: RHUDO/WCA is the Office responsible for the day-to-day implementation activities of the project. REDSO/WCA will provide operational, technical and DCA 551 backstopping, as appropriate.

Statutory Checklists: Are attached in Annex B.

Notification to Congress: A Congressional Notification (CN) for the project was sent to Congress on September 7, 1990 and expired on September 22, 1990 without objection.

Recommendation: That you sign the attached project authorization and thereby approve life of project funding of \$5 million in grant funds for the Municipal Development Support Project.

Attachments: Project Authorization and Project Paper

Clearances:

Gerald Rander, OP [Signature]
Wayne King, PDC [Signature]
Paul Mulligan, PAE Paul F. Mulligan
Douglas Arnold, WAAC [Signature]
Bunyan Bryant, RLA [Signature]
Howard Handler, ODD [Signature]

Date: 9-25-90
Date: 9/24/90
Date: 9/24/90
Date: 9/25/90
Date: 9/27/90
Date: 9/24/90

chd:actmemo

PROJECT AUTHORIZATION

Name of Country: The Republic of Côte d'Ivoire
Name of Project: Municipal Development Support Project
Project Number: 681-0004

1. Pursuant to the Foreign Assistance Act of 1961, as amended, and the provisions of the appropriations heading, Sub-Saharan Africa, Development Assistance, contained in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990, I hereby authorize the Municipal Development Support Project for Côte d'Ivoire (the "Grantee"), involving planned obligations of not to exceed \$5,000,000 in grant funds over a three-year period from date of authorization, subject to the availability of funds in accordance with the A.I.D. OYB/allotment process, to help in financing foreign exchange and local currency costs for the project. Except as A.I.D. may otherwise agree in writing, the planned life of the project is three years and two months from the date of initial obligation.

2. The project will assist the Grantee to strengthen the management capacity and financial viability of selected municipalities in the Côte d'Ivoire and to increase their capacity to provide urban services through the use of the private sector. The project consists of three major components: municipal management training, revenue enhancement and construction of facilities.

3. The Project Agreement which may be negotiated and executed by the officers to whom such authority is delegated in accordance with A.I.D. regulations and Delegations of Authority shall be subject to the following essential terms and covenants and major conditions, together with such other terms and conditions as A.I.D. may deem appropriate.

a. Source and Origin of Commodities, Nationality of Suppliers

(1) Commodities financed by A.I.D. under the project shall have their source and origin in countries included in A.I.D. Geographic Code 935, except as A.I.D. may otherwise agree in writing.

(2) The suppliers of commodities or services, including ocean shipping, financed by A.I.D. under the Project shall have countries included in A.I.D. Geographic Code 935 as their place of nationality, except as A.I.D. may otherwise agree in writing.

b. Conditions Precedent to First Disbursement. Prior to the first disbursement under the Grant, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Grantee will, except as the A.I.D. may otherwise agree in writing, furnish to A.I.D., in form and substance satisfactory to A.I.D.:

(1) A statement of the names and titles of the persons who will act as representatives of the Grantee under the agreement, together with a specimen signature of each person named in such statement; and

(2) Evidence that a training division has been formally constituted at the Department of Local Government of the Ministry of the Interior and that such training division is staffed by a full-time chef de service and assistant chef de service under the authority of the Director of the Department of Local Government and that the Grantee has begun recruitment of the eight to ten trainers who will receive training.

c. Conditions Precedent to Subsequent Disbursements. Prior to any disbursement under the Grant, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, to finance the design and construction of municipal facilities in a core project city, the Grantee will, except as the A.I.D. may otherwise agree in writing, furnish to A.I.D., in form and substance satisfactory to A.I.D.:

(1) Evidence that the city in question has promulgated a document specifying the terms of the city's participation in the project and that such document has been submitted to and approved by the Ministry of the Interior; and

(2) Evidence that a decree has been promulgated which provides legal status to municipal officials working at the communal level.

d. Covenants. The Grantee shall covenant as follows:

(1) The Grantee will take concrete steps to reform the administration of the real estate tax and the business tax.

(2) The Ministry of the Interior will make a good-faith effort to complete the process of decentralizing its structures for municipal supervision by delegating some of these supervisory responsibilities to the prefectorial level.

(3) The Grantee will explore the possibilities of reducing the time required by the municipal contracting process.

(4) Funds made available under the project will not be used to finance the purchase, importation or use of pesticides.

Date: September 27, 1990

Frederick E. Gilbert
Frederick E. Gilbert
Director, REDSO/WCA

Clearances: As shown on the action memorandum

1887B:BBryant:RLA:09/25/90

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List of Abbreviations and Acronyms

A.I.D.	Agency for International Development
CAA	Caisse Autonome d'Amortissement (National Sinking Fund)
DC	Direction du Cadastre (Department of Land Registration)
DCGTx	Direction et Controle des Grands Travaux (Central Directorate for Public Works)
DCL	Direction des Collectivites Locales (Department of Local Government)
DCM	Direction Centrale des Marches (Department of Central Contracting)
DDS	Direction du Developpement Sociale (Department of Social Development)
DGI	Direction General des Impots General Directorate of Taxes
DIP	Direction des Investissements Publics (Department of Public Investments)
FAR	Fixed Amount Reimbursement Agreement
FPCL	Fonds de Prêts aux Collectivites Locales (Municipal Loan Fund)
IBRD	International Bank for Reconstruction and Development (World Bank)
IMF	International Monetary Fund
ITC	Institutional Training Contractor
Kfw	German Aid Agency
MOF	Ministere des Finances (Ministry of Finance)
MOI	Ministere de l'Interieur (Ministry of Interior)

MYS&SA **Ministere de la Jeunesse, du Sports et des Affaires
 Sociales
 (Ministry of Youth, Sports and Social Affairs)**

MMP **Municipal Management Training Program**

OP **Office of Procurement**

PACD **Project Activity Completion Date**

PCC **Project Coordinating Committees**

PCM **Projet du Developpement Municipal
 (Municipal Development Project)**

PSC **Personal Services Contractor**

PWP **Project Work Plans**

REDSO/WCA **Regional Economic Development Support Office of West
 and Central Africa**

RHUDO/WCA **Regional Housing and Urban Development Office of
 West and Central Africa**

SADEC **Service Autonome des Collectivites**

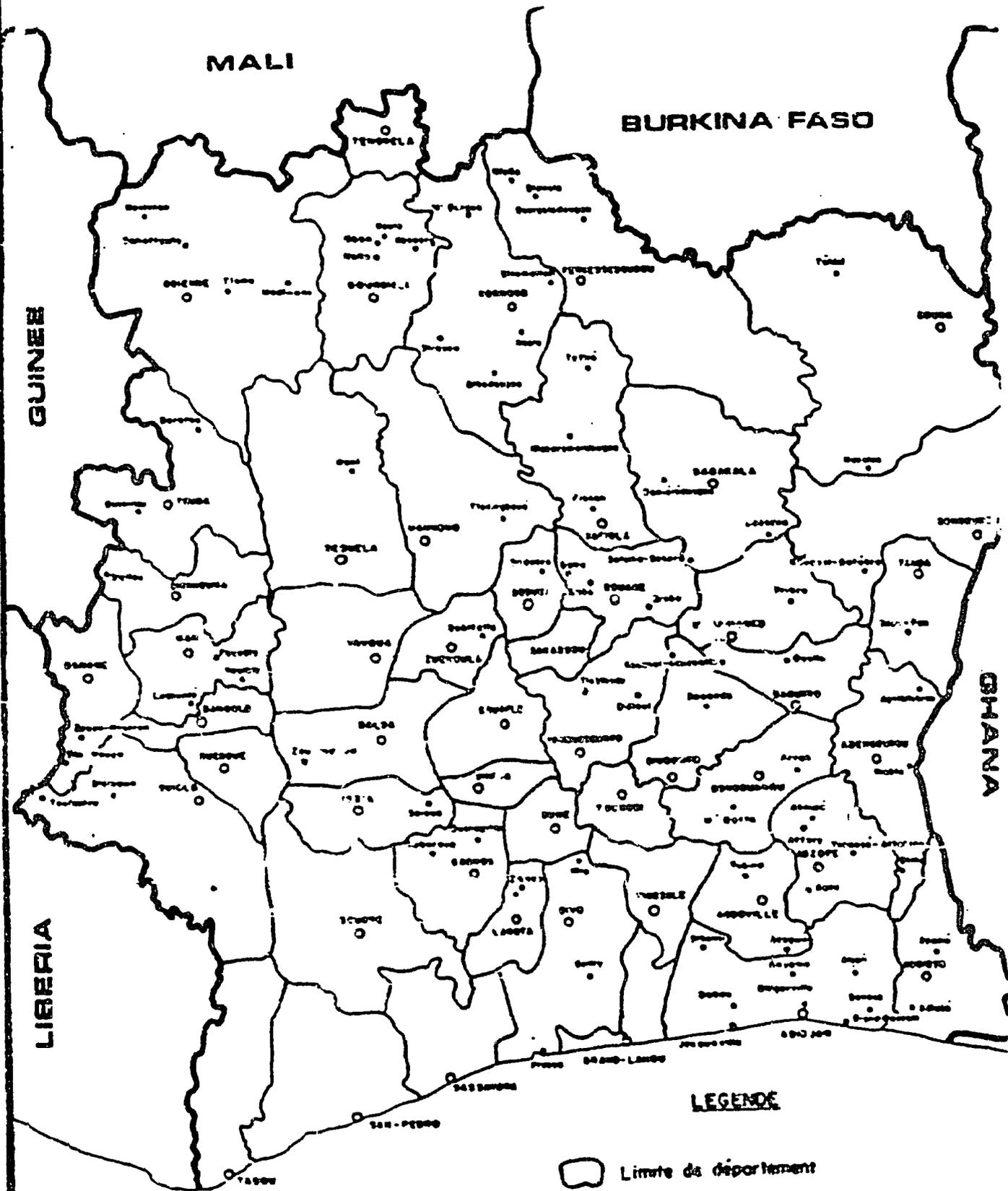
TDY **Temporary Duty**

USDH **United States Direct Hire**

UVICOCI **Union des Villes et Communes de Cote d'Ivoire
 (Union of Cities and Communes of the Cote d'Ivoire)**

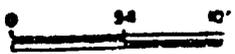
WAAC **West African Accounting Center**

Fig. 1 CARTE DES COMMUNES IVOIRIENNES



LEGENDE

- Limite de département
- Communes Chef Eue de département
- Autres communes



EXECUTIVE SUMMARY
COTE D'IVOIRE MUNICIPAL DEVELOPMENT SUPPORT PROJECT

The Project: The Cote d'Ivoire Municipal Development Support Project (681-0004) is a three year, US\$ 5.0 million bilateral grant activity. Its purposes are: to improve the efficiency and effectiveness of local government operations, particularly in the areas of governance, finance, management and service delivery; and, to create models of sound municipal management, including those involving the effective use of the private sector, that can be replicated in other Ivorian secondary cities.

Background:

Closely linked to the Government of the Cote d'Ivoire's (GOCI) program of structural adjustment is its policy of urban reform which is implemented through the decentralization of the system of territorial administration and the creation of autonomous municipalities governed by democratically elected officials. In line with this program of urban decentralization, the Project is designed to address three major constraints. These constraints pertain to the ineffective management, the inadequate financial resource mobilization, and the limited infrastructural development of Ivorian municipalities.

Project Description:

The Project consists of three major components which focus upon the aforementioned constraints to urban decentralization. They are:

1. The Municipal Management Training Component. This component is intended to strengthen the capacity of the GOCI to implement urban decentralization and growth at both the national and municipal level. To this end, A.I.D. will finance training and technical assistance, and the procurement of limited commodities.

At the national level, A.I.D. assistance will focus on the Ministry of Interior's Department of Local Government in order to expand and, ultimately, institutionalize its administrative support to Ivorian municipalities. This will be done through the formation of a training unit within the DCL, responsible for the training of agents from the municipalities and for providing technical assistance to those municipalities. The training unit will also provide the DCL with inputs for policy development intended to advance the decentralization process.

At the municipal level, A.I.D. will provide training and technical assistance in order to enhance the management and service delivery capacity of municipal officials and agents. In addition, with A.I.D. assistance this component is designed to promote more efficient urban planning and management at the municipal level, and to encourage the utilization of the private sector as a provider of public services.

2. The Revenue Enhancement Component. This component is designed to increase municipal revenues by expanding local revenue sources and improving tax collection methods through the development of cadastral studies and the training of agents in the preparation and management of contracts with private sector entities. In addition, municipal revenues will be increased through the installation of a user-fee system in the project-funded facilities and the rationalization of existing fee and tax collection systems in other municipal facilities. A.I.D. assistance will fund technical assistance, training and the procurement of limited commodities under this particular component of the project.

3. The Facilities Construction Component. Under this component of the project, A.I.D. will provide assistance for the construction of revenue generating service facilities (markets, transport depots, commercial centers, slaughterhouses) in five selected municipalities. The construction component will be implemented through a modified Fixed Amount Reimbursement agreement with the GOCI.

Beneficiaries:

The principal beneficiaries of the project will be: 1) the central and local level municipal agents in view of the training received and the technical skills gained through their participation in the project; 2) the owners of the commercial and service enterprises which will operate in the constructed facilities; and 3) the inhabitants of the selected municipalities through the improvement of municipal service delivery, higher quality facilities, better sanitation, and the generation of income and small-scale economic activities.

Social Feasibility:

The project is judged to be socially feasible since its objectives are compatible with the existing socio-cultural environment and will have a positive impact upon the designated beneficiaries. It is also expected to have a strong demonstration effect on non-project cities with comparable socio-economic profiles.

Economic Feasibility:

The overall balance of benefits and costs from the project is expected to be strongly positive because of the stimulus to local economic development that will be provided by an improved administrative and physical environment. While the economic effects of the training and technical assistance components are difficult to quantify, those from the revenue enhancement and facilities components are more easily identifiable and are envisioned to have internal rates of return and benefit-cost ratios of greater than 1.0.

Administrative Feasibility:

The successful implementation of this project, in particular the municipal management training and facilities construction components, relies heavily on the administrative efforts of the following key GOCI agencies: The Ministry of Interior; (2) The Ministry of Youth, Sports and Social Affairs; and, (3) the Central Directorate of Public Works. All three agencies have worked effectively with A.I.D. on past projects of a similar nature and their strengths and weaknesses are well known. All have exhibited the capacity to carry out the tasks assigned to them under this project.

Technical Feasibility:

The project proposes to build upon previously tested and successful methodologies utilized in past projects, in particular former Housing Guarantee projects, small pilot projects and the Regional Housing and Urban Development Office's Municipal Management Training Program. All three components involve methods and activities which fall well within the demonstrated capacity of A.I.D. and the implementing GOCI agencies. The project, as designed, is technically feasible.

Environmental Feasibility:

The only element of the project that could have an environmental impact is the facilities construction component. Experience with earlier Housing Guarantee projects, which included sizeable construction components, has demonstrated that with proper siting and provision for drainage and solid sanitary waste disposal, the adverse impacts upon the environment created by the facilities construction are minimal and do not pose any significant long-term effects to the natural environment or life-support systems.

Covenants and Conditions Precedent:

a. Conditions precedent to initial disbursement

In addition to the standard conditions precedent to initial disbursement, the GOCI will provide satisfactory evidence that:

1. a Training Division has been formally constituted at the Department of Local Government of the Ministry of the Interior and that such Training Division is staffed by a full time Director (or chef de service), and his or her deputy, and that recruitment has begun for the eight to ten trainers who will receive training.

b. Conditions precedent to additional disbursements

Prior to any disbursement for design and construction of municipal facilities in the five core project towns, the GOCI will provide satisfactory evidence that:

1. a document specifying the terms of their participation in the project has been promulgated by each of the five participating towns and has been submitted to and approved by the Ministry of the Interior.
2. a decree has been promulgated which provides legal status to municipal officials working at the communal level.

c. Covenants

1. The GOCI will commit itself to take positive concrete steps to reform the administration of the real estate tax and the business tax.
2. The DCL will make a good faith effort to complete the process of deconcentrating its structures for municipal supervision by delegating some of these supervisory responsibilities to the prefectural level.

Covenants and Conditions Precedent:

a. Conditions precedent to initial disbursement

In addition to the standard conditions precedent to initial disbursement, the GOCI will provide satisfactory evidence that:

1. a Training Division has been formally constituted at the Department of Local Government of the Ministry of the Interior and that such Training Division is staffed by a full time Director (or chef de service), and his or her deputy, and that recruitment has begun for the eight to ten trainers who will receive training.

b. Conditions precedent to additional disbursements

Prior to any disbursement for design and construction of municipal facilities in the five core project towns, the GOCI will provide satisfactory evidence that:

1. a document specifying the terms of their participation in the project has been promulgated by each of the five participating towns and has been submitted to and approved by the Ministry of the Interior.
2. a decree has been promulgated which provides legal status to municipal officials working at the communal level.

c. Covenants

1. The GOCI will commit itself to take positive concrete steps to reform the administration of the real estate tax and the business tax.
2. The DCL will make a good faith effort to complete the process of deconcentrating its structures for municipal supervision by delegating some of these supervisory responsibilities to the prefectural level.

3. The GOCI will commit itself to exploring the possibilities of reducing the time required by the municipal contracting process.
4. Funds under the grant will not be used to finance the purchase or use of pesticides.

Waivers:

No waivers are required.

II. PROJECT BACKGROUND

A. Country Background

1. Physical and Political Setting

The Cote d'Ivoire, situated on the west coast of Africa, has a land area of 322,426 sq km and a population of 11 million. Four-fifths of the country has an equatorial climate, high annual rainfall (1,250-2,400 mm.) and rich soil. This combination is highly suitable for agriculture which is the Cote d'Ivoire's primary economic activity.

Since the attainment of political independence from France in 1960, the Ivorian political scene has been dominated by the Parti Democratique de la Cote d'Ivoire (PDCI) under the leadership of Felix Houphouet-Boigny. Over the last thirty years the Cote d'Ivoire has always aligned itself with the West in international fora and pursued the goal of developing a working market economy. In 1980, in response to a number of socio-economic and political factors, the Government of Cote d'Ivoire (GOCI) decided to decentralize the politico-administrative system. More recently, in March 1990, the GOCI opted for a multi-party system by decreeing that political parties other than the PDCI could be legally formed and could participate in upcoming elections, scheduled for late 1990.

2. Social and Economic Setting

Ivorian society is highly multi-ethnic. It is composed of four major indigenous ethnic groupings which can be further divided into sixty-three distinct ethnic groups. Approximately one-third of the Ivorian population is composed of immigrants from neighboring countries. They tend to be concentrated in the nation's urban centers and in the economic capital, Abidjan.

In the two decades following the acquisition of political independence, the GOCI pursued a policy known as "state capitalism" and achieved impressive economic growth rates, averaging 9% per year. By the end of the 1970s the Cote d'Ivoire had moved into the ranks of middle-income developing countries. Constantly rising world market prices for its chief exports, coffee and cocoa, abundant migrant labor, and the prospects of substantial oil revenues in the 1970s permitted the government to undertake major capital investments and contract substantial foreign debts. The government's focus was upon expanding and strengthening the agricultural sector, the foundation of the nation's economic well-being. However, substantial effort was also made to create industries, and provide basic infrastructure to major urban centers.

In the late 1970s, a combination of events brought to a halt what had been referred to as the Ivorian "economic miracle". A drastic collapse of the prices for the country's chief exports, cocoa and coffee, unfavorable exchange rates and the failure of the projected oil boom to materialize, all combined to plunge the country into a prolonged economic recession from which it has yet to recover.

In 1981, the Cote d'Ivoire adopted economic austerity measures and undertook structural adjustment programs in concert with the International Monetary Fund (IMF). Unfortunately, these programs failed to bring about the hoped for economic renaissance and the government has been obliged to adopt increasingly stringent economic measures which have provoked political opposition and widespread social unrest.

The urban sector has borne the brunt of these austerity measures. Extremely high urban growth rates, in combination with steadily shrinking revenues, have placed Ivorian cities in a state of crisis. This state of crisis is reflected in acute shortages of employment, housing, primary infrastructure (e.g. roads, water and electricity), and public facilities (e.g. markets, transport depots, schools, health centers). Levels of public service delivery have also declined. The provision of assistance to the ailing urban sector is currently a priority item for the GOCI.

B. The Ivorian Urban Sector

1. Urban Growth Trends

Between 1960 and 1980, demographic trends in the Cote d'Ivoire tended to reflect national macro-economic trends. During this period of economic expansion, the Cote d'Ivoire experienced rapid population growth and even more rapid urbanization. Between 1965 and 1988, the population of the Cote d'Ivoire increased from 4.3 to 10.8 million. This was attributable to both natural increase and in-migration from adjoining countries whose citizens flocked to the country to take advantage of the proliferating economic opportunities.

Urbanization rates for the same period were equally impressive, averaging better than 8% per year. In 1965, the total urban population was 870,000. By 1975, it was estimated at 1.4 million, or 21% of the national population. In 1988, the urban population had attained 4.2 million or 39% of the total population.

The economic reversals of the 1960's have not triggered a commensurate decline in urbanization rates. On the contrary, while rural population growth rates for the 1975-1988 period dropped to 1.7%, urban growth rates for the same period were a startling 8.8%, with much of that growth occurring in secondary cities. Current projections put urban population growth rates at 5% or more for the next five years in marked contrast to the overall economy which has registered negative growth since 1987 and will probably continue to do so for the next three years.

Ivorian urban centers, especially secondary cities, play an increasingly crucial role in the national economy. At the most obvious level, 64% of the Ivorian GDP is provided by "non-rural" activities (services, manufacturing, industry). Urban centers are also the location of the most dynamic sector of the national economy; for, as the formal sector deteriorates, it is the expanding urban informal sector that is providing essential services and employment for the masses. Finally, the existence of important socio-economic linkages between urban centers and surrounding rural areas in the Cote d'Ivoire also means that the well-being and development of the rural economy is inextricably linked with the viability of adjacent urban centers. Over the last decade, Ivorian farmers have obtained an increasingly larger percentage of their monetary income from sales of food crops to urban centers. With the current fall in the price of export crops, this trend is expected to continue. Rural dwellers are also relying on the urban informal sector to provide them with services and off-farm employment opportunities.

In the boom decades of the sixties and seventies, the GOCI assumed the responsibility for satisfying the burgeoning demands of its urban populations and provided high quality subsidized housing and services (above all in the economic capital of Abidjan). With large revenue inflows and apparently unlimited available credit, the GOCI exhibited very little concern with the issues of cost recovery or providing for recurrent costs. However, with the onset of the recession and the adoption of an austerity program, large-scale spending on capital investments is no longer an option.

The state's diminishing capacity to meet urban needs can best be seen in the declining rate of investment in urban infrastructure which fell from a high of 35,000 FCFA per capita per year in the 1976-1980 period to 15,000 FCFA in 1980-1985. During the last two years (1987-1989) public investments in the urban sector have dropped significantly (minus 42%). And, given the general level of public expenditures, it is unlikely that they will rise to former levels in the near future. In effect, from as early as 1980, it was apparent to observers of the Ivorian urban sector that alternative methods of financing urban investments and ensuring urban development were a necessity.

2. Ivorian Decentralization

a. The Decentralization Rationale

Closely linked to the economic austerity and structural adjustment program was the GOCI's decision to undertake a program of urban reform. The program was primarily implemented through the decentralization of the system of territorial administration and the creation of autonomous municipalities known as communes.

Through decentralization, the GOCI sought to achieve the following objectives: (1) reduce its financial and social obligations towards the urbanizing population and limit its massive development responsibilities by handing a portion of them over to the municipalities; (2) stimulate local development by strengthening existing urban-rural linkages and reinforcing the role of secondary urban centers as nodes of regional development; (3) permit the secondary cities to emerge as effective counterweights to the preponderance of the city of Abidjan, the country's economic capital, and encourage a more even distribution of the benefits of development; and (4) increase local-level participation in the decision-making and needs-evaluation process by creating a more open democratic system. As economic hard times and social unrest impel the Ivorian government towards greater political pluralism, this last objective has assumed increasing importance on the decentralization agenda.

Up to 1980, there were only eight municipalities or communes in Cote d'Ivoire. Decentralization began when the Municipal Law of 1979 created 29 new communes in the more important urban centers and legally awarded them the status of full autonomy. In 1985, the GOCI planned to create additional communes in cities with populations of 10,000 or more. In response to political pressures by delegates at the National PDCI Party Congress, however, urban centers with populations of as little as 2,000 were made into communes which now total 135.

The following table summarizes the population distribution among communes in Cote d'Ivoire as of 1985.

TABLE-1

COTE D'IVOIRE MUNICIPALITIES

<u>Category</u>	<u>Population Range</u>	<u>No. of Communes</u>	<u>Total No. of Inhabitants</u>
Abidjan Metro. Area	+ 1,000,000	10	1,800,000
Regional Capitals	+50,000	11	1,150,000
Medium Sized Towns	20-50,000	25	1,510,000
Small Towns	10-20,000	33	580,000
Others	-10,000	56	430,000
TOTAL		135	4,800,000

b. Administration of Urban Areas

Ivorian municipalities or communes consist of a central city and associated rural settlements within a range of 5-8 km. Communal administration is based upon a Municipal Code, enacted in the early 1980s and implemented through a series of decrees. Theoretically, all the jurisdiction exercised in the localities by the state and its decentralized administration should be gradually transferred to the communes; however, the process is still far from complete. The communes remain dependent upon the regional offices of the central government ministries and on public service companies for a number of key services (i.e., primary infrastructure construction, water and electricity networks, the staffing and management of health, education, and social facilities), and continue to obtain a portion of their revenues from the state.

On the other hand, a number of major responsibilities have been given to the communes. These include: planning and implementing municipal budgets; formulating municipal development plans; planning and constructing health, education and social service facilities; levying and collecting taxes and duties; providing legal certificates; signing contracts; and undertaking loans. Communes also provide the following services: garbage collection, cleaning and maintaining streets and associated drainage systems, and operating and maintaining public facilities such as markets, transportation depots and slaughterhouses. These last services are the most visible ones provided by the communes and consume a large proportion of communal operating budgets.

Communes are governed by mayors and municipal councils which are democratically elected every five years. In addition to the mayor and his councillors, the organization chart of a typical Ivorian municipality contains a general secretary (the individual responsible for coordinating the activities of the municipal departments and acting as liaison with the central government), and four departments with discrete technical functions (administrative, financial, public works, and records). Municipal employees (who totaled 11,958 in 1989) belong to one of two general categories: those employed and paid by the central government and assigned to the municipality (671 or 5.6%) and those employed and paid directly by the communes (11,287 or 94.4%). A certain level of tension exists between central level employees assigned to the municipalities and municipal officials. This tension is due, in part, to the perceived notion that central-level employees working in municipalities owe their loyalties to the central agencies and not to the municipality where they work. On occasion, the latent tension can flare into open opposition, with negative consequences for the municipality.

Municipalities are supervised by the "Direction des Collectivites Locales" (DCL) or Department of Local Government in the Ministry of Interior (MOI), which has the responsibility of managing the entire decentralization process. The DCL plays a dual role comprised of both support and regulatory functions. It supports the communes by providing them with technical assistance, training and supervision. Its regulatory role consists of reviewing most decisions made by the mayors and municipal councils (including the implementation of annual budgets) to verify their constitutional and legal validity. The DCL's role is a delicate yet crucial one. It must assist the municipalities to carry out their assigned functions, while preventing them from over-stepping their boundaries and violating the rights of their citizens. (See Annex H pgs. 9-10 & 20-22 for a detailed discussion of the DCL's role).

c. Financing of the Urban Sector

A crucial part of the decentralization process is the mechanism for providing municipal revenues since the amount and source of these revenues are important determinants of the capacity of municipalities to make and implement developmental decisions. At present, municipalities derive their revenues from three major sources: Central Government allocation (35%), Transferred State Taxes (25%), and Municipal Taxes, Fees and Charges (40%).

The Central Government Allocation (CGA) is a proportion of the central government's Expenditure Budget (averaging 1.5% between 1982-1987) and is distributed according to a combination of technical and political criteria. The CGA is generally less than a quarter of the revenues of the old municipalities, but comprises from two-thirds up to as much as one hundred percent of the budgets of the smaller and poorer communes.

Transferred State Taxes consist primarily of the property tax ("impôt foncier") and business tax ("patente"). They are collected by the agents of the Ministry of Economy and Finance at the local level, sent to the national treasury, and then eventually transferred back to the municipalities in amounts equal to those collected locally. While a major source of municipal revenue, they are plagued by a series of weaknesses which entail negative consequences for municipalities. The computation of both taxes is extremely complex and based upon outdated legislation which makes these taxes susceptible to loopholes and/or illogical assessment decisions. The property tax is burdened by excessive temporary exemptions, the absence of land registers, and the failure to update existing land registers. This is particularly true for the communes outside of Abidjan. The collection of the business tax suffers from widespread evasion by taxpayers, who consider themselves to be excessively taxed. Both taxes have extremely low collection levels.

Municipal Taxes are presently the chief municipal revenue source. They are composed of fees paid by users of markets, hotels, taxis, cinemas, slaughterhouses etc., along with other miscellaneous revenues such as licenses and the purchase of stamps for official certificates. It is clear that as centrally available sources contract, municipal taxes represent the major potential source of municipal revenues. As in the case of state taxes, however, poor collection practices have severely limited yields.

C. Obstacles to Decentralization and Urban Development

Decentralization is the GOCI's primary strategy for promoting local-level economic development throughout the country, and in general, it is a well chosen. Nevertheless, although the government is firmly committed to the decentralization process, it has become obvious that there are significant obstacles to the establishment of an effective decentralized system.

1. Management Obstacles

Political pressures at the time when communes were created caused the GOCI to dramatically increase the number of municipalities without formally assessing the capacity of the central government to manage the process and that of local governments to assume the delegated responsibilities. The consequence is a serious shortage of individuals with the training and experience necessary to shoulder the burden of decentralization at all levels.

At the central level the DCL finds itself overwhelmed by the volume of documents which must be reviewed. During the course of a single year it examines an average of almost 2,900 minutes of meetings, 465 municipal acts and laws and approximately 500 budgets and tri-annual development plans. The DCL has the added responsibility of carrying out annual inspections and providing periodic training and technical assistance to all 135 communes. Thus, although the staff of the DCL was increased when the new communes were created, the reality is that its present functions exceed its capacities.

At the local level, the only fully qualified employees are, usually, the small percentage of individuals seconded to the municipality by the central government. As stated previously, they most frequently are assigned as heads of departments requiring highly specialized knowledge (i.e. secretary generals, financial department heads, public works department heads); however, without adequate support staff their effectiveness is seriously limited. In contrast to the employees of the central government, most personnel recruited and paid by the municipalities are under-qualified and

often unable to perform their assigned tasks. Finally, the educational level and related managerial capacity of elected officials (numbering 559 mayors and assistant mayors and 3,910 municipal councillors) are also extremely uneven, running the gamut from university graduates to those without any formal education.

Efficient municipal management requires a cadre of functionaries with the appropriate management and technical skills. They should be capable of formulating and implementing development plans and of operating the various municipal departments in an efficient manner. Presently, the Cote d'Ivoire does not have a sufficient number of municipal personnel with the requisite qualifications and skills.

2. Financial Obstacles

Resources available to municipalities, meagre at the onset, have continued to shrink with the deepening economic recession. In the 1982-1986 period the existing 37 municipalities experienced a 30% decline in per capita tax collection and a 23% decrease in the per capita government allocation. As the national economy has continued to decline, the situation is expected to be exacerbated by persistently low and possibly falling levels of public investments in the urban sector. At the same time, continuing high urban growth rates (5%) should result in a substantial decrease in the quality of life of urban residents.

In general, the administrative and service provision responsibilities of municipalities surpass their current resource levels. This situation is due, in part, to the inadequate delegation of fiscal power from the central government. Additional causes include: the fact that the existing tax legislation is based upon outdated texts which are no longer appropriate to present conditions; the limited range of activities subject to tax (the formal sector) and the shrinking of the formal sector as a consequence of the ongoing recession; and, the tendency of municipalities to undermine their own fiscal situation by utilizing inefficient and/or inadequate tax and fee collection methods.

Finally, and this is also a management issue, municipalities do not always select the most cost effective way of providing services. In many instances the private sector could manage or deliver urban services in a cheaper and more efficient manner than the municipality itself. However, municipalities have little experience in making these sorts of arrangements with the private sector and are hesitant about taking the necessary steps.

3. Physical Obstacles

All Ivoirian communes, including many important secondary cities, lack the primary infrastructure and facilities needed to adequately satisfy the basic needs of their populations. The situation is particularly grave in low-income neighborhoods, which tend to be markedly deficient in basic services, such as garbage collection and potable water, often leading to environmental degradation. Unpaved streets, severely eroded access paths, drainage canals (where they exist) blocked by refuse and detritus, and pools of mosquito-breeding stagnant water are the norm in these areas.

Present GOCI strategy calls for central government financing of primary infrastructure (i.e. roads, water and electricity), with the remaining service facilities (markets, primary schools, health centers) financed by the municipalities and/or the private sector. Unfortunately, neither the central government nor the municipalities have the financial capacity to undertake the required investments; and the private sector, which is itself a potential source of service provision, is functioning under a series of constraints. These include: a lack of enabling infrastructure and services, the frequently distrustful attitude of municipal authorities towards private companies, and the depressed state of the economy.

Although the constraints on decentralization are significant ones, and somewhat daunting in magnitude, it is important to recall that the decentralization program is in its early stage, and its implementation is occurring in a period of great economic difficulties. First, municipalities have been created where nothing of comparable status existed before, and the majority are less than ten years old. Second, the populace, accustomed to having its leaders appointed, has been given the power to elect local leaders democratically for the very first time. Finally, the entire process is being carried out in a period of economic recession and political unrest that is unprecedented in the Cote d'Ivoire. It is, therefore, not surprising that the process is encountering the obstacles detailed above and that the GOCI should seek external assistance with its decentralization program.

III. PROJECT DESCRIPTION

A. The Project: Goal and Purposes

The goal of this project is to support the GOCI's efforts to promote equitable and sustainable local-level economic development throughout the country.

To attain the above goal the following project purposes are retained:

to improve the efficiency and effectiveness of local government operations, particularly in the areas of governance, finance, management and service delivery;

to create models of sound municipal management, including those involving the effective use of the private sector, that can be replicated in other Ivorian secondary cities.

Evidence of the achievement of purpose will be attested to by the following End of Project Status indicators.

In five project cities there will be:

1. an increase in popular awareness of the local developmental agenda and wider participation in the local-level decision-making process, especially among low-income households;
2. an improvement in the quality of development planning and in the management of municipal financial and public works departments;
3. a minimum of 25% increase in levels of provision of selected urban services;
4. a 25% augmentation in municipal revenue collection levels;
5. the use of alternate modes of urban service provision (i.e. private sector and community groups);
6. the development of replicable models and practices in the areas of municipal management, revenue generation and urban service delivery.

B. Project Components and Activities

The project consists of three major components: Municipal Management Training, Revenue Enhancement and Facilities Construction. Although each component is focused primarily upon one specific set of obstacles to decentralization, as identified in Section II. C, all three components contribute towards overcoming the other sets of obstacles as well.

1. Municipal Management Training Component

The Municipal Management Training Component focuses primarily on management obstacles. It is designed to strengthen the capacity of the GOCI to manage and implement decentralization at both the central and local level. Inputs into this component will be training, technical assistance and commodities.

Training under this component is to be provided by a long-term expatriate resident training advisor supplied under the auspices of an institutional contract. The training advisor will be assisted by a local-hire long-term trainer who will also be supplied through the institutional contract. These two individuals will supervise the training component and carry-out most of the training. Their efforts will be supplemented by short-term technical assistance from local or foreign experts as needed.

a. Central Level Training

At the central level, training will focus upon the Ministry of Interior's Department of Local Government (DCL). The objective will be to assist the DCL to expand and ultimately institutionalize its capacity to provide training, technical assistance and administrative support to Ivorian municipalities.

Within the DCL, an eight to ten-person training unit will be formally established and given the responsibility for municipal management training. The members of this unit, all of whom will possess expertise in a particular area of municipal management, will be trained as trainers. This pivotal unit will, in turn, train municipal-level agents and provide municipalities with technical assistance. Given its extensive interaction in the field with local-level personnel, this training unit will have data collection and monitoring responsibilities during the course of the project. It will also provide project managers and the DCL with inputs for policy development intended to advance the decentralization program. It is expected that the training unit will continue to carry out this function for the DCL beyond the life of the project.

The legal, budget, personnel and training departments of the DCL will be supplied with five computers, thereby increasing the number of computers in the DCL to eleven. The staff in these departments will be trained in the use of the appropriate software. Computerization should permit the DCL to more rapidly and accurately track the deliberations, planning and budgetary actions of all 135 municipalities, a task whose magnitude is currently proving to be overwhelming. Computerization should also help the DCL to improve its own internal operations.

In a coordinated effort, the members of the Department of Social Development's (DOS) eight-person Technical Cell (TC), located in the Ministry of Youth, Sports and Social Affairs (MYS&SA), will receive training as trainers specializing in the teaching of community organization techniques. The technical cell will, in turn: (1) train local-level social workers in these techniques, and (2) provide on-going technical assistance to local social workers during the course of the project.

Efforts will be made to ensure that women are represented among central level trainees. However, it is impossible to state with precision what percentage of central-level trainees will be women given that the training unit in the DCL is not yet constituted and that the DOS is planning to recruit additional members into its technical cell. It should also be noted that women comprise less than ten percent of the pool of individuals with the educational level required for recruitment into the DCL training unit. In order to ensure adequate participation by women, the DCL will be asked to reserve up to 20% of their trainer slots for women. Within the DOS, a department where women are strongly represented, the percentage of women trainees is expected to be at least 50% with or without the intervention of project implementers.

b. Municipal-Level Training

The objective of the municipal-level training component is to enhance the management and service delivery capacity of municipal officials and agents by providing them with training and technical assistance. It is designed to promote more efficient urban planning and management and encourage the utilization of the private sector as a provider of public services.

Municipal-level training will be provided by the training unit of the DCL under the supervision of the resident training advisor. Training activities at this particular level will involve up to 30 municipalities, at any given time. The number of municipalities participating in a particular municipal-level training event will vary according to the training activity.

Elected officials i.e., mayors, senior municipal council members from thirty municipalities will be trained in the areas of economic development planning and urban service delivery. The heads of financial and public works departments from the same 30 municipalities will also be trained in financial and public works management. However, the project will have a sustained focus on a core group of five cities which will be provided with more intensive training and associated technical assistance. This group of cities will also be the location of activities to be undertaken under the other two project components. The additional training which will be provided to elected officials and municipal agents in these five core cities include the following topics: privatization of urban services, administrative management, property tax collection, and environmental awareness. The purpose of this training is to permit the municipal officials and agents to work with or utilize the private sector and/or community groups in the management of public facilities and the delivery of public services.

As part of local-level training, social workers in the core group of five project cities will be trained in community organization techniques by the Technical Cell of the Ministry of Youth Sports and Social Affairs' Department of Social Development (DDS). The Technical Cell will also help the social workers to carry out surveys and needs assessments and to organize neighborhood associations in low-income communities. These associations will collaborate with municipal authorities on the delivery of services, the maintenance of facilities and the promotion of local development activities.

As in the case of central-level training, women are expected to be among the recipients of management training. However, since the local-level trainees are a pre-identified group (elected municipal officials and municipal agents), the percentage of women trainees will reflect the current gender distribution of these positions (somewhere between 5 and 15 percent). In effect, the selection of the city, which will take place during the initial year of the project and will be based primarily on economic and management criteria, will determine what percentage of women will receive training. For social workers and community representative trainees in project cities, the percentage of women participants will be appreciably higher and will reflect the gender distribution within the population of the project cities themselves.

2. Revenue Enhancement Component

The objective of the revenue enhancement component is to increase municipal revenues by expanding local revenue sources and improving tax collection methods. A variety of activities will be undertaken under this rubric. Inputs into this component include technical assistance, training and commodities (computers).

An essential part of this component is a simplified cadastral survey which will be undertaken in up to five of the core project cities. A simplified cadastral survey is the demarcation of land parcel boundaries using ground surveys and data from existing maps. It is the prerequisite for the creation of accurate cadastral maps which serve as the basis for updating and expanding existing property tax rolls. In the majority of Ivorian secondary cities, the most recent property tax updates were conducted fifteen to twenty years ago. Consequently, tax rolls do not reflect the existence or values of property developed since that time. The cadastral studies will permit the necessary updates and should result in a measurable increase in tax revenues for municipalities. Data derived from the studies should also furnish important gender related information including number and value of land parcels owned by women, percentage of female-headed households etc.. This data should prove invaluable in municipal development planning and service-level improvement initiatives. It is anticipated that these surveys will be carried out by local private firms which have already demonstrated the capacity to undertake such studies.

In addition to the studies, there will be five distinct activities intended to improve the property tax collection system and the level of coordination between central and local-level tax agents. These activities include: (a) assistance to the central government's cadastral office, the Department of Land Registration (DC), with the preparation and management of contracts for cadastral field work; (b) assistance to the same office in the development of a micro-computer based software package capable of compiling and processing the data generated from the field surveys; (c) the provision of computer hardware to the DC and the concerned local branches to enable the decentralization of the management and administration of property tax administration; (d) seminars for central and local-level agents involved in property tax collection; and, (e) information dissemination aimed at tax payers.

As part of the revenue enhancement component, technical assistance and training will also be directed towards reorganizing and rationalizing the collection process of local taxes from revenue generating facilities, i.e., the user fees for markets, transport depots, commercial centers and slaughterhouses. An assessment of the advantages/disadvantages of privatizing the management of these facilities and an examination of alternative privatization methods will also be undertaken. These assessments will be complementary to the training activities focused upon privatization and will aim at providing local officials and community groups with information needed to make rational decisions about which services can and should be privatized.

Since the collection of local taxes and fees is a sensitive area, collaboration with local community groups will be stressed as an integral part of the overall revenue enhancement process. In addition, efforts will be made to inform the public about the goals and methods used by the municipality.

3. Facilities Construction Component

This component will provide the five core project cities with revenue generating facilities, such as markets, transport depots, commercial centers, and slaughterhouses, that can produce funds to cover recurrent costs and make a contribution to the recovery of initial construction costs via the collection of user fees and taxes. It is anticipated that at least one of the above facilities will be constructed in each core city.

Cities selected as sites of revenue generating infrastructure will become the five core project cities and will be the location of the most intensive training efforts as well as revenue enhancement activities. The focus will be on municipalities in the intermediate rank (with populations between 15,000 and 50,000). Core project cities will be chosen from among those cities which agree to contribute an agreed upon percentage of the facility construction costs. This contribution can come from the city's investment budget or from the loans obtained from the Municipal Loan Fund (FPL). Additional criteria for the selection of these cities that have evolved through policy dialogue between A.I.D. and the GOCI include: (a) a demonstrated need for public facilities; (b) strong economic developmental potential, including high rates of population growth and the presence of strong rural-urban socio-economic linkages; and, (c) evidence of the potential for competent overall financial and administrative management. In cases where two equally qualified cities are presented for consideration, preference will be given to the one which has not previously received major investments by the GOCI or other donors.

There are currently fifty-two Ivorian cities which fall within the appropriate population range. Ten of these cities have just been selected by the World Bank for their current municipal development project. Another ten cities from this group have been the sites of previous A.I.D. projects. If one subtracts World Bank and previous A.I.D. sites from the list, there remain thirty-two potential core project city sites. (See TABLE-2 for a list of potential project cities.)

Participating municipalities will be required to develop and submit to the Ministry of Interior, a document specifying the terms of their involvement in the project. Upon the review and approval of the Ministry of Interior, the Direction et Control des Grands Travaux (DCGTx) or Central Directorate of Public Works and the Department of Public Investments of the Ministry of Finance and Economy (DIP), the document will be reviewed and approved by A.I.D.

Construction under this component will be carried out through a modified Fixed Amount Reimbursement Agreement (FAR) with the GOCI. The agency which will actually supervise the construction of the above facilities under the FAR will be the Direction et Control des Grands Travaux (DCGTx).

TABLE 2
LIST OF POTENTIALLY ELIGIBLE CITIES
THE MUNICIPAL DEVELOPMENT SUPPORT PROJECT

KEY: WB indicates the sites of World Bank Project Cities
R indicates the sites of previous RHUDO Project Cities

<u>COMMUNE</u>	<u>COMMUNE POP.</u>	<u>COMMUNE</u>	<u>COMMUNE POP.</u>
ABOISSO	28,869 R	GRAND BASSAM	46,675
ADIAKE	16,276	GUIGLO	29,103
ADZOPE	35,085 WB	GUITRY	19,433 R
AFFERY	22,622	HIRE	26,269
AGNIBILEKROU	39,868 R	ISSIA	38,674 R
AGOU	16,040	KATIOLA	35,107
AKOUBE	48,540	LAKOTA	28,413 R
ALEPE	13,866	MANKONO	16,727
ARRAH	21,222	M'BATTO	30,282 WB
AZAGUIE	17,098	NIABLE	16,731 R
BANGOLO	22,311	ODIENNE	28,266 R
BEOMI	29,267	OUME	39,099 R
BIANKOUMA	27,393	SAIOUA	42,801 WB
BINGERVILLE	38,623	SASSANDRA	15,759 R
BLOLEQUIN	19,895	SEQUELA	29,578 WB
BONDOUKOU	33,196	SIKENSI	22,588
BONGOUANOU	29,148 R	SINFRA	41,193
BONOUA	21,154	SOUBRE	36,293
BOUAFLE	35,330 WB	TANDA	17,245
BOUNDIALI	23,910 WB	TINGRELA	25,520
DANANE	39,680 WB	TIASSALE-NDOUCT	39,922
DAOUKRO	28,331	TIEBISSOU	15,151
DIMBOKRO	48,308	TOUMODI	22,114
DUEKOUE	40,335	VAVOUA	29,796 R
FACOBLI	19,967	ZOUAN-HOUNIEN	20,582 R
FERKESSEDOUGOU	36,045 WB	ZUENOULA	26,705 WB

C. Project Inputs

The project will be funded by a US\$ 5 million Development Fund for Africa (DFA) grant which will be provided in three tranches of US\$ 1.7 million in FY'90, US\$ 1.9 million in FY'91, and US\$ 1.4 million in FY'92. The grant will be used to provide the following inputs:

1. Technical Assistance

The following types of Technical Assistance will be provided by one or more contracts with U.S. or local firms selected through customary A.I.D. contracting procedures, or through IQC buy-ins:

a. Long-Term Institutional Training Contract

A competitively let institutional training contract will supply the following:

Personnel:

- A long-term (24 month) expatriate resident technical advisor (referred to as the training advisor) with expertise in municipal management and training of trainers.
- A long-term (24) month locally hired trainer with expertise in areas complementary to those of the expatriate training advisor.

The above two individuals will be responsible for carrying out most of the training events under the training rubric.

Support costs for the above contract will include clerical costs, rental of office space, equipment and other operating costs.

Short Term Technical Assistance:

The following types of short term technical assistance will be supplied by the institutional training contract.

- 8 months short-term expatriate technical assistance.
- 12 months local short-term technical assistance.

Training:

In country training will be provided by the long-term institutional training contract supplemented by short-term contractors in the following areas: (1) training of trainers; (2) environmental awareness; (3) computer efficiency; (4) financial management; (5) urban service delivery; (6) privatization of urban services; (7) administrative management; (8) economic development planning; and, (9) community organization.

b. Resident Technical Advisor

Technical assistance, in the form of supervision and monitoring of construction activities and baseline/special studies, will be provided by the RHUDO resident technical advisor through an institutional contract.

2. Baseline and Special Studies

Simplified cadastral studies will be carried out in up to five of the core project cities using short-term local or expatriate contractors. Additional studies include environmental review preparation and privatization of urban services.

3. Construction

The construction of the following types of revenue generating facilities will be financed utilizing the modified FAR method: markets, transport depots, slaughterhouses and commercial centers.

4. Commodities

The following commodities will be purchased either by the institutional training contractor or directly by A.I.D.: (1) training materials; (2) computers and accompanying software; (3) office equipment.

5. Monitoring and Evaluation and Audit

Project monitoring will be done by competitively let expatriate and local contracts. Two formal evaluations, one at the end of the second year and one at the end of the project, will be undertaken during the project. An audit by an IQC is also anticipated.

6. GOCI Inputs

The GOCI contribution to the project will amount to US\$ 1.667 million. Approximately US\$ 566 thousand will take the form of in-kind contributions. Items in this category include: GOCI salaries, office space, vehicle use, materials. The remaining US\$ 1.1 million will be provided by municipalities in local currency as a fixed percentage contribution (approximately 33%) to the cost of facility construction.

D. Outputs

The following is a list of key outputs which are expected to result from the project. They are subsumed under the Municipal Management Training, the Revenue Enhancement and Facilities Construction components of the project.

Municipal Management Training Component

At the central level:

1. up to 10 person DCL training unit trained as trainers of trainers;
2. 3 DCL departments fully computerized;
3. 20 DCL staffers trained in computer software use;
4. 8-person DDS training unit trained as trainers of trainers;
5. 50% DDS and DCL women agents trained.

At the local level:

6. elected officials from 30 municipalities trained in development planning;
7. 30 heads of municipal financial and public works departments trained in planning and management techniques;
8. alternative service delivery methods (private sector or community groups) utilized in the five core project cities;
9. Neighborhood community groups, including women members, created and participating in the development planning and service delivery processes in the five core project cities.

Revenue Enhancement component

In the five core project cities:

10. Cadastral surveys completed and tax rolls updated and gender disaggregated data included;
11. Revenue enhancement and cost recovery mechanisms developed and utilized.

Facilities Construction Component

12. at least one revenue generating facility constructed in each of the five core project cities;
13. Users, including women, consulted re utilization of facilities.

E. Project Strategy

The strategy of this project is to develop in the five core project cities models of sound municipal management that can be replicated in other Ivorian secondary cities. The existence of three project components reflects the choice of a three-pronged approach which focuses upon the three main constraints to Ivorian decentralization, poor management, inadequate financial resources and a paucity of physical infrastructure, and addresses them in an intensive manner in a limited arena.

The problems of poor management capacity will be dealt with directly through the provision of municipal management training to central-level agents located in the DCL and to local-level agents working in the municipalities. The decision to train both levels of agents is a function of: (1) the importance of management obstacles at the local level and (2) the nature of the relationship between the two levels.

The decision to give local-level agents direct and immediate assistance is based upon the dimension of their needs. The shortage of trained agents at the municipal level is a drastic one and presents the major obstacle to successful decentralization and local-level development. At the same time, the central level is also in need of assistance since it is the designated source of support, guidance and supervision for the local level. Hence the decision to provide both levels with training and technical assistance.

The other two components, revenue enhancement and construction of facilities, will also contribute to improving municipal management by: (1) providing specialized training and technical assistance to municipal officials and agents; and by (2) encouraging the utilization of the private sector in the management and delivery of public services.

The problem of limited financial resources will be tackled primarily through the revenue enhancement component and will involve efforts to augment municipal revenues. This will be achieved through a combination of technical assistance and training to identify and exploit those areas where it is possible to create an immediate increase in municipal revenues. The project will focus on small-scale, low-cost easily replicable actions that will have an immediate impact and produce a positive demonstration effect. In addition, overall improvements in municipal management through training will have an impact on the ability of the municipalities to collect revenues and to utilize them effectively. The facilities constructed will also directly contribute to alleviating this constraint by generating revenues.

The third part of the strategy involves dealing with the shortage of public facilities at the local level through the construction of revenue-generating public facilities. It will provide selected types of infrastructure to core project cities in order to demonstrate the following concepts: (a) the importance of selecting facilities that will bring a positive economic rate of return; (b) appropriate and affordable standards for facilities; (c) the effective management of these facilities; and, (d) approaches for integrating integrate the private sector into an area that was previously the exclusive preserve of the public sector.

The project's goals are modest ones in keeping with the funds available. It does not intend to overcome all the obstacles currently facing Ivorian secondary cities; nor will it guarantee the success of the GOCI decentralization program. Rather, its aim is to undertake in five project cities some clearly defined actions which will provide effective models of efficient government and management for replication and have a high multiplier effect. The encouragement of major reforms (e.g. overhauling the tax legislation) will be approached through policy dialogue or through a multi-donor effort involving those donors, such as the World Bank, with larger resources. A.I.D. is currently working with other donors active in the urban sector on these types of reforms (See Section III. I).

P. Project Sustainability

Sustainability is inherent in the project design. Each of the three project components includes element(s) which are intended to retain transformations brought about through the project beyond the Project Activity Completion Date (PACD).

The municipal management component aims at institutionalizing, within the DCL, the capacity to train municipal managers and provide technical assistance. By creating a training unit of skilled trainers, all of whom possess expertise in a specific area of municipal management, the project ensures that the training capacity exists in substance. By making the training unit an integral part of the DCL, (i.e. imbued with organizational status, a specific goal, assigned personnel and a budget for carrying out its actions) the project can ensure that municipal management training becomes one of the mandated functions of the DCL and will continue into the future.

The revenue enhancement component is also deemed sustainable. The cadastral studies which will be carried out under the project are studies that will continue to exist after the PACD. By providing technical assistance and training in conjunction with the cadastral studies, the project will assist the GOCI to utilize the data generated by the cadastral studies effectively. While there is no way of ensuring that other cadastral studies will be performed, project designers believe that the

demonstration effect of the cadastres, in terms of the expansion of the tax base and the potential for increased revenues in project cities, should motivate other municipalities to undertake similar studies. In addition, by developing the institutional capacity to manage and implement cadastral studies within the central cadastral office, future cadastres should be less daunting and less costly undertaking for the GOCI agencies.

Other revenue enhancing activities should be equally sustainable, with the caveat that political will is an independent variable in the equation. Actions such as the reorganization of fee and tax collection procedures will result in immediate revenue increases that will work indefinitely if they are retained by municipal authorities. This component begins with the assumption that democratically elected municipal officials desire an increase in revenues to provide their constituents with service and create political goodwill. The corollary of this assumption is that procedures which result in an increase in revenues will be retained.

The issue of sustainability of facilities constructed under the project is closely tied to that of the management and maintenance of the facilities. The project is deliberately limiting construction to revenue generating facilities to ensure that the potential to produce maintenance, and replacement costs exists. The provision of technical assistance and training geared towards equipping municipal agents with the skills to manage and maintain these facilities is the element that should permit sustainability. The requirement that the management of these facilities be privatized, where possible, is also an element that should optimize the revenue generating potential of these facilities and contribute towards sustainability.

Finally, project sustainability is also predicated upon the prevailing socio-political winds in the Cote d'Ivoire. The pressures created by economic adjustment are moving the country inexorably towards greater political pluralism and political accountability. (See Annex F). As part of this trend, municipal-level officials are being assigned greater responsibility for conditions in the cities they govern by their constituents. In such an atmosphere, municipal officials are expected to be more willing to adopt practices which will improve the quality of life in their cities and help to ensure their political futures.

G. Relationship to A.I.D. Strategies and Policies

1. Relationship to Agency Wide Strategy and Policy

A.I.D.'s Urban Development Policy Paper identifies six priority sets of issues. Of the six, at least three are directly addressed by this project. They correspond to, the inability of national and local governments to: (1) manage efficiently the services they provide and mobilize the levels of revenues necessary to run municipal governments; (2) provide the level of goods and services (health, education, housing, water and sewerage etc.) required to meet minimal standards; and (3) keep pace with the requirements for shelter and urban services in the face of critically high levels of urban population growth. The proposed project, with its emphasis on management training and more efficient public service delivery, is intended to address the above shortcomings.

The Urban Development Policy Paper favors urban programming which: (1) supports country economic development policies leading to the appropriate allocation of resources between urban and rural areas; (2) locates project sites in secondary cities; (3) supports the private sector; and, (4) strengthens national and local-level institutions responsible for "...policy, planning, management and delivery of urban services." The Municipal Development Support Project conforms with the above criteria by assisting the GOCI to strengthen its decentralization program whose goal is to shift resources away from the city of Abidjan towards secondary cities with strong rural-urban ties. It also helps municipalities to utilize the private sector to provide urban services and manage urban revenue generating facilities. Finally, its purpose is to strengthen management capacity at both the central and local-level.

The Municipal Development Support Project also supports A.I.D.'s Women in Development (WID) policy in that it will provide women with direct economic benefits. Through the construction of facilities, specifically markets and transportation depots, women will be provided with increased employment and income enhancement opportunities. Women are also targetted for community organization activities that will be carried out in this project. Annex F, Section F contains a detailed discussion of the expected impact of the project on women.

2. Relationship to A.I.D. Country Strategy and Policies

A bilateral agreement with the GOCI has been in place since 1961. However, as the present bilateral program in Cote d'Ivoire is limited to three small projects: a US\$ 240,000 per annum ERDA Project; a US\$ 240,000 per annum Family Planning Project; and, a US\$ 300,000 per annum Child Survival Project. There is currently no official CDSS for the Cote d'Ivoire.

At the same time, since 1967, A.I.D. has been providing the GOCI with assistance in the shelter and urban development sector through its Housing Program (HG) which is managed by the Regional Housing Development Office of West and Central Africa. In the absence of an official CDSS, the HG activities are the basis of the Ivory Coast Shelter Strategy. The Office of Housing and Urban Programs is to support a reduced role for the central government as a provider of shelter and urban services in favor of an enhanced role for municipalities and the private sector. The strategy's main objective is to: (1) build institutional capacity by augmenting local government capacity to implement and manage administrative and financial decentralization; and (2) increase the access of low-income households to key urban goods and services through the development of affordable, low-cost solutions. This project, given its limited resources, has focused upon the first objective which is both timely and of primary importance.

3. Relationship to Development Fund For Africa Strategy

Although developed within the context of a shelter and urban development program, the above strategy is fully congruent with major Development Fund for Africa (DFA) strategic objectives. Specifically, it supports those objectives which seek to: (1) reduce public sector involvement in areas better suited to private investment and (2) improve equity and efficiency in providing key public goods. By supporting the GOCI decentralization initiative, it helps to diminish the pressures on central government resources. By assisting municipalities to utilize the private sector for service provision, it encourages local-level private sector growth. Through its emphasis on the viability of secondary cities as a prerequisite to successful rural development, the project strengthens the capacity of core cities to service the agricultural sector and contributes to increasing agricultural productivity.

The DFA is concerned, above all, with the impact of projects and programs on people and with the creation of opportunities for individual betterment. It is entirely consistent with A.I.D.'s emerging democratic initiative strategy which is intended to strengthen democratic institutions, protect individual freedoms and improve the well-being of the poor. Through its overall support of the Ivorian decentralization process, the project will expand popular participation in the local developmental and decision-making process. Through its emphasis on better municipal management and the provision of facilities, this project will provide the residents of project cities and surrounding rural areas with higher levels of service, improved facilities, more sanitary living conditions and wider economic opportunities. The Social Soundness Analysis, Annex F, provides a detailed description of project beneficiaries and indicates that low-income households are the largest group of primary beneficiaries for this project.

4. Relationship to GOCI Urban Sector Policy and Strategy

Decentralization remains the cornerstone of the GOCI's urban sector policy. Hence, the goal of the GOCI is to extend the program by creating communes to cover the entire national territory over the next five years. A second goal is to formulate and implement policies which will render the decentralization process more effective. Utilizing lessons learned from its experiences over the last ten years and from donor financed projects and studies, the GOCI intends to: expand and reinforce the ability of the DCL to formulate and implement decentralization policies and train municipal agents; increase municipal-level resource mobilization capacity while permitting greater local-level involvement in setting developmental and investment priorities; pay closer attention to cost recovery mechanisms and maintenance costs when selecting capital investments; and limit the use of scarce central-level capital investment resources to municipalities with high developmental potential.

Given the present state of the Ivorian economy it is unrealistic to think that the above strategy can be implemented through the exclusive use of Ivorian resources. On the contrary, the strategy is based upon the assumption of ongoing donor assistance. The Municipal Development Support Project is designed to assist the GOCI to implement its urban development strategy by: (1) addressing those issues identified by the GOCI as being of the highest priority; and (2) focusing resources on those areas most amenable to change.

H. Past A.I.D. Experience in the Sector

1. Shelter and Urban Development Experience

A.I.D. possesses considerable experience in the shelter and urban development sector. Since 1967, four major housing and urban development projects have been funded and implemented with A.I.D. assistance. (See Annex H for a detailed summary of RHUDO/WCA projects in Cote d'Ivoire).

Experience with early HG projects (HG-001 through 003) has allowed A.I.D. to develop appropriate affordable standards for different types of shelter components and to evolve successful institution building approaches. However, it is the lessons learned through the design and implementation process of the most recent project, the US \$25 million Secondary Cities Project (HG-004) authorized in 1980, which have the greatest relevance for the proposed project. HG-004 provided eighteen secondary cities with primary infrastructure (paved roads, drainage systems, water and electricity networks) and facilities (markets, transportation depots, health and social centers, and primary schools. It was also implemented during the critical period of Ivorian decentralization.

EG-004 was formally evaluated in 1985 at which time a number of positive features were identified. First, the evaluation cited the important role played by "...creative responses to changes in political and economic environments" which took place in The Cote d'Ivoire during the 1980s. Specifically, the implementation process of EG-004 was carefully adapted to permit it to operate within a decentralized system. New and effective working relationships were developed with municipal governments, and innovative cost recovery mechanisms, applicable at the municipal level, were generated. These relationships are vital to the proposed project which requires extensive collaboration with municipal level authorities. Other lessons learned from the project that are highly applicable include: the rationalization of selection criteria for participating project cities (which are utilized in this project); and the need for greater integration of the local community into the project implementation process.

This project relies upon relationships and techniques acquired through its predecessor EG projects. However, it intends to utilize this knowledge in a altered context and manner. Its purpose is not only to supply project cities with key facilities and services, but to develop within these cities the capacity to continue to manage themselves effectively and ensure the provision of these services after PACD.

2. Municipal Management Training Experience

A.I.D. also possesses significant experience in municipal management training. From as early as 1985, RHUDO has been providing training assistance on a limited basis. However, it was not until 1987 that a formal training unit, the Municipal Management Training Program (MMTP) was created. The goal of the MMTP is to promote rational urban development by improving municipal management in West and Central Africa. The Program, which is managed by an institutional contractor, has both local and regional responsibilities; However, the bulk of its activities have occurred in Cote d'Ivoire as an adjunct to Secondary Cities Project activities.

To date, the MMTP has organized thirty-seven national and regional-level conferences, seminars, workshops and exchange visits on urban development topics. These have included: local economic development, decentralization, urban-rural linkages, market town growth and the privatization of urban services. Within the Cote d'Ivoire, the MMTP initiated the creation of training capacity within the DCL and provided computer training for four staff members. Other actions undertaken with the DCL include: the development of job descriptions for municipal personnel, the creation of model contracts between municipalities and the private sector for the provision of various services, and the publication of a quarterly municipal newsletter.

5C(3) - STANDARD ITEM CHECKLIST

Listed below are the statutory items which normally will be covered routinely in those provisions of an assistance agreement dealing with its implementation, or covered in the agreement by imposing limits on certain uses of funds.

These items are arranged under the general headings of (A) Procurement, (B) Construction, and (C) Other Restrictions.

A. PROCUREMENT

1. FAA Sec. 602(a). Are there arrangements to permit U.S. small business to participate equitably in the furnishing of commodities and services financed? Yes
2. FAA Sec. 604(a). Will all procurement be from the U.S. except as otherwise determined by the President or determined under delegation from him? Yes
This Project uses DFA funds and has a 935 Geographic Code
3. FAA Sec. 604(d). . If the cooperating country discriminates against marine insurance companies authorized to do business in the U.S., will commodities be insured in the United States against marine risk with such a company? Not Applicable
4. FAA Sec. 604(e). If non-U.S. procurement of agricultural commodity or product thereof is to be financed, is there provision against such procurement when the domestic price of such commodity is less than parity? (Exception where commodity financed could not reasonably be procured in U.S.) Not Applicable

s. FY 1990 Appropriations Act Sec. 534(a).

This project assistance does not relate to tropical forests.

t. FY 1990 Appropriations Act Sec. 534(b).

This project assistance does not relate to energy or energy resources.

u. FY 1990 Appropriations Act, Title II, under heading "Sub-Saharan Africa, DA".

This project will promote the involvement of the private sector in public service delivery and encourage equity and efficiency in the provision of key public goods. It will also contribute to increasing agricultural productivity through strengthening urban-rural linkages.

v. International Development Act Sec. 711, FAA Sec. 463.

This project will not finance a debt-for-nature exchange.

w. FY 1990 Appropriations Act Sec. 515.

No deob/reob authority is sought for this project.

5. FAA Sec. 604(g). Will construction or engineering services be procured from firms of advanced developing countries which are otherwise eligible under Code 941 and which have attained a competitive capability in international markets in one of these areas? (Exception for those countries which receive direct economic assistance under the FAA and permit United States firms to compete for construction or engineering services financed from assistance programs of these countries.) Not Applicable
6. FAA Sec. 603. Is the shipping excluded from compliance with the requirement in section 901(b) of the Merchant Marine Act of 1936, as amended, that at least 50 percent of the gross tonnage of commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) financed shall be transported on privately owned U.S. flag commercial vessels to the extent such vessels are available at fair and reasonable rates? No
7. FAA Sec. 621(a). If technical assistance is financed, will such assistance be furnished by private enterprise on a contract basis to the fullest extent practicable? Will the facilities and resources of other Federal agencies be utilized, when they are particularly suitable, not competitive with private enterprise, and made available without undue interference with domestic programs? Yes
8. International Air Transportation Fair Competitive Practices Act, 1974. If air transportation of persons or property is financed on grant basis, will U.S. carriers be used to the extent such service is available? Yes
9. FY 1990 Appropriations Act Sec. 504. If the U.S. Government is a party to a contract for procurement, does the contract contain a provision authorizing termination of such contract for the convenience of the United States? Yes

10. FY 1990 Appropriations Act Sec. 524. If assistance is for consulting service through procurement contract pursuant to 5 U.S.C. 3109, are contract expenditures a matter of public record and available for public inspection (unless otherwise provided by law or Executive order)? Yes
11. Trade Act Sec. 5164 (as interpreted by conference report), amending Metric Conversion Act of 1975 Sec. 2 (and as implemented through A.I.D. policy). Does the assistance program use the metric system of measurement in its procurements, grants, and other business-related activities, except to the extent that such use is impractical or is likely to cause significant inefficiencies or loss of markets to United States firms? Are bulk purchases usually to be made in metric, and are components, subassemblies, and semi-fabricated materials to be specified in metric units when economically available and technically adequate? Will A.I.D. specifications use metric units of measure from the earliest programmatic stages, and from the earliest documentation of the assistance processes (for example, project papers) involving quantifiable measurements (length, area, volume, capacity, mass and weight), through the implementation stage? Yes
12. FAA Secs. 612(b), 636(h); FY 1990 Appropriations Act Secs. 507, 509. Describe steps taken to assure that, to the maximum extent possible, foreign currencies owned by the U.S. are utilized in lieu of dollars to meet the cost of contractual and other services. Not Applicable
(No foreign
currency owned)
13. FAA Sec. 612(d). Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release? Not Applicable
(No foreign
currency owned)
14. FAA Sec. 601(e). Will the assistance utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise? Yes

B. CONSTRUCTION

1. FAA Sec. 601(d). If capital (e.g., construction) project, will U.S. engineering and professional services be used? Not Applicable
Fixed Amount
Reimbursement
(FAR) utilized
2. FAA Sec. 611(c). If contracts for construction are to be financed, will they be let on a competitive basis to maximum extent practicable? Not Applicable
Fixed Amount
Reimbursement
(FAR) utilized
3. FAA Sec. 620(k). If for construction of productive enterprise, will aggregate value of assistance to be furnished by the U.S. not exceed \$100 million (except for productive enterprises in Egypt that were described in the CP), or does assistance have the express approval of Congress? Not Applicable

C. OTHER RESTRICTIONS

1. FAA Sec. 122(b). If development loan repayable in dollars, is interest rate at least 2 percent per annum during a grace period which is not to exceed ten years, and at least 3 percent per annum thereafter? Not Applicable
(Grant Program)
2. FAA Sec. 301(d). If fund is established solely by U.S. contributions and administered by an international organization, does Comptroller General have audit rights? Yes
3. FAA Sec. 620(h). Do arrangements exist to insure that United States foreign aid is not used in a manner which, contrary to the best interests of the United States, promotes or assists the foreign aid projects or activities of the Communist-bloc countries? Yes

4. Will arrangements preclude use of financing:

- a. FAA Sec. 104(f); FY 1990 Appropriations Act under heading "Population, DA," and Secs. 525, 535.
(1) To pay for performance of abortions as a method of family planning or to motivate or coerce persons to practice abortions; (2) to pay for performance of involuntary sterilization as method of family planning, or to coerce or provide financial incentive to any person to undergo sterilization; (3) to pay for any biomedical research which relates, in whole or part, to methods or the performance of abortions or involuntary sterilizations as a means of family planning; or (4) to lobby for abortion? Yes

- b. FAA Sec. 483. To make reimbursements, in the form of cash payments, to persons whose illicit drug crops are eradicated? Yes

- c. FAA Sec. 487. To or through individuals or entities which we know or have reason to believe have either: (1) been convicted of a violation of any law or regulation of the United States or a foreign country relating to narcotics (or other controlled substances); or (2) been an illicit trafficker in, or otherwise involved in the illicit trafficking of, any such controlled substance? (Section 487 requires the taking of "reasonable steps to ensure that assistance" (under the FAA and the Arms Export Control Act) is not provided in the foregoing cases.) Yes

- d. FAA Sec. 620(g). To compensate owners for expropriated or nationalized property, except to compensate foreign nationals in accordance with a land reform program certified by the President? Yes

- e. FAA Sec. 660. To provide training, advice, or any financial support for police, prisons, or other law enforcement forces, except for narcotics programs? Yes

Several pilot training activities in secondary cities have been implemented under the MMTP. These activities have led to the development of techniques for assessing the needs of individual municipal departments (i.e. finance, public works, etc.) and delivering the most appropriate technical assistance and training. The Program has also worked with the private sector. It has carried out assessments of private sector firms as purveyors of municipal management training and collaborated with selected firms on training delivery and document development.

In sum, RHUDO's MMTP is a pioneer in municipal management training in the Cote d'Ivoire. It is also currently the major repository of municipal management training know-how in the country. The Municipal Management Training component of this project will be building upon acquired knowledge and experience. It is designed to take the crucial step towards institutionalizing and, thereby, retaining the still fragile Ivorian municipal management training capacity developed over the last three years. It also aims at making practical use of outputs that have been generated yet underutilized (i.e., model contracts, municipal personnel job descriptions).

I. Project Relationship to Other Donor Activities

The only other major donor in the Ivorian urban sector is the World Bank, which has been active since 1976. Most of the Bank's projects have been located in Abidjan and have involved large investments in the construction of sewerage, drainage and transportation networks. (See Annex L for a complete listing of World Bank Urban Sector Project in the Cote d'Ivoire).

The World Bank and A.I.D. have a history of collaboration in the urban development sector. The Bank's first Urban Development Project (PDU 1) was a US\$ 44 million loan for the development of appropriate solutions to public transportation and low-income neighborhood upgrading in Abidjan and was jointly financed by A.I.D. HG-003. Its second Urban Development Project was a US\$ 21 million loan which expanded the Abidjan metropolitan transportation network and supplied infrastructure to two interior cities. A third project, currently being implemented, is creating an intermediate housing finance agency to provide long-term financing for low-income housing.

The Bank's latest urban development project which began implementation in 1990, is a US\$ 66 million loan known as the Municipal Action Program or MAP. The five major components of this project are:

1. municipal management aimed at strengthening the monitoring capacity of the Ministry of Interior and the management capacity of local government. This particular component will be implemented by the UNDP on behalf of the World Bank

2. resource mobilization consisting of the examination, preparation and launching of basic local tax reforms, including the property tax;
3. creation of a Municipal Credit Fund for financing municipal infrastructure and facilities;
4. construction of a package of key infrastructure and development sub-projects for 12 secondary cities;
5. special studies including : (a) a cartographic mapping program for 40 cities; (b) completion of the National Demographic Census; and, (c) a Social Dimensions of Adjustment survey.

As can be seen from the above, the components of the World Bank project are comparable to those contained in the proposed Municipal Development Support Project. This similarity is based upon a common appraisal of the decentralization process and an agreement, shared with the GOCI, on the types of assistance that would be most appropriate. On the other hand, despite the obvious similarities, these projects are complementary, as explained below:

Training: The A.I.D. training component will focus upon the management of service delivery and revenue enhancement and will work primarily with technical departments. It will also be concerned with the privatization of urban service management and delivery. The Bank will be primarily concerned with improving administrative procedures related to decentralization making municipal officials and agents more aware of their role and responsibilities.

A.I.D. will aim at the institutionalization of a long term training capacity within the DCL through the creation of an in-house training unit. The Bank will utilize its own independent training unit, which was created for use during the project, and does not envision integrating it into any GOCI agency. The Bank also plans to make use of trainers and training materials (i.e. job descriptions) developed by RHUDO's MMTP, where appropriate.

Construction: The Bank will concentrate on providing primary infrastructure (paved roads, water and sewerage systems, electrical networks) and facilities to a group of twelve secondary cities. The Bank does not plan to work with municipalities on revenue generation and cost recovery, nor will it carry out community organization activities. A.I.D. will be working in a separate group of five cities. It will also be providing its project cities with a multiplicity of inputs (intensive training, revenue enhancement activities and revenue-generating facilities) with the aim of creating replicable models of efficient municipal management.

Revenue Enhancement: A.I.D. will be carrying out simplified cadastres and other revenue enhancing activities which are expected to have an immediate positive impact on municipal revenues. It is also doing training linked to revenue enhancement at the central and local level. The Bank, with A.I.D.'s full support, will be focusing upon the overall reform of the property tax. Given the magnitude of the Bank's investment (US\$ 66 million), this is a feasible undertaking.

World Bank and A.I.D. staff meet on a periodic basis to discuss upcoming projects and to examine common implementation problems, including the possible overloading of GOCI administrative capacity. There is also a joint commitment to presenting a united front to the GOCI on policy reform issues. It is also fair to state that the magnitude of present Ivorian urban sector needs are great enough to permit both institutions to operate without duplicating each others efforts.

J. Policy Dialogue and Issues

1. Overview of Objectives

The analysis conducted in preparing the Municipal Development Support Project raised important policy issues for dialogue between A.I.D. and the GOCI. Based on the results of this analysis and on information obtained through ten years of project implementation experience, A.I.D. will approach policy issues and dialogue from two angles: first, on an on-going basis, A.I.D. will address the larger policy environment to include political and macro-economic factors which directly affect the country's efforts and abilities to decentralize and sustain administrative and economic decision-making.

Secondly, specific to the decentralization effort and at the core of the policy dialogue, the project will address the following four issues: (1) deconcentration of the DCL, (2) development of a legal framework and job definition for municipal employees; (3) privatization of municipal services, and (4) municipal revenue generation.

The issues described above have been discussed with Ivorian counterparts who will implement the project, and agreement has been reached to address these key issues through a combination of technical assistance, training, and regular project coordination and review meetings between A.I.D. and the implementing institutions. Several of the issues discussed in detail below have a direct bearing on project implementation and are therefore the subject of conditions precedent and covenants. Others are the subject of attention of other donors, particularly the World Bank, in the implementation of its assistance program for local economic development.

2. Policy Environment

Most of the issues identified are already under consideration in one form or another with the GOCI. Some have also been the topic of discussion between A.I.D. and the GOCI in the context of designing and implementing Housing Guaranty projects during the past decade. During the design phase of the project, efforts were made to understand the actual status of these issues within the GOCI and with other donors active in the sector. Nonetheless, some of the issues, particularly those relating to the transfer of increased financial and administrative responsibility from the national to the communal level, are of a complex nature. Therefore, it will be important prior to proceeding with project implementation to fully understand the status of each issue which will form the basis for improved policy dialogue.

Underlying the entire policy dialogue is the political and economic context in which the whole decentralization effort is unfolding. The context itself is extremely important in determining the overall success of the program.

A.I.D. has recently completed a study of Ivorian decentralization since its inception in the early 1980's (Annex H). The study identifies the progress made to date and highlights some of the more significant problems at both the policy and programmatic level confronting the government in its efforts to implement the program. Although decentralization is strongly supported by the technical ministries charged with policy development and implementation, there are issues which transcend these interests, e.g. overall tax policies, private sector incentives, and which affect the context in which decentralization must function. To lend perspective to project implementation, a continuous dialogue between A.I.D. and the GOCI on a range of fundamental policy issues will underlie the specific interventions to be financed by the project. A special emphasis of this dialogue will be those aspects of the macro-economic framework which directly impinge upon the decentralization effort. Where appropriate, specific studies will be conducted by the RHUDDO Office which will focus on issues of particular concern. In addition, as a parallel effort to the initial evaluation, an update of Annex H will be conducted by A.I.D.. This stock-taking exercise will assist in determining if the larger decentralization goals are being appropriately addressed as implementation progresses.

3. Relationships with GOCI and Other Organizations

The policy dialogue will be carried out in a variety of ways with the various levels of the government, with other donors, with representatives of the private sector and with other concerned organizations. At the uppermost levels of the national government, a National Council for the Development of Communes, which is an interministerial body whose secretariat is the DCL, was created

several years ago. The special studies, training activities, and technical assistance to be provided under the project will allow for regular dialogue between A.I.D. and the National Council which will contribute to the Council's on-going monitoring and evaluation of the decentralization effort.

In addition, regular project progress reviews with the DCL and the DCGTx on project implementation issues and with the Minister of the Interior on the larger policy considerations will be held to assess the policy issues which the project is intended to address. A.I.D., through the RHUDO Office, has already established very close working relationships at both the Ministerial and the DCL level in the implementation of the Housing Guaranty programs over the past decade which will prove invaluable for the policy dialogue.

Working informally with other donors active in the sector will also be important in the policy dialogue process. As noted above, A.I.D. already enjoys a close working relationship with the World Bank staff responsible for implementation of its latest urban development project (MAP) and has also established closer coordination with other donors who have recently expressed an interest in assisting the urban sector. Because of their long standing commitment to the sector, and their history of close collaboration with the GOCI, A.I.D. and the World Bank have assumed the lead amongst other donors in the sector and have the ability to influence in a very positive way the agenda for the policy dialogue.

A.I.D. will expand the collaborative effort with the World Bank and will schedule periodic issue-oriented meetings with relevant IBRD staff. Other key donors will also be asked to participate in these meetings, as appropriate. These sessions will not only review specific implementation problems, but will examine the effectiveness of the interventions in achieving larger decentralization goals on the broader policy agenda, and on the macro-economic and political issues which affect decentralization. The World Bank and other donors will also be asked to continue their active participation in future A.I.D. sponsored regional conferences, workshops and seminars which are invariably attended by senior level Ivorians. These activities, usually several per year, provide yet another forum for the donor community to collaborate and to coordinate their strategies.

With respect to privatization, consultation with private sector firms which will assume part of the project implementation responsibilities will be necessary from time to time. Most of the interface with the private sector is expected to be carried out by the GOCI, but some of the training events which will take place under the project will encourage participation by the private sector.

Finally, to enhance the sustainability of the momentum generated through the project, it will be important to expand the forum for policy dialogue to include regular contact between A.I.D. and various interest groups. One such interest group is the Union of Cities and Communes of the Cote d'Ivoire (UVICOCI). UVICOCI is the official organization of the mayors of the country. First organized in 1988, the organization is still in its infancy. It is still strongly motivated by political considerations but has more recently begun to redefine its role as a lobbying organization. A.I.D., through the RHUDO Office, has participated actively in UVICOCI meetings and workshops during the past two years. Efforts will continue to assist the organization in converting its focus more towards practical concerns of the communes, in improving its technical and analytical capacities, and in promoting its evolution towards an effective lobbying group.

2. Policy Issues Important to Project Implementation

a. Enhancing the Effectiveness of the Direction Des Collectivites Locales (DCL)

As mentioned above, the DCL plays a dual role of both support and control to the communes. In its support role, the DCL is mandated to provide technical assistance, training, and guidance to the municipalities. In its regulatory role, the DCL reviews practically all decisions of the mayors and the municipal councils, from minor (i.e. minutes of meetings) to major (i.e. budgets), and can sanction communes and municipal officials for irregularities and violations of regulations.

The DCL presently lacks the capacity to provide training and technical assistance to municipalities. Although a DCL training unit exists on paper, it is not a reality, and one of the aims of this project will be to ensure the creation of an official training unit in the DCL with the mandate to carry out the training function. In sum, the project intends to create and institutionalize the DCL's training capacity.

Currently, the DCL remains highly centralized with almost all operations handled out of the Abidjan headquarters. Given the enormous volume of work generated through its regulatory functions, the DCL staff finds itself overwhelmed. The national hiring freezes and the cutback in vehicles and gasoline use mandated by the governmental austerity program makes it even more difficult for the DCL to perform its monitoring function effectively. The time and effort invested in this regulatory function is so great that the technical assistance and training function is unfortunately given short shrift. The DCL feels that it must, however, maintain a strong control function because of the generally low level of capacity of most municipal workers, and because of the perceived potential for corruption at the communal level.

It is clear that the highly centralized structure of the DCL prevents it from coping adequately with the need to provide both technical assistance and control to the communes. Deconcentration, meaning the distribution of some centrally held functions to the departmental or prefectural level, of the DCL itself is therefore a very significant issue which the project will attempt to address.

DCL officials are aware of the problem of over-concentration in Abidjan and some initial measures have been taken to remedy the situation. The DCL has, in fact, assigned some of its agents to the level of the prefecture. Their function will be to perform some of the more routine paperwork (e.g. reading of council minutes, etc.). There are, nonetheless, significant problems which have hindered the effectiveness of this first effort at delegation. The DCL agents, being located at the level of the prefecture, often suffer from the latent tension between the prefects, who represent a holdover from the colonial and immediate post-independence era, and the mayors, who represent the new order. Additionally, these DCL agents tend not to be very highly qualified. Incentives for locating outside Abidjan are not very strong, and the DCL has not been able to furnish its agents with enough equipment and training to perform either the advisory or the control function effectively.

Throughout the project, A.I.D. will continue to discuss with the DCL ways in which deconcentration of its functions can be promoted. If more of the routine work were delegated to field agents, the central Abidjan-based staff could concentrate on the more significant problems and would see an evolution of its role from one which currently places primary emphasis on control and regulation to one which accords a higher priority to technical assistance, training, specialized studies, intergovernmental issues, etc. Initially, the project will provide some much needed equipment to the field agents and training to both the central level and the field agents. Further means to increase the effectiveness of the DCL will be explored as the project progresses.

Finally, the most effective role for the prefect in the new decentralized system still remains to be defined. The issue of deconcentration of the DCL is reflected in a covenant to the project.

b. Establishment of a Legal Framework
for Municipal Employees

As of now, municipal employees hired by the commune (as opposed to those seconded from the national government) do not have any legal framework for their rights and responsibilities. Even job descriptions, if they exist at all, do not offer any security for

employees. Thus, many municipal employees live in constant insecurity and cannot clearly envision a career path. At the same time, the lack of clearly defined responsibilities makes accountability almost impossible. There are obvious consequences to this lack of a legal framework on the productivity of the municipal labor force.

The issue of a legal or regulatory framework for municipal employees was first raised several years ago during an internal evaluation of decentralization carried out by the DCL. In response to the evaluation, a decree, consisting of 5 major sections and 110 articles was drafted by the three ministries concerned: Interior, Economy and Finance, and Civil Service. The decree covers such topics as recruitment, rights and duties, remuneration and benefits, legal status, sanctions and termination of employment. In order for the decree to become effective, the three ministries must: (a) formally issue the decree jointly, and (b) submit it for approval before the Ivorian Council of Ministers.

The issue is of paramount importance to the project since a major project feature is the training of municipal-level personnel. Should there be no legal status for municipal employees, the impact of training at this level will be significantly diminished, since without legal status, there will be limited motivation for these individuals to utilize the training and no possibility for them to move ahead in their careers based upon their improved skills. The importance of this issue is such that the promulgation of the decree concerning the framework for municipal employees will be a condition precedent to the disbursement of funds for actual construction activities to be funded through the project. It should be noted that there is a reasonable certainty that the decree will be issued and approved by the Ivorian Council of Ministers. This certainty is based upon discussions with the Ministry of Interior which is the lead ministry for this action. It is estimated that the time required to review and issue the decree is in the neighborhood of six to nine months, hence the decision to make it a CP for additional disbursement as opposed to a CP for initial disbursements.

c. Increased Private Sector Participation
in Municipal Development

One of the tenets of the economic recovery program currently being implemented is the greater reliance on the private sector to pull the economy out of the doldrums. Privatization of a number of public and quasi-public enterprises has already begun. At the municipal level, numerous opportunities also exist for the private sector to play a new and creative role.

Privatization at the communal level can take two forms: management of certain municipal facilities such as marketplaces, slaughterhouses, commercial centers and transport depots; or, the outright provision of certain public services, such as road maintenance or street cleaning. Through the project itself a number of revenue-producing facilities will be constructed by the municipalities. Each of the five core project cities where infrastructure investments will, as a condition of disbursement for construction activities, be required to initiate procedures for the private provision of a public service or management of a new or existing public facility.

Technical assistance will be provided to the participating municipalities to help them identify services and facilities which could be privatized and to help them structure the competitive bidding and contracting process.

Privatization of urban services and/or management of municipal facilities is somewhat of a new area for the private sector and for the communes, particularly outside of Abidjan, and care should be taken to ensure that the process is beneficial to all parties. New partnership arrangements must therefore be structured which safeguard the interests of the public sector and which nonetheless allow for a reasonable profit and operational flexibility for private sector entities. The communes rely on these municipal facilities as their major source of revenue. Thus, private management of the facilities should bring at least as much into the public coffers as municipal management if the experiment is to be worthwhile. Similarly, with respect to municipal services, private management should be cost effective.

There have been previous experiments in privatization of services in the Cote d'Ivoire. Experience has been mixed. For example, the private sector has been known to take advantage of limited competition and inexperienced contracting officials to submit exorbitantly high bids. In many instances, conflicts of interest between municipal councilors, communal officials and private entrepreneurs have arisen. Thus, this issue must be approached seriously by both the public and the private sector if privatization is to work effectively. It is critical that the privatization efforts be well-managed if the whole movement toward increased private sector participation is to retain credibility. A.I.D. and GOCI will continue to discuss at the highest levels the most effective means to address this important policy area.

A distinct, but somewhat related issue, is that of the public tendering and contracting process itself. Current regulations are cumbersome and time consuming, often adding months to the negotiation of relatively small contracts and limiting the ability of municipalities to undertake small-scale development projects. A draft regulation has been prepared for discussion which would modify the national government tendering and contracting procedures so as to permit more flexibility for local governments to undertake contracting actions themselves and significantly reduce the time and red tape currently burdening the system. This proposed policy change represents unquestionably another step in the right direction in granting municipalities a larger say in their own affairs. A.I.D. will continue to encourage the GOCI, through policy dialogue, to implement this significant change. However, the new proposed procedures will have to be carefully monitored by the central government (presumably the DCL or the DCGTx) to avoid mistakes, abuse, and irregularities on the part of municipalities. This policy change is the subject of a project covenant.

d. Rationalization and Augmentation
of Municipal Revenues

It is generally acknowledged that the national government has shifted the responsibility for most urban services to the communes without a concomitant and necessary restructuring of the municipal tax structure which would allow the communes to adequately address these new responsibilities. It was noted above that the communes derive their revenues from three sources: the central government allocation, transferred state taxes (real estate and business), and municipal charges, fees and levies. There are serious inadequacies in each of these areas. Procedures for determining the central government allocation require further clarification so as ensure fairness. In addition, the government could use the allocation system to promote its overall economic and social development goals by introducing a financial incentive system for effective, well-run communes. Under the current World Bank urban development project a study will be made of the central government allocation system and a decree rationalizing the system is a condition precedent to disbursements from the municipal development fund of the World Bank project.

The issue of transferred state taxes is particularly thorny. Because they are so complex and the rates are so high, there is widespread evasion. In 1985, the recovery rate of the property tax in interior cities was just 23%, and in 1984 the business tax recovery rate was 51% countrywide. In addition, although the commune is entitled to 100% of the real estate taxes collected at the local level, the system of a unified account inherited from the French has meant that the treasury official responsible for these taxes is often directed to use these funds for national purposes at

the expense of the commune. The funds so diverted are presumably eventually repaid to the commune; however since the onset of the economic crisis, the funds are often not remitted for at least six months. Thus, under the current system there is little incentive for the communes to improve collections.

Both the property tax and the business tax are the subject of special studies under the World Bank municipal development project. It is anticipated that the studies will be underway by the beginning of 1991. Because of their potential importance to municipal revenues, A.I.D. will follow the progress of these studies closely.

A large part of the technical assistance proposed in the project will be directed toward cadastral surveys in the five towns selected for investments. The completion of cadastral surveys will enable these communes to immediately take advantage of the reforms which are expected to result from the World Bank studies.

Finally, at the level of fees and charges levied by the municipalities, poor collection practices have significantly limited yields. Through the project, technical assistance will be provided to improve the collection of these taxes. A.I.D. will also, through training events and technical assistance, advance the dialogue on the whole gamut of potential municipal revenue sources. For example, an observation which emerged during the design of the project is that the municipal charges levied by the communes say not always be those which are most appropriate to the economic profile of the town. Accordingly, these municipal charges do not yield much revenue (e.g. automobile registration fees in towns with very few vehicles) while other potential sources of revenue go unexploited (e.g. cart fees).

Since local revenue mobilization is absolutely key to the success of the decentralization program, A.I.D. will put special focus on advancing the policy dialogue in this area during the course of project implementation through a combination of regular meetings with concerned GOCI officials, seminars, technical assistance and training. The whole system of the unified account between the national treasury and the communes will also be studied to determine if changes can be made to improve the local resource base. Other fundamental changes are also required in both regulations and practices if the communes are ever to become financially independent.

These four areas, therefore, (1) deconcentration of the DCL, (2) a legal framework for municipal employees and better job definition at the local level, (3) privatization of municipal services, and (4) municipal revenue mobilization, will form the core of the policy dialogue which will support the project inputs. Through its long standing relationships with key Ivoirian officials and ministries, A.I.D. through the REUDO office already has an important seat at the table. The assistance to be made available through this project should provide it with even more effective tools to influence the policy debate.

3. Conditions Precedent

a. Conditions Precedent to Initial Disbursement

I. Prior to the initial disbursement or issuance of any commitment documents, the Government of the Cote d'Ivoire shall, except as A.I.D. may otherwise agree in writing, furnish, in form and in substance satisfactory to A.I.D.:

1. a statement of the names of the persons authorized to act on behalf of the Government of the Cote d'Ivoire, and a specimen signature of each person specified in such statement.
2. evidence that a Training Division has been formally constituted at the Department of Local Government of the Ministry of the Interior and that such Training Division is staffed by a full time director (or chef de service), and his or her deputy under the authority of the Director of the Department of Local Government, and that recruitment has begun for eight to ten trainers who will receive training.

b. Conditions Precedent to Additional Disbursements

I. Prior to any disbursement for design and construction of municipal facilities in the five core project cities, the GOCI will provide satisfactory evidence that:

1. a document has been promulgated by each of the five participating towns and that such document has been submitted to and approved by the Ministry of the Interior.

The modified FAR will include an advance of 20 to 25% of AID's contribution for each facility. As indicated elsewhere in the PP, the GOCI is facing severe financial problems including a lack of cash to meet even the most basic day-to-day requirements. Without the advance, it will not be possible to initiate the construction element of the project. The advance is, therefore, necessary to provide an incentive to the GOCI to utilize the FAR method of implementation. The advance will be liquidated by reducing the amount of each reimbursement. The amount liquidated with each reimbursement will depend on the number of reimbursements and the size of the advance. The advance will be fully liquidated prior to the final reimbursement. The advance and subsequent reimbursements will be deposited in a separate account within the Caisse Autonome d'Amortissement (CAA) which handles all donor funds for the GOCI. The CAA has successfully managed EG funds for REDSO in the past and is well known to REDSO/WCA/WAAC as an effective organization fully capable of managing the advance of funds.

For each facility, reimbursement will be made in four or five installments which will range from 20 to 25% of the fixed amount, and will be based upon satisfactory completion of verifiable stages of construction. The number of installments will be determined after a detailed technical review of the construction process in order to identify the most suitable verifiable benchmarks. The last reimbursement will be made upon a final inspection and a determination by A.I.D. that each of the facilities are available for use.

3. Monitoring, Evaluation & Audit

The procurement of services for conducting impact monitoring of other project components, the two proposed evaluations and project audits, will be obtained through direct A.I.D. contracting procedures. Therefore, all related contracts will be negotiated by REDSO/WCA's Office of Procurement, and all payments to contractors will be made by REDSO/WAAC.

C. Waivers

It is anticipated that no waivers will be required under the Project.

D. Gray Amendment Considerations

REDSO and RHUDO have been informed by the Africa Bureau that there are several Gray Amendment entities which possess the necessary expertise and experience to satisfactorily perform the implementation requirements of this project. We are therefore examining the possibility of utilizing Gray Amendment firms for part of the contracts anticipated under this project and propose to seek the widest possible competition among qualifying firms.

REDSO/RHUDO also propose undertaking the following actions in order to increase the probability of utilizing Gray Amendment entities: (a) mailing of RFPs directly to those firms identified by the Africa Bureau as possessing the required expertise; and (b) in the event that two or more firms appear equally qualified, and one firm is a Gray Amendment entity, giving preference to the Gray Amendment firm.

If after full an open competition, a non-Gray Amendment firm is selected, the chosen firm will be required to subcontract at least ten percent of the total contract price to Gray Amendment firms. The project committee will undertake to closely monitor eventual subcontracting activities.

E. Implementation Schedule

<u>Time frame</u>	<u>Implementation action</u>	<u>Agent(s)</u>
FY 1990 - Quarter 4	<ol style="list-style-type: none"> 1. Project Paper approved 2. Negotiate and sign PROAG 	AID/WASH AID/GOCI
FY1991 - Quarter 1	<ol style="list-style-type: none"> 1. Define FAR arrangements 2. Initiate procurement action for Institutional Training Contract 3. Begin selection of project cities 4. Address CPs for first disbursement in Basic PIL 	AID/GOCI REDSO/RHUDO AID/DCL DCL
FY 1991 - Quarter 2	<ol style="list-style-type: none"> 1. Complete FAR Agreement Arrangements 2. Issue RFP for Institutional Training Contract (ITC) 3. Final selection of 5 project cities 4. Issue PIL assigning implementation responsibilities 6. TOI & comm. org. training DDS 7. Procurement action cadastral commodities 	AID/GOCI REDSO DCL/RHUDO REDSO/GOCI Con. RHUDO/REDSO
FY 1991 - Quarter 3	<ol style="list-style-type: none"> 1. Evaluate proposals for ITC 2. Begin tech. studies for facilities ie: A & E, IEE & costs for AID approval 3. Initial base-line assessment 5 cities 5. Procurement action cadastral studies 	REDSO/RHUDO DCGTX DCL/DDS/RH DC
FY 1991 - Quarter 4	<ol style="list-style-type: none"> 1. Negotiate & sign ITC 2. Finalize tech. studies 3. Formal A.I.D. approval tech. studies 4. ITC training personnel in place 5. Deliver cadastral commodities 6. Begin cadastral field work 7. Begin project monitoring activities 8. Procurement training commodities 9. Satisfy CPs for 1st FAR disbursement 	REDSO DCGTX REDSO/RHUDO RHUDO RHUDO/REDSO DC/Con. DCL/DDS/Co Con. GOCI

FY 1992 - Quarter 1		
1. Conduct TOT training at DCL		Con.
2. Begin eco. dev. plan. training of municipal officials		Con.
3. Begin training municipal financial managers		Con.
4. Contracting action facilities const.		DCGTX
5. First disbursement under FAR		REDSO/WAAC
6. Privatization studies		Con.
FY 1992 - Quarter 2		
1. Begin computer training activities for central & local agents		Con.
2. Begin training municipal public works managers		Con.
3. Finalize contract/procurement action for facilities construction		DCGTX
4. Conduct environmental awareness training		Con.
5. Deliver training commodities GOCI		Con.
FY 1992 - Quarter 3		
1. Begin privatization studies/training		Con.
2. Second disbursement under FAR		REDSO
3. Begin additional training activities in core project cities		Con
4. Begin construction activities		DCGTX
FY 1992 - Quarter 4		
1. Conduct first project evaluation		IQC Con.
2. Finalize cadastral results		DC/Con.
3. Privatization activities		Con. Mun
FY 1993 - Quarter 1		
1. Finalize tax collection training		Con.
2. Privatization activities		Con.
3. Third disbursement under FAR		REDSO/WAAC
FY 1993 - Quarter 2		
1. Begin improved tax collection methods		DGI/DC/Mun.
2. Privatization activities		Con.
FY 1993 - Quarter 3		
1. Finalize construction activities		DCGTX
2. Final disbursement under FAR		REDSO/WAAC
FY 1993 - Quarter 4		
1. Conduct evaluation of training		IQC Con.
2. Conduct final project evaluation		IQC Con.
3. Conduct performance audit		IQC Con.

F. Monitoring and Evaluation Activities and Plans

Impact monitoring and evaluation will utilize the parameters specifically included in the logframe (Annex A). Logframe indicators are based upon the technical and operational judgements made by the A.I.D. PP design team

1. Information Users

The users of the information obtained through project monitoring and evaluation will include the following GOCI central agencies:

- a. GOCI Central Agencies:
 - Department of Local Government (DCL);
 - Direction and Control of Public Works (DCGTx);
 - Department of Social Development (DDS);
 - Direction of Cadastre (DC).
 - Direction General des Impots (DGI)
- b. Participating Municipalities
- c. A.I.D. project managers.

All users of M&E information are intensively involved in the various aspects of Ivorian decentralization (administrative, financial, or political) and in urban development programs from one vantage point or the other. The central agencies are generally implementing, or supervising the distribution of power from the central to the local level. The local-level agencies are taking on additional responsibilities and learning what their magnitudes and limits are. Thus, although the information generated will be initially used to assess the attainment of the project's goals and purposes, it will also be utilized by the GOCI to judge and eventually improve the effectiveness of current decentralization policies and practices.

2. Key Questions and Indicators

Goal Level Questions:

1. Using participating project cities as the units of analysis, to what degree has there been increased economic activity and an expansion of the private sector?
2. Have new and/or more appropriate decentralization policies and regulations been developed in conjunction with project activities?

Goal Level Indicators:

- increase in the number of formal and informal enterprises in project towns;
- growth of existing businesses in terms of sales and personnel;
- higher levels of incomes;
- implementation of decentralization policies which increased local-level decision-making capacity, above all in areas of finance and economic development (i.e. simplified municipal contracting procedures, modified procedures for collection and distribution of central-level taxes such as the property and business taxes).

Purpose Level Questions:

1. Have core project cities improved their management methodologies and techniques in response to project input, and if so how?
2. Do core project cities exhibit an increase in municipal revenues through the application of any of the techniques learned through the project?
3. To what extent has the quality of urban services provided in core cities improved?
4. Are alternate modes of urban service provision being used (i.e. private sector firms, community groups)?

Purpose Level Indicators:

- municipal-level documents produced in a timely manner and in conformity with agreed-upon criteria for good documents (i.e. triannual development plans, work plans, municipal and departmental budgets etc.);
- increase in revenue levels as indicated in municipal accounting documents and budgets;
- public services provided with greater frequency and regularity as well as more thoroughly;
- private sector companies or community groups managing municipal facilities or providing municipal services to municipalities;
- community groups being consulted in developmental planning and having greater inputs into local-level decision-making process.

Output Level Questions and Indicators by Project Component

Municipal Management Training Component Questions:

At the central level

1. Is the DCL better equipped to provide training and technical assistance to the municipalities?
2. To what degree has the quality and/or quantity of assistance and supervision provided to municipalities by the DCL training unit improved?
3. What percentage of central-level training recipients are women?

At the municipal level

4. Are municipal officials better able to plan the economic development of their respective communes?
5. Can heads of financial and public works departments carry out their assigned tasks more effectively?

In the five core project cities

6. Are municipal officials and agents willing and able to collaborate effectively with the private sector as providers of public services?
7. Are local-level social workers able to carry out community organization actions in the five core project cities?
8. Are neighborhood groups organized and participating in the local-level decision-making process in the five core project cities?
9. What percentage of municipal-level training recipients are women?

Municipal Management Training Component Indicators:

At the central level

- the presence of a functioning DCL training unit with equipped with TOT skills;
- an increase in: (a) the number of municipal training and inspection missions carried out by the DCL, (b) an improvement in the quality of training provided by the DCL i.e. more relevant, and (c) an increase in the number of municipal agents and officials receiving municipal management training from the DCL.
- women constitute at least 20% of DCL staffers and 50% of DDS staffers who are recipients of TOT and management training.

At the local level

- municipal officials who have received economic development planning training make more rational development plans;
- heads of financial and public works departments who have received specialized training develop action plans in accordance with agreed-upon criteria and implement them as scheduled;

In the five core project cities

- local private sector firms and community groups solicited and utilized by the municipality as managers of municipal facilities and purveyors of public services;
- local-level social workers organize neighborhood groups and provide follow-up assistance.
- neighborhood groups organized and functioning (i.e. have goals and objectives, meet on a regular basis, consult with municipal agents, etc.);

women are proportionately represented in neighborhood associations created through the project, women as individuals and in groups are consulted in community development and service delivery planning, and participate in the management and/or delivery of urban services.

Revenue Enhancement Component Questions:

In the five core project cities:

1. Have simplified cadastres been completed and property tax rolls updated?
2. Have cadastral studies made provision for the collection of gender disaggregated data?
3. Is there a higher degree of coordination between local and central-level tax collection agents?
4. Has there been a rationalization of fee and tax collection measures in community facilities?

Revenue Enhancement Component Indicators:

In the five core project cities:

- simplified cadastres completed and property tax rolls updated;
- gender disaggregated data collected in the course of cadastral studies;
- coordination between central and local level tax collection agents improved;
- tax collected in shorter period of time and amounts collected increase;
- specific measures instituted to improve fee and tax collection methods.

Facilities Construction Component Questions:

1. Have each of the five core project cities been provided with a revenue-generating facility?
2. Have male and female users of the facilities been consulted on issues which directly concern them including: facility design, fee collection, maintenance etc.

Facility Construction Component Indicators:

- at least one revenue-generating facility completed and functioning in each of the five core project cities.
male and female users of facilities consulted on facility design and management questions with which they are directly concerned.

General Evaluation Questions:

1. Have project activities been performed in a timely and effective manner?
2. Have the areas and the types of interventions focused upon by the project been the most appropriate?

Indicators

- implementation schedule respected.
- purposes achieved.

3. Methodology

The USDE RHUDO/WCA staff member assigned to be project manager will have overall responsibility for the monitoring and evaluation of the project. Technical advice will be provided on a continuous basis by other RHUDO staff and by appropriate REDSO/WCA staff.

The project does not envision the creation of a special monitoring and evaluation unit per se; however, within each implementing central GOCI agency (DCL, DCGTx, MAS, DC), an individual will be made the "monitoring agent" and given the responsibility of overseeing the monitoring and evaluation tasks listed in the Project Work Plan (PWP) developed by the concerned agency. This individual will be a senior member of the group involved in project implementation within each agency. Designated "monitoring agents" will be provided with A.I.D. supported short-term training to increase their effectiveness by the Institutional Training Contractor.

Within each of the five core project cities, a local-level "monitoring agent" will be appointed from among the municipal agents and will be in charge of coordinating the monitoring and evaluation activities (surveys, interviews, site visits, review of administrative records) undertaken by the central-level agencies and project staff within the particular municipality. This individual will also be responsible for on-going data-collection within his/her particular city.

A major issue for monitoring and evaluation is that of host country management information systems (MIS). The quality of host country data is highly variable, when it is available. Some agencies, such as the DCGTx, have sophisticated MISs for all of their activities, and for the sectors in which their projects take place. For example, the DCGTx is currently the major repository of statistics on Ivorian municipalities owing to their involvement in donor urban development projects. At the local level, data collection will prove to be a problem since most small to medium-sized municipalities have archives which exist only in name.

Some base-line data will be available for the project through two RHUDO project evaluations which are scheduled to take place in the first quarter of FY'91. The first evaluation is the Municipal Management Training Program evaluation. This, as noted in the Technical Analysis, will provide valuable data for the Municipal Management Training Component. The second evaluation is being done in conjunction with the Secondary Cities Project BG-004. It is an analysis of the economic impact of public facilities on secondary cities. Again, this evaluation is expected to yield base-line data which will be directly relevant to the project.

The Institutional Training Contractor will be primarily responsible for designing a MIS system for the municipal management training and revenue enhancement components of the project. Information management for the facility construction component will be the responsibility of the DCGTx and RHUDO. One of the initial tasks to be carried out by the contractor will be to review data needs and data collection methods within the concerned GOCI implementing agencies. The MIS for the project will be created based upon this initial review. It will also be designed to strengthen existing host country MISs where necessary.

Feedback

GOCI central and local-level evaluating agents will maintain regular contact with relevant A.I.D. staff. These agents will also meet with and exchange information with their counterparts in other implementing agencies on a quarterly basis. Finally, during special semi-annual "monitoring/evaluation sessions" of the enlarged Project Coordinating Committee, central-level monitoring agents will make comprehensive presentations of their findings accompanied by appropriate proposals to the committee. The committee will then review the findings, note any deviation from project purposes and/or scheduling and propose any necessary revisions of the program.

Although the emphasis will be on ongoing information collection, the project will undergo two formal evaluations. The first evaluation will take place after 24 months have elapsed. The final evaluation will be at the end of the third year. These exercises will be carried out by monitoring and evaluation specialists with the assistance of GOCI monitoring agents. Information provided by the first evaluation will also be presented to enlarged coordinating committee meetings and utilized by the GOCI and A.I.D. to make any required mid-term corrections vis-a-vis project goals/purposes.

V. FINANCIAL PLAN AND ANALYSIS

A. SUMMARY

The total cost of the Municipal Development Support Project is estimated at US \$ 6.667 million. Of this amount, A.I.D. will contribute US \$ 5.0 million in DFA grant funds. The GOCI will provide the equivalent of US \$ 1.667 in cash contributions and in kind.

The principal focus of the project will be on technical assistance and training. Complementing these inputs will be the cadastral surveys and construction of revenue generating facilities in five core project cities. These inputs are designed to strengthen local-level institutions, promote efficient governance, provide experience and earnings for local people and serve as a means of developing models of local management capability that can be replicated in other Ivorian cities. A primary concern of the project is to leave in place a functioning capacity to manage, fund, maintain and operate the facilities which will be supplied. Another concern is to maximize the additional tax revenues collected. Municipal revenues will be increased as the new facilities come on line and improved property tax collection procedures are instituted. A small commodity input, mainly for computers and office equipment, is included to increase institutional efficiency. Procurement of some training related commodities will be included in the institutional training contract.

Other direct A.I.D. procurement will relate to procurement of additional commodities, monitoring project implementation and progress, mid-term and final evaluations, and audits.

B. Financial Plan

The summarized Financial Plan for the Municipal Development Support Project is presented in Table 1, below. This table indicates the estimated total costs of the project over the three year time-span, separated by both U.S. and Ivorian contributions and by inputs.

Table. 1 - Total Project Costs

(\$ thousand)

<u>Inputs</u>	<u>A.I.D.</u>	<u>GOCI</u>	<u>Totals</u>
Technical Assistance	1,646	395	2,041
Baseline/Special Studies	699	108	807
Facilities Construction	2,280	1,116	3,396
Commodities	150	3	153
Monitoring & Evaluation	200	44	244
Audits	25	1	26
Totals	5,000	1,667	6,667

The contribution of the GOCI to the project, consisting primarily of cash contributions from municipalities, will go towards construction costs of community facilities. They also reflect the salaries of central and local-level civil servants, provision of office space, vehicles and materials, and land donated for facilities construction. Table 2 details both U.S. and Host Country contributions.

Table 3 presents a costing of project outputs by input. The outputs are grouped under three major components as described in the log frame. The table is used to examine the cost estimates of the principal inputs, whether inputs are proportionate to expected outputs, and if outputs are proportionate to the expected purpose.

Tables 4 and 5 present the projected expenditures and obligations for the Municipal Development Support Project by fiscal year. Amounts to be obligated in FY 90, per Table 4, are not included as an expenditure for the year of obligation because of the late obligation date.

Table 5 - A.I.D. Obligations Scheduled by Fiscal Year

(\$ thousand)

<u>Account</u>	<u>FY 90</u>	<u>FY 91</u>	<u>FY92</u>	<u>Total</u>
DFA	1,700	1,900	1,400	5,000

C. U.S. - Funded Costs

The A.I.D. contribution for technical assistance (primarily training) provides for policy guidance and skills training in municipal management to central and local level institutions and agents. At the central level, it will increase capacities to formulate and implement decentralization policies and to provide technical assistance and supervision to municipalities. At the local level, it will augment the capacity to: generate and collect revenues, plan and manage finances, collaborate productively with community groups on matters of development planning, facility management and service provision, plan and implement economically sound development projects and utilize the private sector for the management and delivery of public services. In addition, technical assistance will assist in carrying out cadastral surveys, update and expand property tax rolls, and improve fee collection procedures. A portion of the small commodity procurement called for will be included in the institutional training contract. Effective use of the commodities provided will be ensured through the provision of training. Implementation will be by direct A.I.D. contracts.

FINANCIAL ANALYSIS - TABLE 2 - DETAILED COST ESTIMATE (in \$000 US)

COMPONENT		A.I.D.	GOCI	TOTAL
1. TECHNICAL ASSISTANCE				
A. Institutional Training Contract				
Personnel	P/months			
Expat long-term train. advisor	24	475	12	487
Expat short-term assistance	8	155	14	169
Local long-term assistant	24	80	15	95
Local short-term assistance	12	55	2	57
Local support costs				
Clerical	24	50		50
Office space and equipment		90		90
Operating costs		36		36
Training commodities				
Audio visual materials (5 units)		25	3	28
GOCI office equipment (16 units)		41		41
Training support activities				
Manual preparation		13	10	23
Community development support		16	8	24
Training events				
T O T (3 courses X 8 trainees)		62	38	100
Enviro. awareness (4 X 12 trainees)		35	24	59
Computer efficiency (4 X 20 trainees)		50	32	82
Financial management (3 X 30 trainees)		55	40	95
Urban services del. (10 X 30 trainees)		60	42	102
Privatization (5 X 10 trainees)		52	34	86
Admin. manag. skills (3 X 10 trainees)		45	36	81
Econ. dev. planning (4 X 30 trainees)		60	41	101
Community organization (6 X 15 trainees)		25	12	37
Community organization support		16	8	24
B. Expat. long-term technical advisor 8mths		150	24	174
SUBTOTAL COMPONENT 1.		1,646	395	2,041
2. BASELINE AND SPECIAL STUDIES				
Cadastral surveys		575	64	639
Cadastral/Collection (8 X 22 trainees)		66	22	88
Environmental review preparation		24	10	34
Privatization of urban services		16	2	18
Institutional assessment		18	10	28
SUBTOTAL COMPONENT 2.		699	108	807
3. FACILITIES CONSTRUCTION				
Markets (up to 4 units)		1,330	744	2,074
Transport Depots (up to 2 units)		249	118	358
Slaughterhouses (up to 4 units)		220	108	328
Commercial centers (up to 2 units)		490	145	635
SUBTOTAL COMPONENT 3.		2,280	1,116	3,396
4. COMMODITIES (computers 14 units)		150	3	153
5. MONITORING & EVALUATION				
Project Monitoring		100	12	112
Project Evaluations		100	32	132
6. AUDITS		25	1	26
TOTAL PROJECT ACTIVITY COSTS		\$5,000	\$1,667	\$6,667

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FINANCIAL ANALYSIS - TABLE 3 - COSTING OF INPUTS AND OUTPUTS

(SOURCE AND APPLICATION OF PROJECT FUNDS)
(IN 000' DOLLARS)

INPUTS	OUTPUTS							
	MUNICIPAL MANAGEMENT		REVENUE ENHANCEMENT		FACILITIES CONSTRUCTION		TOTAL	
	G.O.C.I.	A.I.D.	G.O.C.I.	A.I.D.	G.O.C.I.	A.I.D.	G.O.C.I.	A.I.D.
1. TECHNICAL ASSISTANCE	215	896	163	675	18	74	395	1,646
2. BASELINE AND SPECIAL STUDIES	27	175	81	524			108	699
3. FACILITIES CONSTRUCTION					1,116	2,280	1,116	2,280
4. COMMODITIES	1	75	2	75			3	150
5. MONITORING & EVALUATION	14	65	15	66	15	69	44	200
6. AUDITS		8		8	1	9	1	25
TOTAL	257	1,219	260	1,348	1,150	2,432	1,667	5,000

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FINANCIAL ANALYSIS - TABLE 4 - EXPENDITURE BY FISCAL YEAR

COMPONENT		TOTAL BUDGET	1991 YEAR 1	1992 YEAR 2	1993 YEAR 3
1 TECHNICAL ASSISTANCE	A I D	1,646	1,070 65%	412 25%	165 10%
	G O C I	395	138 35%	99 25%	158 40%
	TOTAL	2,041	1,208 59%	510 25%	323 16%
2 BASELINE AND SPECIAL STUDIES	A I D	699	315 45%	209 30%	173 25%
	G O C I	108	28 39%	28 26%	24 22%
	TOTAL	807	357 44%	237 29%	197 24%
3 FACILITIES CONSTRUCTION	A I D	2,280	570 25%	1,368 60%	342 15%
	G O C I	1,116	167 15%	279 25%	670 60%
	TOTAL	3,396	737 22%	1,647 48%	1,012 30%
4 COMMODITIES	A I D	150	150 100%	0 0%	0 0%
	G O C I	3	3 100%	0 0%	0 0%
	TOTAL	153	153 100%	0 0%	0 0%
5 MONITORING & EVALUATIONS	A I D	200	140 70%	50 25%	10 5%
	G O C I	44	24 55%	23 52%	22 51%
	TOTAL	244	164 67%	73 30%	32 13%
6 AUDITS	A I D	25	0 0%	0 0%	25 100%
	G O C I	1	1 1%	0 0%	0 0%
	TOTAL	26	0 0%	0 0%	25 96%
TOTAL CONTRIBUTION BY A I D		5,000	2,200 44%	2,050 41%	750 14%
TOTAL CONTRIBUTION BY GOCI		1,667	350 21%	433 26%	884 53%
PERCENTAGE OF TOTAL BY YEAR		6,667	2,550 38%	2,483 37%	1,634 25%

NOTE: (TOTALS MAY DIFFER BY 1 WHOLE NUMBER DUE TO ROUNDING BY COMPUTER PROGRAM)

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Training will be implemented by an Institutional Training Contract under direct A.I.D. contract. All training and training events will take place in-country.

Construction will be by modified Fixed Amount Reimbursement the preferred method per Payment Verification Policy Statement No. 3. The facilities to be constructed include covered markets, transportation depots, slaughterhouses, and commercial centers. Selection of the facilities to be constructed will be done jointly by the GOCI and A.I.D. according to mutually agreed upon criteria. All facilities constructed are designed to be revenue generating and complement the Municipal Management Training and Revenue Enhancement components of the project.

The project includes provision for monitoring, evaluation and audits. With the exception of impact monitoring of the municipal management training component which will be done under the institutional training contract, monitoring costs will be incurred under direct A.I.D. contract.

D. Host Country Contributions

Host country contributions will be multiform. The first and most important contribution will take the form of cash contributions by municipalities to the cost of constructing facilities for a total of about 33 per cent of the overall cost of the facilities. The host country will contribute to the costs of training activities through direct and indirect methods. Direct forms of host country contributions will be, to the extent possible, in covering the costs of travel and per diems of training participants and the costs of rented space in which training activities will take place. Forms of host country indirect contributions will be in kind and nature and will include: staff time and related salaries and benefits while participating in the preparation of training materials and courses; vehicles for the transportation of materials and trainees; office space and supplies while training is being conducted in various governmental departments and while GOCI employees are actively participating in training courses.

E. Methods of Implementation

The methods of implementation and financing have been reviewed by the Regional Controller's Office and determined to be appropriate and are within the preferred methods as defined by the Payment Verification Policy Statements. No funds will be released to a Host Government organization to finance local operating costs. Accordingly, an assessment of accounting capability is not required.

For the construction of facilities, the method of implementation and financing will be under a modified Fixed Amount Reimbursement. The designated agency, DCGTx, is the organization responsible for overseeing all public works in Cote d'Ivoire. RHUDO has worked with the agency in the past and no obstacles are anticipated.

Table 6, below, presents the Methods of Implementation and Financing in summary format by project element.

Table 6 Methods of Implementation and Financing

	<u>Method of Implementation</u>	<u>Method of Financing</u>	<u>Approximate Amount</u>
1.	Technical Assistance AID Direct Contract (Profit-making Contractor)	Direct Payment	1,646
2.	Base line/Special Studies	Direct Payment	699
3.	Facilities FAR	FAR	2,280
4.	Commodities AID Direct Contract (Profit-making Contractor)	Direct Payment	150
5.	Monitoring & Evaluation AID Direct contract	Direct Payment	200
6.	Audit Profit making, IQC	Direct Payment	25
	TOTALS		<u>5,000</u>

Audit

project has budgeted US \$25 thousand for an end of project
 s while the element of risk is not very high due to the
 e implementation, the provision of audit is deemed to be
 c social management.

VI. SUMMARY OF ANALYSES

A. Technical Analysis

The Municipal Development Support Project proposes to build upon previously tested and successful methodologies utilized in past projects, in particular former HG projects, small pilot projects and RHUDO's Municipal Management Training Program (MMTP). The proposed project is composed of three components: municipal management training; revenue enhancement; and, facilities construction. The basic technical considerations for each of these components are identified below. A more detailed discussion can be found in Annex D.

The Municipal Management Training component is patterned after the approach used in the MMTP. Two long-term resident advisors will assist the DCL to develop a self-sustaining training unit and a program responsive to the needs of local government officials. The advisors will also provide technical assistance to the DDS, but since this unit is already functional and experienced, it is expected that fewer inputs will be required. As the activities of the DCL and the DDS training units are mutually supportive, the resident advisors will closely coordinate the work of these units, especially in the five core cities where a multiplicity of actions are planned.

The major activity of the revenue enhancement component will be the preparation, by private local firms, of simplified cadastral studies in the five core towns. Specialized short-term technical assistance and training will also be provided as a part of this component. As required, RHUDO's resident advisor will provide assistance to the GOCI in the supervision and implementation of this component.

Four types of facilities (i.e. covered markets, commercial centers, transportation depots, and slaughterhouses) are expected to be constructed as a part of the facilities construction component. All the proposed facilities involve relatively simple designs and are based upon existing standardized plans previously developed for HG projects in the Cote d'Ivoire. These plans respond to concerns about affordability, durability and social suitability and can be easily adapted to a variety of sites. Plans and Cost Estimates are provided in Annex P. Issues of safety and environmental soundness will be resolved before any construction approval is granted by A.I.D.

As all three components of the project involve methods and activities that have been successfully utilized on past occasions and fall within the demonstrated capacity of A.I.D. and the implementing GOCI agencies, the project, as designed, is technically feasible. Although the goal and purpose of the project reflect the changing needs of the GOCI, the activities are not untried or unduly innovative and involve agencies that have successfully worked with A.I.D. in the past. Hence, no particular technical or management problem is anticipated.

The only element of the project that could have an environmental impact is the facilities construction component. Experience with earlier HG projects, which included sizeable construction components, has demonstrated that with proper siting and provision for drainage and solid and sanitary waste disposal, the adverse impacts upon the environment created by facilities construction are minimal and do not pose any significant long-term effects to the natural environment or the life support systems. (See Annex K for the Initial Environmental Examination).

B. Administrative Analysis

The successful implementation of this project, in particular the municipal management training and facilities construction components, relies heavily on the administrative efforts of the following key GOCI agencies: 1) the Ministry of Interior; 2) the Ministry of Youth, Sports and Social Affairs; and, 3) the Central Directorate of Public Works. All three agencies have worked effectively with A.I.D. on past projects of a similar nature and their strengths and weaknesses are well known. A brief description of the administrative capacities of the concerned GOCI agencies follows. A more in-depth analysis can be found in Annex E.

1. The Ministry of Interior

Within the Ministry of Interior, it is the Department of Local Government (DCL) that will be responsible for implementing the municipal management training component. Although the DCL has an experienced staff that is knowledgeable on the problems of local government management and is committed to implementation of the government's decentralization program, the number of personnel and the agency's budget are inadequate for the task. Of particular concern is that the unit responsible for providing training and technical assistance to local officials is not yet fully functional. Hence, one of the objectives of the project is to strengthen the DCL by institutionalizing its training function. One of the conditions precedent prior to disbursement of project funds will require the GOCI to provide the staff and resources to make the training unit fully functional.

2. The Ministry of Youth, Sports and Social Affairs

Implementation of all community-based activities will be delegated to the Technical Unit of the Department of Social Development (DDS) of the Ministry of Youth, Sports and Social Affairs. This agency has previously undertaken similar such assignments in A.I.D. EG projects and has the expertise and dedication needed to ensure the successful realization of the community organization activity. Although the agency does have some weaknesses, in particular its small operating budget and a few, older unmotivated social workers, the project will strengthen the role of the DDS by providing training and material aid to the more motivated, younger staff members.

3. The Central Directorate of Public Works

The Central Directorate of Public Works (DCGTx), an agency attached to the Presidency and responsible for overseeing all public works projects in the country, will supervise the construction of the project's revenue-generating facilities under a Modified FAR. The DCGTx has a highly qualified staff of engineers and technicians and is noted for its technical expertise and integrity. The primary weakness of this agency is its preference for large projects and its tendency to overdesign its projects. The recent economic crisis of the country, however, has caused the DCGTx to begin to rethink its approach and make them more receptive to smaller-scale and simpler projects.

4. Local Governments

In addition to the three central government agencies, the project will require the cooperation and participation of the municipal governments within which the planned activities are to take place.

Most municipal governments in the Cote d'Ivoire are characterized by a hesitancy to innovate, shortages of qualified personnel and an unawareness of their powers and responsibilities.

All, however, are eager to improve the quality of life and to promote the economic development of their communities. The project, through its various components will address the weaknesses of the local governments and provide them with the means to accomplish their development goals.

5. A.I.D. Administration

The project will be managed by RHUDO/WCA with administrative support being provided by REDSO/WCA. RHUDO has the staff and expertise needed to manage all the project components. REDSO will provide limited administrative support in the areas of contracting, procurement, financial management, legal services, environmental analysis and engineering. Most of these services are already being provided to RHUDO by REDSO, so there should be minimal additional demands upon the REDSO staff.

6. Administrative Networks

Coordination of the various institutions and agencies involved in the project will be carried out through a Project Coordination Committee chaired by the Director of the ECL. A mechanism for donor coordination already exists and will continue to be used by the GOCI and A.I.D. for this project.

C. Social Soundness Analysis

The social soundness analysis of the project demonstrates that project objectives are compatible with the existing socio-cultural environment in Ivorian secondary cities and will have a positive impact upon the designated beneficiaries. See Annex F for a more detailed discussion.

1. Project Beneficiaries

The project has three principal beneficiary groups: (1) central and local-level municipal agents who will receive municipal management training; (2) owners and employees of private sector entities who will profit from the project either through receiving contracts to undertake project activities or through being located in a project city where the utilization of private sector firms for service delivery is being promoted; and, (3) inhabitants of the core project cities and surrounding rural areas who will benefit from activities taking place in their town. This third group, estimated to be between 60,000 and 200,000, constitutes the largest beneficiary group.

2. Conditions in Project Towns

Ivorian secondary cities, within which almost all the project activities are located, share certain similarities. They are generally experiencing rapid growth rates, due to in-migration from rural areas and neighboring countries, and have inadequate levels of public services and poor public facilities.

Typical social systems in these towns are in the form of a pyramid. At the top of the pyramid is a small elite of civil servants, businessmen and large plantation owners comprising less than 10% of the population. The slightly larger middle layer, between 15 and 20% of the population, is composed of skilled workers, owners of small businesses and middle-sized farmers. At the bottom of the pyramid is the large majority consisting of unskilled plantation workers, tradesmen and artisans of the informal sector, fishermen and small farmers. Members of this third group are usually those with the most limited access to urban services and facilities owing to their places of residence (out of range of service delivery) and their limited incomes.

3. Impact of Project Components Upon the Inhabitants of Project Cities

All individuals in project cities are expected to benefit from the project; however, it is the members of the lowest income group who are expected to derive the greatest benefits. The Facilities Construction Component will have the direct positive impact upon secondary city dwellers. The construction of markets and commercial centers will permit small farmers, artisans and service providers to have a larger clientele and work in better conditions. In effect, these facilities will provide them with additional job opportunities and increases in income. Transport depots will make project cities more accessible to purveyors and purchasers of goods and services, both those living in surrounding rural areas and those in other nearby urban centers. Finally, slaughterhouses will provide more sanitary conditions for the slaughter and distribution of meat in project cities which should have a positive impact on the health of beneficiaries.

The Municipal Management Training and Revenue Enhancement Components are also expected to increase the capacity of municipal managers to provide dwellers in and around project cities with higher levels of public services, better facilities and more input into the decision-making process.

4. Women as Project Beneficiaries

Women are expected to be the primary beneficiaries of this project. Women represent at least half of the residents in the cities and surrounding rural areas. More specifically, women represent a majority in those groups which have been identified as those which will derive the greatest benefits from the project in general and from the facility construction and management training components in particular (i.e. small

farmers, food sellers, traders, artisans, service providers and the urban poor). In addition, women's organizations, including professional organizations composed of sellers, artisan and food producers, will be participating in community organization actions. They will be among the groups consulted when key decisions regarding facility design, distribution of facility rental space, management arrangements are being made. Finally, the project will collect gender disaggregated data on all project components and related activities to ensure that the desired level of participation by women is taking place.

5. Social Feasibility and Spread Effects

The project is socially feasible since there are no known obstacles to project activities and most activities are desired by intended beneficiaries. The only potential problem is that related to efforts to improve fee and tax collection levels. However, steps will be taken to ensure that beneficiaries are informed and consulted about such actions.

The project is expected to produce viable, replicable models of municipal management, revenue generation and private sector service delivery which will have a strong demonstration effect on non-project cities with comparable socio-economic profiles. It will also have important positive spread effects upon regions surrounding project cities.

D. Economic Analysis

1. Economic Overview

The Cote d'Ivoire is in the midst of a prolonged economic depression brought about by several factors: 1) collapse of world prices for the country's major commodity exports; 2) enormous external and domestic debts that were contracted in more optimistic times; 3) unfavourable exchange rates; and, 4) internal financial mismanagement.

Fast structural adjustment programs were not able to meet their objectives due to unrealistic assumptions about economic recovery and to a lack of political will by the GOCI. A new, more realistic program, adopted in June 1990 and accepted by the International Monetary Fund (IMF), is showing initial signs of success. Nonetheless, it is clear that for economic recovery to take place, Ivorian urban centers, which are the loci of both population growth and unmet emergent needs, must be rendered capable of some level of autonomous economic development. This will require the existence of competent municipal managers and reliable local revenue

sources. It will also require an effective decentralization program. It is within this context that the proposed project must be considered. A more detailed discussion of the country's economic problems and their relationship to the proposed project can be found in Annex G.

2. Project Costs and Benefits

The costs associated with the proposed project are relatively straightforward and contain no apparent hidden or indirect costs. Capital costs are limited to the construction of facilities and the purchase of commodities. Other direct costs are associated with training and revenue enhancement. Recurrent costs include the cost of maintaining facilities and equipment. The project makes provision for covering recurrent costs through the collection of fees and taxes.

Measurable project benefits include municipal revenues derived from user fees on project facilities and increases in property tax yields as a consequence of better identification of the tax base. These benefits are expected to last well beyond the Life of the Project (LOP). Unmeasurable, yet tangible, benefits are increases in the levels of municipal service provision and the improvement in human resource quality through training.

The overall balance of benefits and costs from the project is expected to be strongly positive because of the stimulus to economic development that will be provided by an improved administrative and physical environment. While the economic effect of the training and technical assistance components of the project are difficult to evaluate, those for the revenue enhancement and facilities construction components are more easily identifiable. Annex F provides details as to these effects and, in particular, shows that in the case of facilities construction, all four types of facilities envisioned have positive internal rates of return and benefit-cost ratios of greater than 1.0.

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ANNEX A
MUNICIPAL DEVELOPMENT SUPPORT PROJECT

LOGICAL FRAMEWORK

NARRATIVE SUMMARY GOAL

To support the GOCI's efforts to promote equitable and sustainable local-level economic development throughout the country.

OBJECTIVELY VERIFIABLE INDICATORS

Increased economic activity and private sector growth at the local level.

MEANS OF VERIFICATION

1. Economic indicators
2. GOCI, AID and Donor Reports

ASSUMPTIONS

1. The GOCI remains committed to its current urban development and decentralization program.
2. No undue deterioration in the Ivorian economy.
3. The Ivorian socio-political system remains relatively stable.

PURPOSE

1. To improve the efficiency and effectiveness of local government operations, particularly in the areas of governance, finance, management and service delivery.

2. To create in project cities models of sound municipal management, including those involving the effective use of the private sector that can be replicated in other Ivorian secondary cities.

OBJECTIVELY VERIFIABLE INDICATORS
END OF PROJECT STATUS

In project cities, there will be:
1. An increase in popular awareness of the local developmental agenda and wider participation in the local-level decision-making process, especially among low-income households.

2.- A minimum of 25% increase in levels of provision of selected urban services.

3. A 25% augmentation in municipal revenue collection levels.

4. The use of alternate modes of urban service management or provision (i.e. private sector and community groups).

5. The development of replicable models and practices in the areas of municipal management, revenue generation and urban service delivery.

MEANS OF VERIFICATION

1. GOCI Min. of Youth, Sports.
2. Municipal documents and reports (i.e. work plans, budgets and periodic reports).
3. Site visits to project cities.
4. Contractor Reports

ASSUMPTIONS

1. GOCI agencies participate fully in program and carry out terms of agreements.
2. Municipalities agree to participate in program on proposed terms.
3. Private sector firms willing and able to assume management responsibilities.

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OUTPUTS

MUNICIPAL MANAGEMENT COMPONENT

Central Level Outputs

1. DCL Training Unit (receives training) established and operational.
2. DCL provides increased amounts of training and TA to municipalities.
3. DCL is equipped with computers.
4. DCL obtains computer efficiency training.
5. DDP receives training.
6. Women central level agents trained.

Local-Level Outputs

1. Elected municipal officials trained.
2. Heads of municipal financial department trained.
3. Heads of municipal public works department trained.

MAGNITUDE OF OUTPUTS

MUNICIPAL MANAGEMENT COMPONENT

Central Level Outputs

1. Eight-person DCL training unit constituted and provided with TOT
2. 25% overall increase in training and technical assistance provided by DCL.
3. 5 computers with associated software provided to DCL personnel, legal and budget departments.
4. Computer efficiency training provided to up to 20 DCL staffers.
5. Eight-person technical coll of DDP receives TOT training.
6. 50% DDS and 25% DCL women agents trained.

Local-Level Outputs

1. 30 mayors trained in development planning and administrative management.
2. 30 of heads of financial departments trained in financial management.
3. 30 heads of municipal public works department trained in urban services delivery.

MEANS OF VERIFICATION

MUNICIPAL MANAGEMENT COMPONENT

Central Level Outputs

1. AID monitoring and evaluation reports.
2. Periodic contractor reports
3. DCL and DDP reports.

Local-Level Outputs

1. Training Contractor Reports.
2. Examination of documents from municipal departments in project cities.
3. A.I.D. Monitoring and Evaluation Reports.

ASSUMPTIONS

MUNICIPAL MANAGEMENT COMPONENT

Central Level Outputs

1. Annual work plans are implemented.
2. DCL training unit is fully staffed.
3. GOCL personnel remains in place after training.
4. Women are represented among the targetted training groups, and steps are taken to include them.

Local-Level Outputs

1. Municipalities participate fully by making agents available for training.
2. Annual work plans and related activities are implemented.

4. Municipalities utilize the private sector and/or community groups, including women's groups, for development planning and public service delivery.

5. Local-level social workers trained.

6. Neighborhood groups created and women represented as group leaders and group members.

OUTPUTS

REVENUE ENHANCEMENT

1. Simplified cadastres carried out.
2. Gender disaggregated data included in cadastral studies.

3. Revenue enhancement and cost recovery procedures instituted in up to five project cities.

4. Municipal authorities and public works department heads in five project cities receive training in privatization of public service delivery.

- private firms or community groups managing revenue generating facilities and possibly providing other public services.

5. In five project cities local-level social workers trained in community organization techniques.

6. In the above cities, local-level neighborhood groups organized and functioning, including women members.

MAGNITUDE OF OUTPUTS

REVENUE ENHANCEMENT

1. Simplified cadastres completed in up to five project cities.

2. Tax rolls updated in same project cities including women proprietors.

3. Coordination of tax collection procedures instituted between local and central-level tax collection agents in same project cities.

4. Reorganization and streamlining of fee and tax collection measures in same project cities.

4. DDS Reports.

MEANS OF VERIFICATION

REVENUE ENHANCEMENT

1. Municipal and local-level tax collection records.
- Municipal tax rolls.
- Contractor Reports

2. Municipal financial documents and reports.

3. Contractor Reports.

4. Ministry of Finance and Economy Annual reports.

5. Site visits to municipalities.

3. Private sector firms able to develop agreements and contractual arrangements with municipalities

4 & 5. Citizens in project cities willing to participate in community organization activities.

6. Municipalities are committed to including women in development activities.

ASSUMPTIONS

REVENUE ENHANCEMENT

1. Local firms available and qualified to undertake cadastral studies.

2. Local and central level agents willing to collaborate on tax collection activities.

3. Municipal officials agree to institute cost recovery mechanisms and streamline fee and tax collection methods despite the potential of negative political fallout.

FACILITIES CONSTRUCTION COMPONENT

1. Revenue generating facilities constructed.
2. Male and female users of facilities consulted on design and maintenance of structures.

FACILITIES CONSTRUCTION

1. At least one revenue generating facility completed and functioning.
2. User consultation carried out in all five project cities.

FACILITIES CONSTRUCTION

1. DCGTX Reports.
2. AID Engineer construction site visits.
3. DDS and ITC Reports.
4. FAR payments
5. Facilities Occupied.

FACILITIES CONSTRUCTION

1. GOCI's DCGTX retains capacity to successfully oversee construction.

INPUTS

TECHNICAL ASSISTANCE
 FACILITIES CONSTRUCTION
 MONITORING AND EVALUATION
 AUDITS
 TOTALS

MAGNITUDE OF INPUTS

A.I.D.	GOCI	TOTAL
2,495	470	2,965
2,280	1,100	3,380
200	97	297
25	0	25
5,000	1,667	6,667

MEANS OF VERIFICATION

Contractor reports, A.I.D. financial records, site visits, GOCI financial records.

ASSUMPTIONS

Budgetary resources provided as required.

ANNEX B
PROJECT CHECKLIST

1. General Criteria for Project.
 1. FY1990 Appropriations Act Sec. 523; FAA Sec. 634A.

A Congressional notification is to be sent to Congress o/a Sept. 5.
 2. FAA Sec.611(a).

Engineering, financial, and other necessary plans have been formulated to carry out the project assistance. The project grant budget contains a firm estimate of the upper limit of costs for technical assistance and for the construction of facilities.
 3. FAA Sec.611(a)(2).

No legislative action is required.
 4. FAA Sec.611(b); FY 1990 Appropriations Act Sec.501.

Not applicable.
 5. FAA Sec.611(e).

See FAA Sec.611(e) certification as attached.
 6. FAA Sec.209.

The project is bilateral in nature and is not subject to execution as part of a regional or multilateral project although it complements an existent World Bank project.

7. FAA Sec. 601(a).

The project will foster private initiative and competition, and improve technical efficiency of industry, agriculture and commerce by encouraging the utilization of the private sector in the management of public services.

8. FAA Sec. 601(b).

The project does not place a particular emphasis on the encouragement of U.S. private trade and investment abroad.

9. FAA Sec. 612(b), 636(b).

Municipalities participating in the project will contribute approximately U.S.\$ 1.1 million in local currency as a fixed percentage contribution to the cost of facility construction. There is no U.S.-owned local currency available to fund this project.

10. FAA Sec. 612(U).

The U.S. does not own excess local currency of the Ivory Coast.

11. FY 1990 Appropriations Act Sec. 521.

Not applicable.

12. FY 1990 Appropriations Act Sec. 547.

Not applicable.

13. FAA Sec. 119(g)(4)-(6) & (10).

The response to all questions under this heading is negative.

14. FAA Sec. 121(d).

This is not a Sahel Development Program project.

15. FY 1990 Appropriations Act, Title II, under heading "Agency for International Development".

The project grant is not to be made to a U.S. PVO. All technical assistance and training activities will be obtained through competitive procurement.

16. FY 1990 Appropriations Act Sec. 537.

See response to number 15 above.

17. FY 1990 Appropriations Act Sec. 514.

Not applicable.

18. State Authorization Sec. 139 (as interpreted by conference report).

This project assistance shall be for an amount less than \$25 million, and is not of such other significance as to make it subject to the Case-Zablocki Act.

19. Trade Act Sec. 5164 (as interpreted by conference report).

The metric system will be used in this project.

20. FY 1990 Appropriations Act, Title II, under heading "Women in Development".

The project targets small farmers, retail and wholesale traders, market sellers and artisans in secondary cities, the majority of whom are women.

21. FY 1990 Appropriations Act Sec. 597(a).

No local currencies will be generated as a result of this project assistance.

B. FUNDING CRITERIA FOR THE PROJECT

1. Development Assistance Project Criteria

a. FY 1990 Appropriations Act Sec. 546.

This project is not for agricultural development activities.

b. FAA Sec. 107.

This project will place special emphasis on the use of affordable and appropriate construction standards.

c. FAA Sec. 281(b).

The goal of this project is to support the Ivory Coast's efforts to promote equitable and sustainable local-level economic development throughout the country. The project will strengthen the management capacity and financial viability of selected municipalities in the Ivory Coast and will increase local capacity to provide urban services through the use of private sector mechanisms.

d. FAA Sec. 101(a).

The technical assistance and facilities construction components of the project gives reasonable promise of increasing the local productive capacities and self-sustaining economic growth through improvements in the quality and efficiency of urban services.

e. FAA Secs. 102(b), 111, 113, 281(a).

- 1) The improvement in the provision of local urban services, including the construction of marketplaces should serve to increase the access of the poor to the economy.
- 2) The project will encourage the development of local governmental institutions through direct technical assistance to selected municipalities.
- 3) The project will support self-help measures by encouraging the provision of urban services through private sector mechanisms.

4) The project does not place a particular emphasis on increasing the participation of women in the Ivorian national economy.

5) The project will not emphasize the encouragement of regional cooperation.

- f. FAA Secs. 103, 103A, 104, 105, 106, 120-121; FY 1990 Appropriations Act, Title II, under heading "Sub-Saharan Africa, DA".

The project fits the criteria for the appropriations heading "Sub-Saharan Africa, DA".

- g. FY 1990 Appropriations Act, Title II, under heading "Sub-Saharan Africa, DA".

There are no DFA-financed local currency accounts for the Ivory Coast.

- h. FAA Sec. 107.

See response to b. above.

- i. FAA Secs. 110, 124(d).

The Ivory Coast will provide at least 25 percent of the costs of the project through cash or in-kind contributions.

- j. FAA Sec. 128(b).

The purpose of the project is to improve the efficiency and effectiveness of local government operations, particularly in the areas of governance, finance, management and service delivery in order to provide households living in project cities with higher service levels, more employment opportunities and better living standards. The vast majority of households living in project cities are low-income households.

- k. FAA Sec. 281(b).

See response to c. above.

10/29/85

- l. FY 1990 Appropriations Act, under heading "Population, DA", and Sec. 535.

No project funds will be used for the performance or the motivation to practice abortions or any practices relating to or encouraging involuntary sterilizations.

- m. FAA Sec. 601(e).

The project will use competitive selection procedures for the awarding of contracts except where applicable procurement rules allow otherwise.

- n. FY 1990 Appropriations Act Sec. 579.

No project funds will be reserved for activities of HBCUs or PVOs controlled by individuals of the groups targetted by this legislation.

- o. FAA Sec. 118(c).

The project complies with the procedures set forth in Regulation 16 and will not have an impact on the environmental resource concerns which are the focus of this legislation .

- p. FAA Sec. 118(c)(13).

This project will not significantly affect tropical forests.

- q. FAA Sec. 118(c)(14).

The project will not include the activities described in this legislation or fully comply with the requirements therein.

- r. FAA Sec. 118(c)(15).

See response to q. above.

- s. FY 1990 Appropriations Act Sec. 534(a).

This project assistance does not relate to tropical forests.

- t. FY 1990 Appropriations Act Sec. 534(b).

This project assistance does not relate to energy or energy resources.

- u. FY 1990 Appropriations Act, Title II, under heading "Sub-Saharan Africa, DA".

This project will promote the involvement of the private sector in public service delivery and encourage equity and efficiency in the provision of key public goods. It will also contribute to increasing agricultural productivity through strengthening urban-rural linkages.

- v. International Development Act Sec. 711, FAA Sec. 463.

This project will not finance a debt-for-nature exchange.

- w. FY 1990 Appropriations Act Sec. 515.

No deob/reob authority is sought for this project.

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5C(3) - STANDARD ITEM CHECKLIST

Listed below are the statutory items which normally will be covered routinely in those provisions of an assistance agreement dealing with its implementation, or covered in the agreement by imposing limits on certain uses of funds.

These items are arranged under the general headings of (A) Procurement, (B) Construction, and (C) Other Restrictions.

A. PROCUREMENT

1. FAA Sec. 602(a). Are there arrangements to permit U.S. small business to participate equitably in the furnishing of commodities and services financed? Yes
2. FAA Sec. 604(a). Will all procurement be from the U.S. except as otherwise determined by the President or determined under delegation from him? Yes
This Project uses DFA funds and has a 935 Geographic Code
3. FAA Sec. 604(d). If the cooperating country discriminates against marine insurance companies authorized to do business in the U.S., will commodities be insured in the United States against marine risk with such a company? Not Applicable
4. FAA Sec. 604(e). If non-U.S. procurement of agricultural commodity or product thereof is to be financed, is there provision against such procurement when the domestic price of such commodity is less than parity? (Exception where commodity financed could not reasonably be procured in U.S.) Not Applicable

5. FAA Sec. 604(g). Will construction or engineering services be procured from firms of advanced developing countries which are otherwise eligible under Code 941 and which have attained a competitive capability in international markets in one of these areas? (Exception for those countries which receive direct economic assistance under the FAA and permit United States firms to compete for construction or engineering services financed from assistance programs of these countries.) Not Applicable
6. FAA Sec. 603. Is the shipping excluded from compliance with the requirement in section 901(b) of the Merchant Marine Act of 1936, as amended, that at least 50 percent of the gross tonnage of commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) financed shall be transported on privately owned U.S. flag commercial vessels to the extent such vessels are available at fair and reasonable rates? No
7. FAA Sec. 621(a). If technical assistance is financed, will such assistance be furnished by private enterprise on a contract basis to the fullest extent practicable? Will the facilities and resources of other Federal agencies be utilized, when they are particularly suitable, not competitive with private enterprise, and made available without undue interference with domestic programs? Yes
8. International Air Transportation Fair Competitive Practices Act, 1974. If air transportation of persons or property is financed on grant basis, will U.S. carriers be used to the extent such service is available? Yes
9. FY 1990 Appropriations Act Sec. 504. If the U.S. Government is a party to a contract for procurement, does the contract contain a provision authorizing termination of such contract for the convenience of the United States? Yes
- 104

10. FY 1990 Appropriations Act Sec. 524. If assistance is for consulting service through procurement contract pursuant to 5 U.S.C. 3109, are contract expenditures a matter of public record and available for public inspection (unless otherwise provided by law or Executive order)? Yes
11. Trade Act Sec. 5164 (as interpreted by conference report), amending Metric Conversion Act of 1975 Sec. 2 (and as implemented through A.I.D. policy). Does the assistance program use the metric system of measurement in its procurements, grants, and other business-related activities, except to the extent that such use is impractical or is likely to cause significant inefficiencies or loss of markets to United States firms? Are bulk purchases usually to be made in metric, and are components, subassemblies, and semi-fabricated materials to be specified in metric units when economically available and technically adequate? Will A.I.D. specifications use metric units of measure from the earliest programmatic stages, and from the earliest documentation of the assistance processes (for example, project papers) involving quantifiable measurements (length, area, volume, capacity, mass and weight), through the implementation stage? Yes
12. FAA Secs. 612(b), 636(h); FY 1990 Appropriations Act Secs. 507, 509. Describe steps taken to assure that, to the maximum extent possible, foreign currencies owned by the U.S. are utilized in lieu of dollars to meet the cost of contractual and other services. Not Applicable (No foreign currency owned)
13. FAA Sec. 612(d). Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release? Not Applicable (No foreign currency owned)
14. FAA Sec. 601(e). Will the assistance utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise? Yes

B. CONSTRUCTION

1. FAA Sec. 601(d). If capital (e.g., construction) project, will U.S. engineering and professional services be used? Not Applicable
Fixed Amount
Reimbursement
(FAR) utilized
2. FAA Sec. 611(c). If contracts for construction are to be financed, will they be let on a competitive basis to maximum extent practicable? Not Applicable
Fixed Amount
Reimbursement
(FAR) utilized
3. FAA Sec. 620(k). If for construction of productive enterprise, will aggregate value of assistance to be furnished by the U.S. not exceed \$100 million (except for productive enterprises in Egypt that were described in the CP), or does assistance have the express approval of Congress? Not Applicable

C. OTHER RESTRICTIONS

1. FAA Sec. 122(b). If development loan repayable in dollars, is interest rate at least 2 percent per annum during a grace period which is not to exceed ten years, and at least 3 percent per annum thereafter? Not Applicable
(Grant Program)
2. FAA Sec. 301(d). If fund is established solely by U.S. contributions and administered by an international organization, does Comptroller General have audit rights? Yes
3. FAA Sec. 620(h). Do arrangements exist to insure that United States foreign aid is not used in a manner which, contrary to the best interests or the United States, promotes or assists the foreign aid projects or activities of the Communist-bloc countries? Yes

4. Will arrangements preclude use of financing:

- a. FAA Sec. 104(f); FY 1990 Appropriations Act under heading "Population, DA," and Secs. 525, 535.
(1) To pay for performance of abortions as a method of family planning or to motivate or coerce persons to practice abortions; (2) to pay for performance of involuntary sterilization as method of family planning, or to coerce or provide financial incentive to any person to undergo sterilization; (3) to pay for any biomedical research which relates, in whole or part, to methods or the performance of abortions or involuntary sterilizations as a means of family planning; or (4) to lobby for abortion? Yes
- b. FAA Sec. 483. To make reimbursements, in the form of cash payments, to persons whose illicit drug crops are eradicated? Yes
- c. FAA Sec. 487. To or through individuals or entities which we know or have reason to believe have either: (1) been convicted of a violation of any law or regulation of the United States or a foreign country relating to narcotics (or other controlled substance); or (2) been an illicit trafficker in, or otherwise involved in the illicit trafficking of, any such controlled substance? (Section 487 requires the taking of "reasonable steps to ensure that assistance" (under the FAA and the Arms Export Control Act) is not provided in the foregoing cases.) Yes
- d. FAA Sec. 620(g). To compensate owners for expropriated or nationalized property, except to compensate foreign nationals in accordance with a land reform program certified by the President? Yes
- e. FAA Sec. 660. To provide training, advice, or any financial support for police, prisons, or other law enforcement forces, except for narcotics programs? Yes

- f. FAA Sec. 662. For CIA activities? Yes
- g. FAA Sec. 636(1). For purchase, sale, long-term lease, exchange or guaranty of the sale of motor vehicles manufactured outside U.S., unless a waiver is obtained? Yes
- h. FY 1990 Appropriations Act Sec. 503. To pay pensions, annuities, retirement pay, or adjusted service compensation for prior or current military personnel? Yes
- i. FY 1990 Appropriations Act Sec. 505. To pay U.N. assessments, arrearages or dues? Yes
- j. FY 1990 Appropriations Act Sec. 506. To carry out provisions of FAA section 209(d) (transfer of FAA funds to multilateral organizations for lending)? Yes
- k. FY 1990 Appropriations Act Sec. 510. To finance the export of nuclear equipment, fuel, or technology? Yes
- l. FY 1990 Appropriations Act Sec. 511. For the purpose of aiding the efforts of the government of such country to repress the legitimate rights of the population of such country contrary to the Universal Declaration of Human Rights? Yes
- m. FY 1990 Appropriations Act Sec. 516; State Authorization Sec. 109. To be used for publicity or propaganda purposes designed to support or defeat legislation pending before Congress, to influence in any way the outcome of a political election in the United States, or for any publicity or propaganda purposes not authorized by Congress? Yes
5. FY 1990 Appropriations Act Sec. 574. Will any A.I.D. contract and solicitation, and subcontract entered into under such contract, include a clause requiring that U.S. marine insurance companies have a fair opportunity to bid for marine insurance when such insurance is necessary or appropriate? Yes

6. FY 1990 Appropriations Act Sec. 582.
Will any assistance be provided to any foreign government (including any instrumentality or agency thereof), foreign person, or United States person in exchange for that foreign government or person undertaking any action which is, if carried out by the United States Government, a United States official or employee, expressly prohibited by a provision of United States law?

No

Ministère de l'Économie
et des Finances

Le Ministre

République de Côte d'Ivoire
Union - Discipline - Travail

N° 4917

MEF/DAFEREX / BMN / MT.

Abidjan, le

11 SEP 1990



A Monsieur le Directeur
de l'U S A I D

S/C

S.E. Monsieur l'Ambassadeur
des Etats-Unis d'Amérique

ABIDJAN

Monsieur le Directeur,

Le gouvernement ivoirien s'est engagé depuis une décennie dans une vigoureuse politique de décentralisation visant à renforcer la capacité technique et l'autonomie financière des collectivités afin qu'elles puissent fournir à leurs populations de meilleures prestations de services urbains.

Dans ce cadre, je vous saurais gré de la subvention que vous voudriez bien accorder au gouvernement de la Côte d'Ivoire afin de pouvoir mener à bien ce programme.

En vous remerciant par avance de ce que vous pourriez faire dans ce sens, je vous prie d'agréer, Monsieur le Directeur, l'expression de ma considération distinguée.



[Signature]
Robert D. DUNCAN

ANNEX D

TECHNICAL ANALYSIS

The Municipal Development Support Project proposes to build upon methodologies successfully utilized in the past. Specifically, the project will employ methods derived from three sources: former HG projects; RHUDO's Municipal Management Training Program (MMTP), and small pilot projects.

Different technical considerations apply to the different components of the project and will be discussed below within the context of each of the three components.

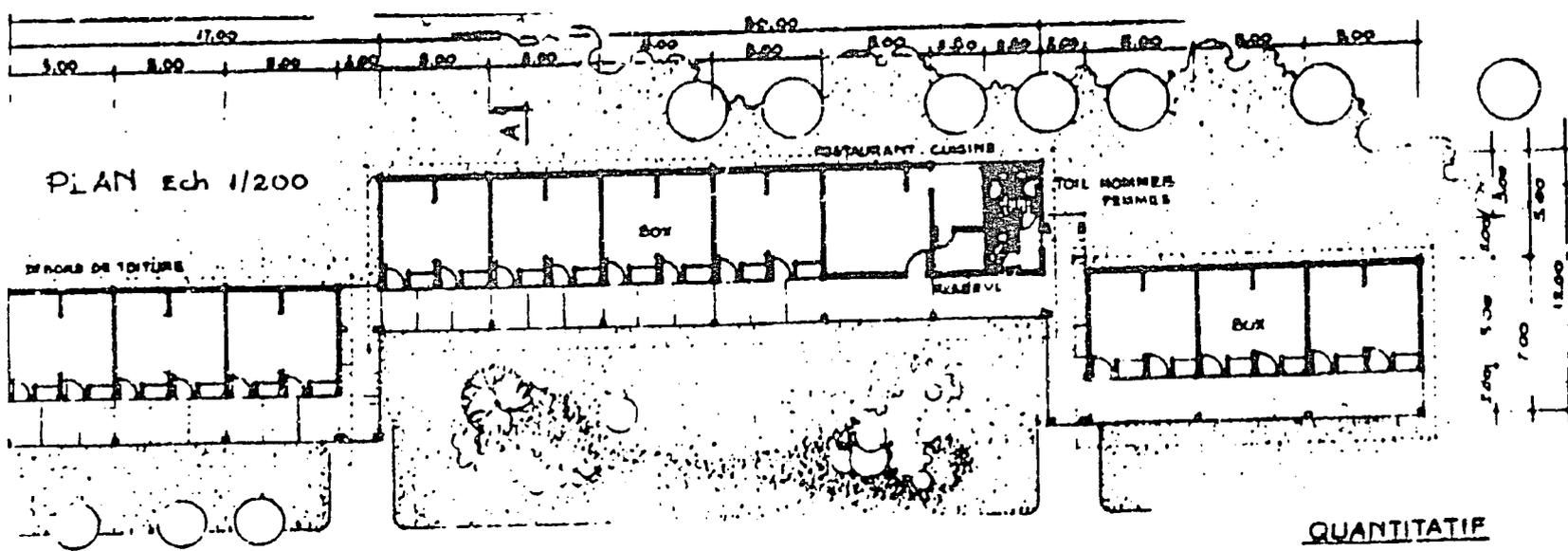
1. The Municipal Management Training Component

The Municipal Management Training Component will utilize a format similar to that of its predecessor, the Municipal Management Training Program. The format is the following. A core unit of technically skilled individuals within the DCL will be made into a training unit and trained as trainers. From its inception, this unit will work closely with the resident long-term training advisor on developing appropriate training skills and perfecting the form and content of training modules to be used for local-level training.

The DCL central training unit will be primarily responsible for carrying out local-level training. It will be assisted by the resident training advisor and the long-term local hire trainer, both of whom will play a variety of roles depending on the nature of the training event i.e., co-trainer, assistant, skilled observer, advisor etc.. It is believed that the use of long-term technical assistance is highly appropriate in this context, since it will permit the development of effective working relationships with the training unit and local-level agents over time. As the DCL training unit gains experience and confidence, the project trainers will play a progressively more passive role in local-level training. By PACD, the DCL training unit should be able to operate independently and be capable of servicing the training needs of the municipalities.

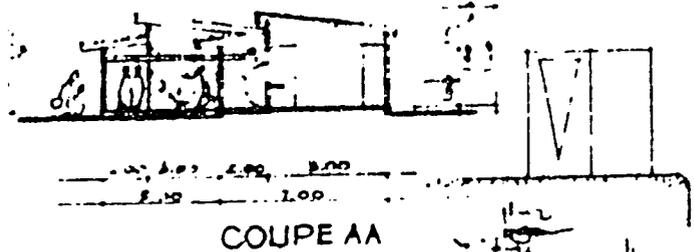
The scenario envisioned for the DDS is more or less the same. However, since that unit is already functional and has a demonstrated degree of experience, fewer inputs from the resident training advisor and the local-hire trainer will be required.

The activities of both training units will be closely coordinated, since they are designed to be mutually supportive. Many of the activities that will be undertaken by the municipalities participating in this project will require that the community be both informed and supportive (i.e. solid waste collection, market re-organization, fee and tax collection reorganization). Conversely, any plans or projects of community groups (neighborhood sanitation campaigns, proposals to manage a specific urban service) will need the backing and approval of the municipal authorities. This need for coordination will be particularly true in the five core cities where a multiplicity of activities will be taking place.

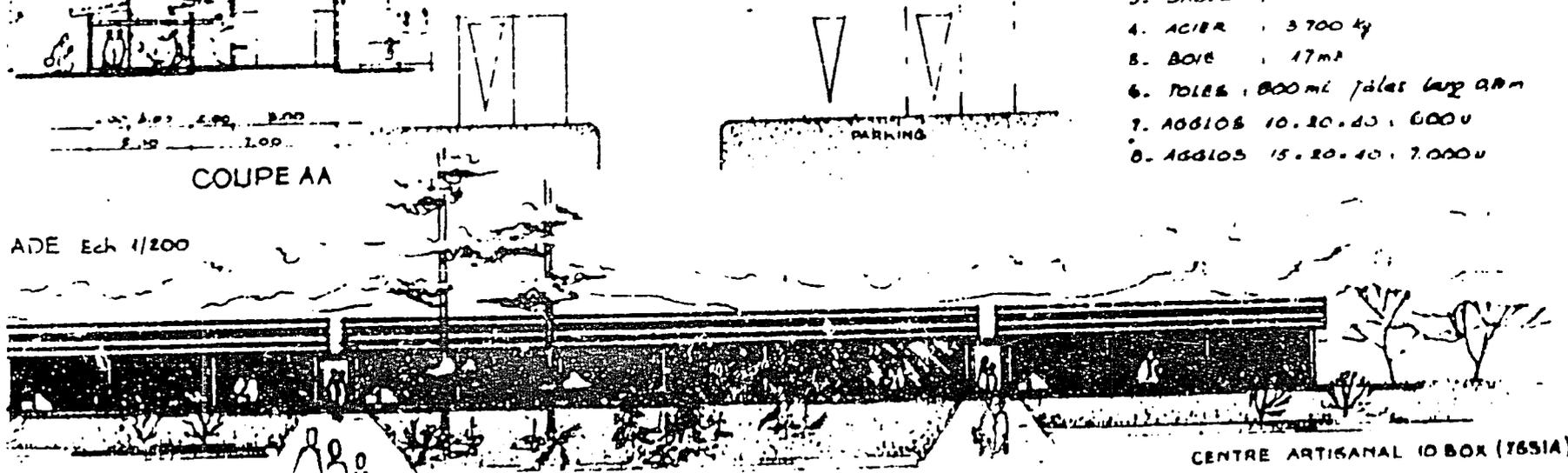


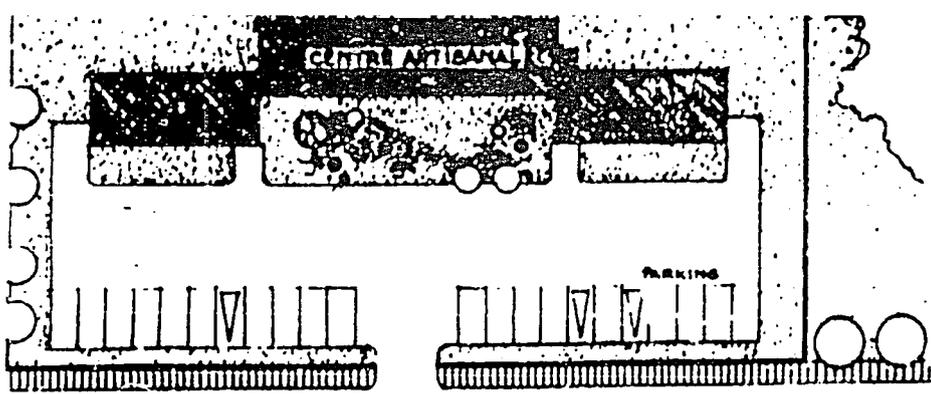
**QUANTITATIF
DES MATERIAUX PRINCIPAUX**

1. CIMENT : 44 tonnes
2. GRAVIER : 80 m³
3. SABIE : 77 m³
4. ACIER : 3 700 kg
5. BOIS : 17 m³
6. TOLES : 800 m² t_{ales} larg 0.9m
7. AGGLOS 10.20.40 : 6000 u
8. AGGLOS 15.20.40 : 7000 u



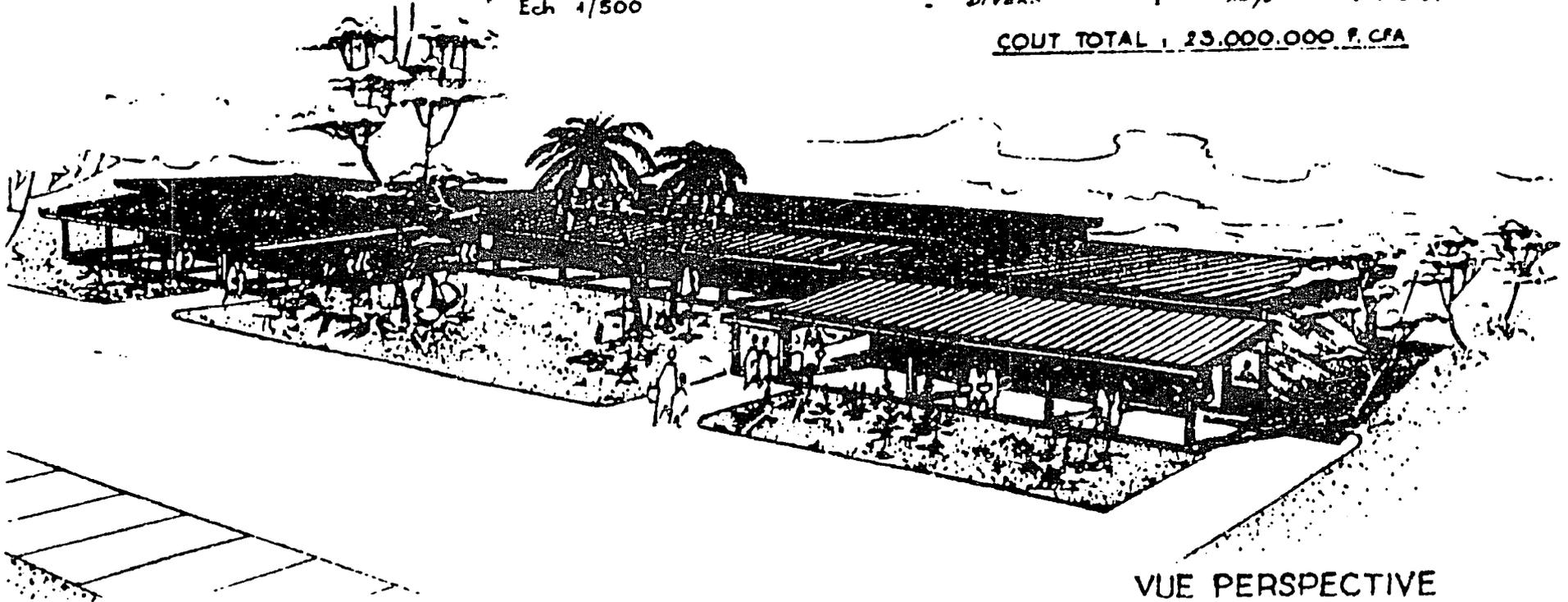
ADE Ech 1/200





PLAN DE FONCTIONNEMENT

Ech 1/500



VUE PERSPECTIVE

- SURFACE COUVERTE : 282 m²
- PRESTATIONS :

- OSSATURE B.A. MAÇONNERIE ENDUITE
- CHARPENTE BOIS + BACS ALU.
- CHAPE CIMENT AVEC PEINTURE
- GRES CERAME SANITAIRES
- CHASSIS BOIS PERSIENNES
- ECLAIRAGE PAR TUBE FLUO
- FOSSE SEPTIQUE - TRANCHEE FILTRANTE

ESTIMATIF

- SURFACE COUVERTE : 440 m² x 45.000 F, 19.800.000 F
- SANITAIRES : 12 m² x 100.000 F, 1.200.000 F
- DIVERS : 10% : 2.000.000 F

COUT TOTAL : 23.000.000 F. CFA

P20

P21

The training format detailed above is modelled on the one developed and utilized under the MMTF. An independent evaluation of the MMTF in November 1987 assessed its strategy and associated methodology to be a sound one and recommended that it be retained. The second evaluation of the MMTF is currently being contracted and is scheduled to take place in September 1990. Although it will focus primarily on the training program, it will also look at community organization activities. The final report of this evaluation will be available prior to the start-up of training activities. It is intended that one of the first actions of the project's resident training advisor will be the review of this evaluation vis-a-vis what is planned in the project. It is also planned that, if necessary, modifications be made in the proposed training strategy and methodology along the lines proposed in the evaluation.

2. The Revenue Enhancement Component

The major activity under the revenue enhancement component is the completion of the five simplified cadastral studies in the core project cities. These studies will be carried out by private firms which have demonstrated the capacity to complete these studies in a timely and cost-effective manner. Competent local firms in possession of the necessary expertise currently exist in the Cote d'Ivoire and are presently being used by the central government to provide similar services in the larger Ivorian cities. A.I.D. has also employed these types of firms to carry out remote sensing and land-based surveying activities which are similar in nature to the cadastral studies.

The central government's Department of Land Registration (DC), now has the capacity to prepare the necessary specifications and scopes of work for contracting for the cadastral surveys. Their experience in an A.I.D. financed pilot cadastral survey in Issia together with technical assistance from the World Bank has contributed to the DC's ability to undertake this aspect of the work. RHUDO also has the in-house capacity, in the person of its resident technical advisor, to offer guidance and/or assistance to the DC, should it be required.

Other activities associated with the Revenue Enhancement Component will be provided through short-term technical assistance and training. This is readily available through a number of known and previously utilized sources.

3. The Facilities Construction Component

Four types of facilities are expected to be constructed under this component. In order of descending cost they are: covered markets, transportation depots, commercial centers and slaughterhouses.

a. Technical Characteristics of Facilities

All of the facilities proposed for this project have relatively simple designs and exist as standardized plans. The plans have been developed using knowledge acquired jointly by A.I.D. and the GCCI institutions responsible for the supervision of public works over the last ten years. They respond to concerns about affordability, durability, and social suitability. In particular, the plans are intended to reduce a tendency to "over design and over build". The plans are modular in design and allow for simple modifications in building size or layout to reflect immediate and anticipated local needs and site constraints. With the use of these standardized plans, costs can be rapidly determined and the time required to reach the construction phase greatly shortened.

Covered Markets

Covered markets will be single story buildings (average size 1,400 m²). No multi-storied facilities will be financed by this project in response to observed beneficiary preference for single story buildings. The structures will be composed of simple concrete pads which will adhere to the natural slope of the proposed sites. They will be covered with corrugated tin or aluminum roofing material and supported by cast-in-place concrete columns. The load structure of the roofs will be of sufficient dimension to withstand the weight of intense rainfall and the high wind velocity experienced throughout most of the interior of the country during the major rainy season. All cast-in-place or pre-cast concrete components will be subject to dynamic compression testing which will be carried out by the DCGTX using in-house capabilities. Under the terms of the FAR, A.I.D. engineers will conduct periodic inspections of work in place and will review the results of stress and compression testing.

Markets will be developed on sites that have existing access infrastructure to ensure accessibility, low overall cost and utilization by the target beneficiaries. Interior market lay-outs will be designed to respond to the expressed preferences of actual users. Features such as the placement of sanitary facilities, dimensions of selling tables, width of aisles etc. will reflect user input.

The technical description of all planned market facilities will include a fire and safety plan prior to A.I.D. approval and acceptance of the site. The technical description will also address the environmental concerns identified by the A.I.D. Environmental Officer.

Transportation Depots

Transportation depots will consist of a simple parking area with all weather surfacing and a small covered waiting area. The paved platform is expected to cover approximately 2,5 hectares. The periphery of these units may be provided with small single-story commercial space. The number of commercial units to be constructed will be a function of the volume of traffic, the size of demand and available space.

The depots are to be developed on sites adjacent to the commercial centers of secondary cities. To avoid the passage of larger vehicles through densely populated areas, safety plans for traffic patterns will be developed. Fire emergency plans will also be required. All plans will be submitted to A.I.D. for formal review and approval.

Sites for transportation depots will be also be assessed in terms of environmental considerations. Assessments will specifically address the issue of the risk of hydrocarbon spillage associated with the creation of a transportation center at a given site.

Commercial Centers

Commercial centers to be constructed under this project are of a relatively simple design. They are single story buildings consisting of a row of box-type rooms. Buildings will be constructed of cement blocks and covered with tin or aluminum roofing material. Sanitary facilities will be included as part of the complex, and fire safety equipment will be installed.

The number of units within the centers will be determined by such factors as estimated demand and available space. The units within the buildings will be made available for rental to small-scale commercial or service-oriented business enterprises. Commercial centers will be located near transportation depots, markets and other areas of existing commercial activity.

Slaughterhouses

Slaughterhouses will be relatively small structures (35 to 50 m²) in keeping with the needs of most secondary cities. The design for slaughterhouses consist of a single story covered structure equipped with waist-high cutting tables and interior drainage channels. The channels will carry residuals to an appropriately dimensioned septic tank and drain field. Raw water reticulation will be installed to permit cleaning and maintenance. Particular consideration will be given to the selection of slaughterhouse sites to ensure that they do not risk polluting inhabited areas or water sources. The sites for slaughterhouses will be submitted to A.I.D. for review and approval prior to confirmation.

2

D. Technical Feasibility

It is anticipated that the project, as designed, is technically feasible. In the case of all three components, the activities and methods proposed are those that have been successfully utilized on past occasions and fall within the demonstrated technical capacity of A.I.D. and the implementing GOCI agencies.

In the past, contracting and construction of the facilities financed under the RHUDO program have been managed by the technical departments of the central government. Currently, these departments are all combined into a single unit: The Central Directorate of Public Works (DCGTx). The DCGTx oversees all aspects of the implementation of government contracted public works including: design; architectural and engineering studies; the contracting process; and, construction. It is a highly professional organization with a staff of almost 700 individuals. Staff members include: in-house planners, architects, engineers and on-site personnel. The DCGTx manages the construction of approximately \$90 million worth of public works projects per year. To date, DCGTx has implemented approximately US \$22 million dollars worth of A.I.D. sponsored infrastructure construction project activities.

It is expected that the relatively small community facilities component of this project will present no particular technical or management problems to the DCGTx in the context of project implementation. The only perceived source of problems is associated with the institution of procedural changes related to the utilization of a new source of funding (DFA funds vs. HG funds) and the FAR mechanism. One of the tasks of the A.I.D. project manager will be to assist the DCGTx to become familiar with the new regulations so that it can undertake its implementation actions.

In sum, although the goal and purpose of this project reflect the changing needs of the host country, the activities are not untried or unduly innovative, and as such, do not present a technical risk. In addition, the project will be implemented with GOCI agencies that have successfully worked with A.I.D. in the past. It is therefore the belief of the project designers that the means and methods proposed are appropriate and feasible for the achievement of the project goal and purposes.

E. Environmental Considerations

The only component within this project with a possible environmental impact is the facilities construction component. In the proposed project, the intent is to respect design considerations of previous projects vis-a-vis site selection, fire and public safety plans for the various facilities.

Experience with the implementation of the Secondary Cities Project HG-004, which included a comparable construction component, has indicated that there are no significant long-term effects upon the natural systems or upon life support systems associated with the construction of facilities. (See Annex M, pgs. 11-15 for a list of the facilities completed under HG-004). Some minor short-term effects upon the environment will be experienced during the construction phase of the project, such as dust, noise and inconvenience to the public. However, these effects will be of limited duration and will not leave behind any permanent adverse effects.

Some narrower environmental issues could arise in relationship to proper sanitary facilities, adequate waste disposal and drainage associated with the construction of the facilities. However, these issues are normally effectively addressed at the time of detailed engineering and design studies carried out under the supervision of the GOCI. In previous projects where identical facilities were constructed, no significant adverse effects were found to have resulted.

An IEE has been prepared for this project and has found no significant environmental impacts. It does however, differ initial environmental examinations which must be carried out at the time of site selection and design to address relevant environmental issues. (see Annex K).

ANNEX E

ADMINISTRATIVE ANALYSIS

The COCI, unlike most of the countries in the region has been blessed with 20 years of positive economic growth and 30 years of political stability. These two factors have allowed the country to achieve a relatively high degree of institutional development and to attain a comparable level of administrative capacity.

The successful implementation of the proposed project relies heavily upon the administrative capacity of a number of key COCI institutions. This is particularly true for the Municipal Management and the Construction Facilities Components. This section will discuss the strengths and weaknesses of COCI institutions that will be involved in the implementation of the above components.

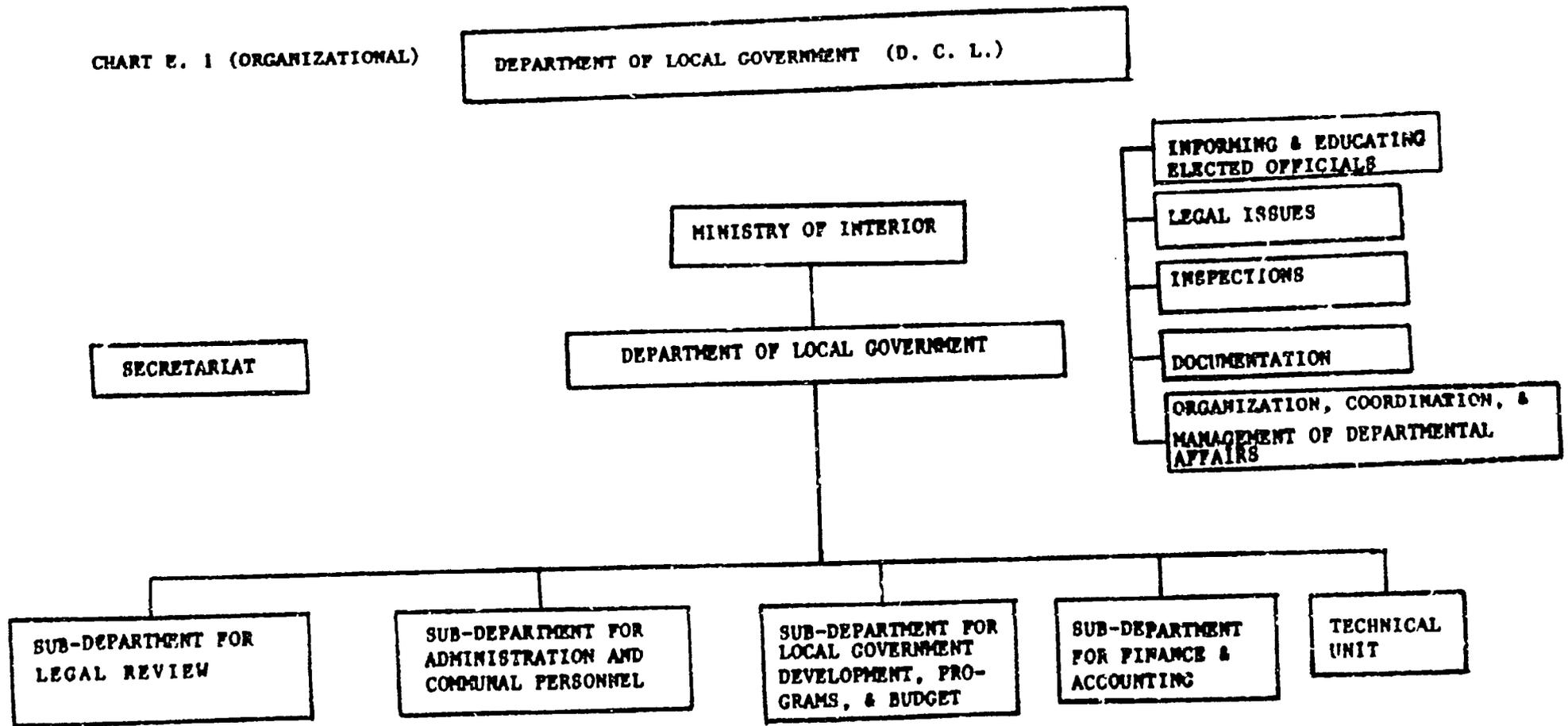
A. The Ministry of Interior

The Ministry of Interior (MOI) is responsible for overseeing all internal administrative functions in the Cote d'Ivoire and is composed of five central departments. Three of the departments are peripheral to project implementation: Department of Administration and Finance of the MOI; the National Archives; and the National Printing Service. The Department of Territorial Administration (DAT) oversees all regional governmental structures of the central government (50 departments and 190 sub-departments). The Department of Local Government (DCL) oversees the nation's 135 communes, and as such, is directly involved in the implementation of the project.

Prior to 1982, and the advent of decentralization, the DCL was a small technical cell attached to the DAT. With the creation of the new communes, the DCL was made into a separate department with an accompanying increase in personnel. Today the DCL staff consists of 80 individuals, half of whom are highly qualified professionals. In 1988, the DCL was reorganized according to decree No.88260 (See attached Organizational Chart). Its present organizational chart lists four sections (sub-departments), each of which is responsible for overseeing a particular aspect of communal activities. They include: General Communal Affairs; Development of Programs and Budgets for Municipal Social, Cultural and Economic Services; Finance and Accounting; Public Works and Equipment. The DCL also has five separate units "services" which deal with: Informing and Educating Elected Officials; Legal Issues; Inspections; Documentation; and Organization, Coordination and Management of the DCL itself.

Although the functions of the DCL have been greatly expanded, there are a number of weaknesses present in that institution. They include the following:

CHART E. 1 (ORGANIZATIONAL)



- a. The decree reorganizing the DCL is not yet fully implemented. From the point of view of effective project implementation, it is important that the unit intended to provide information and education to elected officials is not yet fully functional and does not have the necessary attributes of a training unit (i.e. a core group of trainers with the capacity to provide training in specific technical areas). It is also potentially problematic that the training unit was made a "service" and not given the higher status of a section;
- b. Although the DCL staff was increased in size, it remains inadequate vis-a-vis the size of its responsibilities. Moreover, a number of the newer staff members are recent graduates with little experience in the areas to which they have been assigned and are, therefore, not very effective;
- c. The generally depressed state of the economy has had a negative impact on the DCL's budget. In 1990, its budget shrank from 43.8 to 23.2 million FCFA with predictable effects on its operational capacity. Over the last year, a number of normal activities, such as annual municipal inspections, did not take place as scheduled, owing to lack of funds for items such as gasoline.

The DCL also has its strengths including:

1. The fact that it has been given more responsibilities and staff over the last eight years in response to the requirements of the decentralization process;
2. The fact that the DCL exhibits a full understanding of the decentralization process and appears fully committed to its implementation;
3. Almost eight years of experience working with donors on the implementation of projects which has resulted in the acquisition of a pool of knowledge on project implementation procedures.

Despite its weaknesses, we estimate that the DCL has the administrative capacity to carry out the implementation tasks assigned to it in the project. In addition, one of the objectives of the project is to strengthen the DCL by institutionalizing its training capacity and augmenting its ability to carry out its oversight functions and to provide the municipalities with technical assistance and training. One of the Conditions Precedent to Disbursement for Training will require the GOCI to implement the 1988 decree and fully staff the unit.

B. The Ministry of Youth Sports and Social Affairs

All community organization activities will be implemented through the Department of Social Development (DDS) in the Ministry of Youth, Sports and Social Affairs (MYS&SA). The branch of MYS&SA which is involved in the proposed project is Social Affairs (See attached Organizational Chart). The Social Affairs section of the Ministry is divided into eight regional departments which cover the entire Cote d'Ivoire. It also has two central functional departments which manage the different social services carried out by the Ministry: The Department of Social Protection (DPS) which looks after socially disadvantaged groups, and the Department of Social Development (DDS). The Department of Social Development has two sections, one of which is exclusively devoted to community organization activities.

Situated within the DDS is a core of trainers: the Technical Cell (CT). The CT was created three years ago to carry out three small pilot community organization activities with RHUDO. Over time, the CT has developed the capacity to implement community organization activities. Specifically, they can: train local social workers in community development techniques; provide on-site assistance with undertaking and analyzing social surveys; provide assistance in organizing neighborhood groups; help forge links between neighborhood groups and municipal authorities; oversee the development of local-level neighborhood action plans; and, monitor and evaluate ensuing programs and activities.

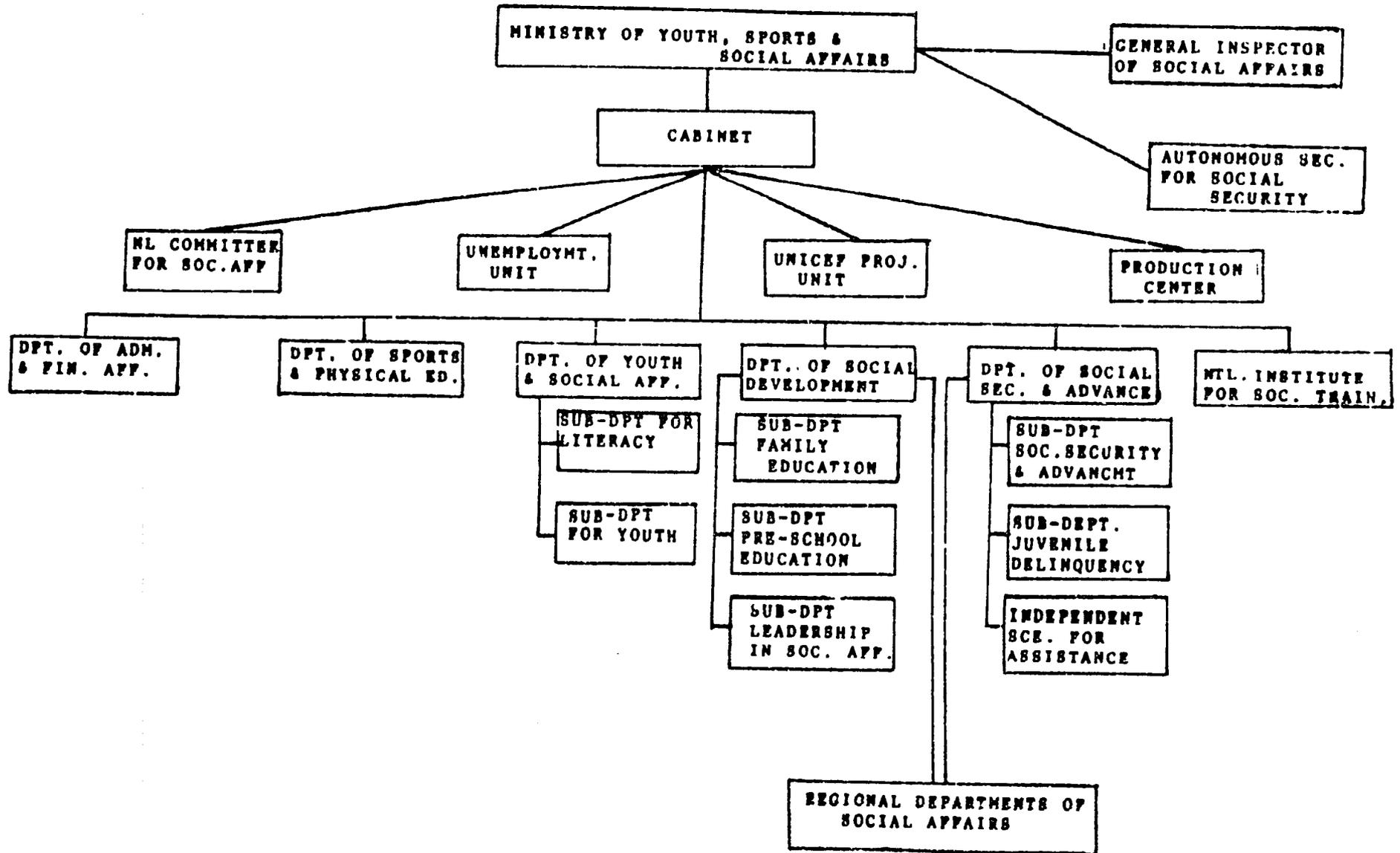
The DDS is not without weaknesses. Specifically they are limited by the fact that:

1. They belong to one of the resource-poor Ivorian ministries and are usually given a small operating budget. In this time of economic crisis, the effect of shrinking resources on their operations is particularly acute.
2. The motivation of local staff to work with the CT is highly varied. This is particularly true of the older generation of social workers who were hired at a time when educational standards for entry into the profession were much lower and the Ministry's mandate did not include outreach activities. They are therefore not always willing to work within the proposed context.

The strengths of the DDS include:

1. Experience in carrying out community organization tasks and the ability to organize and implement their assigned portion of project activities.
2. A desire to undertake community organization activities as demonstrated by their willingness in the past to work on shoestring budgets.

CHART E.2 MINISTRY OF YOUTH, SPORTS, AND SOCIAL AFFAIRS (ORGANIZATIONAL CHART)



ationalize their community organization
last three years they have documented their
and developed a module for working with
workers, municipal officials and neighborhood
is being perfected by them to be used for
i.

icipation in this project will allow them to
sider to be their mandate and to gain further
of activities.

Directorate of Public Works (DCGTx)

Supervising the construction of
ities under a Modified FAR. This task falls
of the DCGTx.

ed in the early 1980s as an independent unit
Presidency. Under the management of its
in late 1989, it developed a reputation for
blic works projects in an efficient manner and
eruns. The result was that the DCGTx was
number of functions (i.e. studies, planning,
on) from other Ivorian ministries. By the
the single most powerful agency within the

responsible for carrying out all major
areas: agriculture, economics, industry,
urbanism, and remote sensing. It also
ese areas. With regard to public works
ees all aspects of their implementation.
ms as: roads, bridges, public facilities,
al networks etc.

thout weaknesses, many of which are
acquisition of power. They are the

of its former head, the DCGTx is under attack
which resent its growth at their expense.
ght eventually result in a loss of some of its

like to think small. Its demonstrated
going massive multi-million dollar projects
as opposed to small facilities such as the
his project.

occasions the capacity to
construction that it is
I.D. and other donors over
plans for many of these
ized in this project.

or over five years and has
I.D. policy and goals with
adable standards, cost
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ate the development of good
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Ivorian municipalities, it is
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r assisting with the economic
rounding rural areas.

ratic elections means that
ently held accountable by
n of urban services and
such a context, municipal
ngness to acquire skills and
tance which will make them
sistance in tax collection,
y are also eager to expand

their revenue base given the ensuing political and economic rewards. Experience with almost two-dozen newly created municipalities during the implementation of EG projects has demonstrated that most municipal governments are open to accepting new ideas.

In sum, the situation with the municipalities is similar to that with the DCL. In both cases, the goal of the project is to diminish or eliminate existing weaknesses and fully develop institutional potential.

E. A.I.D. Administration

The proposed project will be managed by RHUDO/WCA. The RHUDO staff is composed of 3 U.S. Direct Hires (USDH), 2 Institutional Contractors, and a Personal Services Contractor (PSC). The above staff has expertise in a number of areas directly relevant to project administration including: urban planning, engineering, training, community organization, and decentralization. The staff has also had over ten years of experience working with comparable projects.

REDSO/WCA will provide the RHUDO staff with administrative support in a number of specialized areas. These include contracting, procurement, engineering, financial management, legal services, and environmental analysis. There should be minimal strain on REDSO to provide RHUDO with these services since both organizations are located in Abidjan and the proposed assistance will require no TDYs. In addition, REDSO currently provides RHUDO with contracting, financial management and legal services.

F. Administrative Networks

Coordination of the various institutions and agencies working on the project will be carried out through a Project Coordination Committee (PCC) which will be chaired by the Director of the DCL. The members of the committee will be the designated representatives of the other participating institutions. The committee will meet on a periodic basis to discuss and resolve administrative problems related to the implementation of the project.

Coordination between donors working in the sector will take place through periodic meetings. The mechanism for meeting both informally and formally to discuss common problems exists and is currently being utilized. In addition, the GOCI agencies, specifically the DCI and DCGTX, invite existing donors to discuss the intervention proposals of new donors to the sector. The presence of this level of coordination is expected to contribute to project success.

ANNEX F.

SOCIAL SOUNDNESS ANALYSIS

The purpose of this social soundness analysis is to demonstrate that the objectives of this project are compatible with the existing socio-cultural environment in Ivorian interior cities and will therefore have a positive impact upon the designated beneficiaries. The analysis will show that the types of project components being proposed are designed to render participating municipalities more capable of planning their development, managing their resources and improving the quality of services for their populations. The analysis will also indicate, where possible, spread effects of new practices introduced into the original target population among other groups with similar socio-economic profiles and address the issue of the distribution of benefits among different socio-economic groups.

A. Description of Beneficiary Groups

There are three principal beneficiary groups for this project: central and local-level municipal agents; owners and employees of private sector entities; and, households living in project cities and in the surrounding rural areas.

1. Central and Local-Level Municipal Agents

Central and local-level municipal agents are direct immediate beneficiaries of this project. They include: elected officials from 30 municipalities, 30 heads of municipal technical services departments, 30 heads of financial services departments, approximately 40 agents from the DCL, 25 agents from the DDS, 45 central and local-level tax agents for a total of approximately 200. These individuals are, with the exception of some of the mayors of smaller towns and some of the local-level tax agents, possessors of some post-high school level education. Again with the exception of some mayors, all are civil servants with a number of years of work experience. Women constitute a small percentage, less than 10 percent of this group. These beneficiaries will directly benefit from the project through their participation in various general and technical training programs designed to upgrade their work-related skills.

2. Owners and Employees of Private Sector Entities

Within the private sector, owners and employees of a variety of private sector entities will profit from the project. Private sector training firms will be hired to develop training materials (i.e. curricula, manuals, model conventions and contracts). Local companies which provide specialized skills (i.e. studies, cadastral work, management advice) will obtain contracts in conjunction with municipal level project activities. Private sector firms, located in secondary

cities, will obtain contracts to manage revenue generating facilities or to deliver public services. Where feasible, design work for some of the physical components will be contracted out with private sector architectural and engineering firms. Finally, vendors, retailers, and other small-scale entrepreneurs operating in and around the facilities constructed by the project will also be direct beneficiaries.

3. Inhabitants of Project Cities

By far the largest group of beneficiaries will be households residing in the five core project cities and the surrounding rural areas. Since the definitive selection of the project towns has not yet taken place, it is difficult to present precise demographic and socio-economic data on households in these cities. On the other hand, findings from general studies of a number of Ivorian secondary cities permit us to make certain generalizations about this important group of project beneficiaries and the conditions in which they live.

B. Physical Conditions in Secondary Cities

Unlike many of the neighboring countries (i.e. Guinea, Mali, Burkina Faso), Ivorian secondary cities generally have basic urban service amenities including potable water and electricity. Unfortunately, these services are often inadequate, poorly maintained and rarely are available to low-income households. Rapid population growth in most secondary cities has merely served to aggravate the situation. Most residents of secondary cities live in courtyard compounds which they share with other families. Water is obtained from a private well, sanitary waste facilities are pit latrines, often in proximity to the wells, and solid waste is deposited in a convenient ravine or open space.

In most secondary cities, the majority of households are renters. This phenomenon is due to the heavy in-migration of people from neighboring regions and nearby foreign countries in search of better employment opportunities and higher living standards. The neighborhoods in which the immigrants reside are remarkably alike from town to town: densely populated and located near the center of the town, in close proximity to the central market and transport depot.

Surveys conducted in a number of secondary cities in connection with previous urban development projects have demonstrated that the concerns of residents differ little between towns. Inevitably, the primary wish of the population is for a covered, enlarged, sanitary market. Other major concerns are for paved, properly maintained roads, stormwater drainage, and garbage collection services. Health, educational and cultural facilities usually follow on the list of concerns, depending on the quality of what is already available locally.

Municipal governments are acutely aware of the problems facing their residents and of the inadequate nature of public facilities and services in their towns. At the same time, they lack the financial resources and the management capabilities needed to respond effectively to the needs of the population.

c. Socio-Economic Profiles of Project Towns

In general, incomes and living standards in secondary cities are markedly below those in Abidjan where a high concentration of industrial, commercial and administrative functions have resulted in a population that is better educated, better paid and better serviced. There is also significant variation in income and living standards between larger cities, (those with populations of 100,000 or more) and smaller cities, (those with populations of 20,000 or below) with living standards being appreciably higher in the larger towns. In general however, this project will focus upon those secondary cities with populations ranging between 15,000 and 50,000 and which represent approximately a third of all the communes. The anticipated aggregate number of beneficiaries residing in and around project towns would therefore fall somewhere between 60,000 to 200,000.

Within Ivorian secondary cities a number of entirely different social systems co-exist. One can enumerate: the traditional social systems of the indigenous ethnic group or groups of a region; the traditional social systems of the in-migrating ethnic groups; and the newer more comprehensive "modern" system which usually over-rides, but can on occasion be subordinate to, the others. The important point to retain, however, is that the contemporary social system in these towns is composed of a number of co-existing social systems which impact upon each other in a variety of ways.

The socio-economic pyramids in secondary cities generally display the following pattern. At the summit is a select group of big plantation owners, successful local businessmen and upper-level civil servants who work in regional government offices or manage state-owned enterprises. They constitute less than ten percent of the population. As a rule, these are well-educated individuals who belong to the salaried Ivorian elite. Their average monthly incomes (somewhere in the range of 100,000 to 150,000 FCFA (at 250 FCFA = \$1.00) for the civil servants and appreciably higher for those in the private sector) are from four to five times that of the typical inhabitant of a secondary city. They live in the best available local housing, and are the major clients of many local commercial operations such as bars, restaurants, movie houses and retail stores.

The elite will usually have access to public services such as garbage collection because of the location of their homes and work places. They will also be able to afford water, electricity and telephone hook-ups, unlike the lower classes. As residents of a town they will utilize local facilities (i.e. markets, schools, health centers etc.); but they have and do exercise the option to go to larger cities if the quality of the local facilities is excessively low.

Occupying the middle of the pyramid are those skilled or semi-skilled individuals employed by large private industrial concerns (where they exist), owners of small businesses, proprietors of medium-sized farms or plantations. They live in small houses constructed of "modern" materials such as cement bricks and aluminum or in more traditional courtyard compounds. They constitute between 15 and 20 percent of the population, depending upon the economic viability of the town. If they have the necessary means, this group will take advantage of available utilities such as water and electricity. They will also be regular users of public facilities and more likely to have access to public services than those lower down on the pyramid.

The base of the socio-economic pyramid contains the vast majority composed of: unskilled plantation workers, tradesman and artisans in the informal sector, fishermen and small-scale farmers. Most members of this group raise food and domestic animals for personal consumption and for sale and take seasonal or part-time employment when it is available. In towns, they live in one and two room units supplied with the barest amenities. The units are generally constructed around a central "courtyard" where almost all household activities except sleeping take place. On the edge of the cities or in surrounding rural areas, are the small farmers who live in old fashioned "compounds" constructed from traditional materials such as mud bricks, saplings and thatch. They use simple tools and farming techniques and consume a significant proportion of what they produce. Their incomes are below the national average which permits one to classify them among the poor.

As recipients of public services, members of this group are at a disadvantage. They often live in areas which are inaccessible to garbage collection vehicles or are beyond the area covered by water or power lines. On the other hand, they are frequent users of public facilities such as markets and transportation depots; and in many instances their jobs and incomes are heavily influenced by the quality of these facilities.

D. The Position of Women Within the Socio-Economic System of Secondary Cities

Women are strongly represented in the middle and above all the bottom layers of the socio-economic pyramids in secondary cities. They are the major producers of food crops on small plots of land, often located on less desirable areas (steep slopes, gullies). In many instances, their agricultural activities reflect the persistence of the traditional economic systems. The crops they produce, the tools they use, their supply of labor and the manner in which they obtain access to land have not changed since the pre-independence and perhaps the pre-colonial era.

Women in secondary cities are also largely responsible for the collection and distribution of food locally since they are often the buyers at the farm-gate and the sellers in local markets. They also dominate some categories of local services (above all those devoted to the sale of prepared foods and drink). Finally, they frequently have continued to practice traditional crafts (basketry, pottery, weaving) for home consumption or sale, and as such, are the "artisans" within these towns.

There is a common misconception about the economic position of women in urban areas that also hold true in secondary cities. It is often stated that their earnings constitute a secondary source of family income and that it is an adult male who is the primary earner. In reality, women in these urban centers are often real, if not titular, heads of households with full responsibility for the well-being of numerous other individuals, and in regions where matrilineal descent patterns dominate, women are often legal owners of the land they farm and of family dwellings. Hence projects that specifically provide women with job opportunities and help to increase their incomes will have important repercussions on the local-level economies.

E. The Impact of Project Components upon the Inhabitants of Project Cities

Although all three project components will benefit the inhabitants of project cities, the construction component under which four basic types of revenue-generating facilities will be built will be the one which will most directly benefit local inhabitants.

The Facilities Construction Component

Covered Markets will usually attract more buyers of all categories: wholesalers and retailers selling at markets in the next higher order of towns and final consumers in the project cities themselves. An increase in the number of buyers will permit local farmers to sell a greater volume of goods and will motivate them to produce more of the goods demanded. The result should be an increase

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in income and higher living standards for the farmers. Covered markets can also provide part-time or alternate sources of employment for farmers and town dwellers alike. Jobs generated by markets include that of part-time sellers or purveyors of the numerous small services associated with marketplaces. Markets will have an immediate positive impact on the working conditions of the sellers who will be sheltered from the rain and have access to a clean well-maintained facility. Lastly, consumers will also benefit from the improvement in the quality of the facility and may benefit from a wider variety of goods and a larger number of venders.

Transportation Depots will make it more convenient to transport goods in and out of the center of town. This should, in turn, attract more buyers and sellers to the town where the facility is located. Transport depots will also improve traveling conditions for people living and working in the towns and surrounding areas. They facilitate links between urban centers and the rural surrounding areas, and make available to the local population facilities and services available in the neighboring cities.

Commercial Centers will provide several categories of people with improved working conditions and possible increases in incomes. Artisans can directly benefit from the construction of commercial centers where they can produce or display their wares. Purveyors of services and sellers of goods can also utilize the space provided in commercial centers. By concentrating a number of commercial enterprises in a single area, consumer traffic should increase to the benefit and convenience of sellers and buyers alike.

Slaughterhouses will have an important impact on the conditions under which meat is provided to consumers. In most secondary cities, animals are slaughtered on a patch of bare ground. The meat is dressed on the same spot under extremely unsanitary conditions (flies, excrement, ect.). In addition, there is no veterinary service available to ensure that the animal which is being slaughtered is fit for human consumption. A small slaughterhouse will permit consumers to have access to meat slaughtered under more sanitary conditions and will also keep residential areas free of slaughtering activities. This should have a positive impact on health conditions.

All of the above facilities are expected to generate revenues in the form of user fees. Although the fees will be paid by residents of the area, fee payers will be restricted to those who are utilizing the service or structure being provided. In addition, the fees generated are expected to be utilized for the upkeep of the facilities and for the provision of improved services to the residents of the town.

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Municipal Management Training

The municipal management component is aimed directly at the individuals who manage municipalities. It will provide training and technical assistance to municipal officials and municipal agents in order to improve their ability to manage their cities. Improved management capacity will be demonstrated by: better development planning; improved budgeting and financial planning; increases in municipal revenues, higher levels of public service delivery; and an improvement in the quality of public facilities. It will also be exhibited through increased willingness to deal with community groups and to accept the private sector as a source of service provision and a partner in local economic development. Individuals living in project cities will be the logical beneficiaries of improved management and its associated benefits as listed above. They will have available higher quality, better-managed facilities accompanied by higher levels of public services

Revenue Enhancement

The revenue enhancement component also targets municipal managers. It provides them with technical assistance and training aimed at permitting them to identify and exploit local revenue sources. The success of this component will also have an impact on project city residents since it will make available revenues destined to be spent on items which they will utilize. Increased municipal revenues are the source of better service levels and improved public facilities, and work hand in hand with improved management capacity to benefit residents.

In sum, this project is expected to have a direct positive impact on households living in and around participating project cities by providing:

1. Access to better urban facilities through the construction of infrastructure;
2. Higher levels of urban services, a cleaner urban environment and improved living standards associated with improvements in the quality of municipal management;
3. Increased input into the decision-making process through participation in community organizations;
4. More job opportunities and associated increases in income.

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F. Women as Project Beneficiaries

In general, the impact of this project on women is expected to be positive because women represent at least half of the residents of project cities and surrounding areas. More specifically, women represent a large proportion of those groups which have been identified as those which will derive the greatest benefits from the project (i.e. market garden farmers, food sellers, traders, artisans, service providers, the urban poor). The project is also taking specific steps to ensure that women are active participants in the project. First, targets are being set for the level of women beneficiaries in different project components. Secondly, project implementation procedures for each component will include those that target women participants.

For the municipal management training component, a specified percentage of women will be trained at both the central and local level, and community organization activities will include both women's groups and women as individual members of neighborhood groups created through the project. For the revenue enhancement activities, women as property owners will be specifically identified through the cadastral studies, and any efforts to collect municipal taxes and user fees will include campaigns to inform and elicit the participation of women taxpayers. For the facility construction component, decisions concerning facility design and management, above all as they apply to users, will involve consultations with both male and female facility users, and when places are being distributed in facilities constructed under the project, women will be assured equal access. Finally, all monitoring and evaluation activities will include the collection of gender disaggregated data to provide information on the effectiveness of the project in responding to the needs of women participants.

G. Social Feasibility of Project Activities

There are no known obstacles to proposed project activities since most of the activities that are being proposed are all priority items which are desired by the intended beneficiaries.

The municipal agents, like most Ivorian civil servants, would like to upgrade their present skills or acquire new ones. "Sophisticated" computer skills are particularly in demand. Skills acquired through the training program will not only make it possible for them to work more effectively, but can also allow them to move up more rapidly in the civil service. In the case of elected municipal authorities, the training will provide them with the wherewithal to manage their municipalities more effectively, and in instances where facilities are provided, will allow them to improve or expand essential urban services.

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For residents living in and around project towns most of the benefits derived from the construction of infrastructure, improved municipal management or service provision are automatically available. No special technology is required in order for an individual to benefit from these project investments nor is relocation necessary.

The only aspects of the project which might encounter a measure of resistance from beneficiaries are the efforts that will be made to increase user fees or improve the level of fee collection. However, it is anticipated that user fees can be safely augmented if the improvements in the plant being used (market, transport depot, commercial center) are clearly visible. In addition, people are accustomed to paying these fees. In sum, as long as what is being asked is reasonable (and fees would be calculated using local affordability criteria) and the benefits are readily apparent, then no undue opposition is anticipated.

Similarly, attempts to collect property taxes in conjunction with cadastral surveys and/or cost recovery measures might also provoke opposition from citizens who are not in the habit of paying taxes. There is widespread avoidance of property tax payment in Cote d'Ivoire caused by: outdated tax rolls and records; poor collection efforts; a large number of categories of exemptions; flagrant non-payment by local notables; and the association of taxes with colonial era practices. To avoid negative fallout, the project proposes sensitizing municipal officials to the social, economic and political advantages that can accrue from improved property tax collection and to the need to carry out preliminary information campaigns among municipal residents before undertaking any changes. The project will also assist the campaign efforts by utilizing neighborhood associations to educate the populace on the rationale behind property tax collection and the ways in which they can benefit from it.

H. Spread Effects

The project is expected to contribute to the creation of a healthier living environment in project towns. The provision of cleaner facilities (i.e. markets) and the improvement in service levels (i.e. more efficient garbage collection) should have a direct impact on the health of beneficiaries. This in turn should lead to increased productivity, higher incomes and better general welfare.

Owing to the existence of strong urban-rural linkages between most Ivorian secondary cities and their rural hinterlands, it is also anticipated that improvements in urban centers (i.e. in facilities, services, income opportunities) will have a beneficial effect on nearby rural dwellers. Larger markets, more efficient transportation, better commercial networks, to list but a few items, will have a direct impact on rural users of urban services.

Project towns should also have a strong demonstration effect on non-project towns. Ivorian mayors have a number of formal and informal networks that keep them informed about shared problems and successes. The National Union of Cities and Communes of Cote d'Ivoire, UVICOCI, is perhaps the most well known. The DCL also serves a networking function by publicizing successful experiences in seminars and in its A.I.D.-financed Newsletter and, ultimately, by creating policies and rules that reflect practical experiences.

To date, municipal authorities have demonstrated a willingness to adopt ideas and practices which (a) create revenues and (b) generate political goodwill. It can safely be assumed that actions which lead to a dramatic increase in levels of municipal revenues and are able to provide municipalities with the capacity to construct infrastructure out of local resources will be eagerly copied by others.

In sum, based upon past RHUDO experiences with successful urban development projects, one can conclude that the proposed project is socially sound and that it will accomplish its purposes without creating social hardship for its diverse beneficiary groups. At the same time, it will have important positive spread effects within regions surrounding project cities and among other cities with comparable socio-economic profiles.

ANNEX G

ECONOMIC ANALYSIS

A. Economic Overview

Cote d'Ivoire is currently in the throes of a prolonged economic depression. The depression has brought to a halt the famed Ivorian "economic miracle" and created a climate of political unrest and economic hardship which would have seemed unimaginable a short decade ago.

The causes of the decline are not difficult to find. They are mired in the collapse of world prices for the country's principal exports, cocoa and coffee, enormous external debts contracted in more optimistic times, unfavorable exchange rates and the failure of some promising income earning projects, such as petroleum, to materialize.

In 1981, under the aegis of the IMF, the Cote d'Ivoire launched its first Structural Adjustment Program under which the GOCI instituted significant austerity measures and undertook to contain mushrooming public sector spending. Between 1982 and 1986, civil servant salaries were frozen, benefits were reduced and the number of new entrants was strictly limited. There was also a drastic reduction in central government subsidies, a reform of the import tariff system, and the liquidation or privatization of dozens of inefficient state enterprises that had been created during the boom period. Finally, capital investment levels, which had risen to 24% of GDP at the start of the decade, were cut back to 12%.

Despite these measures, the 1980s was a period of unabated economic deterioration. Between 1986 and 1988, coffee prices fell nearly 81% and cocoa prices 46%, resulting in a 35% decline in export revenues. In May 1987, the GOCI declared a moratorium on foreign debt payments and went on to sign IMF, Paris and London Club Accords to reschedule public and commercial debt. By the second quarter of 1988, however, these accords became inoperative when a new collapse in commodity prices (the third in ten years) led the GOCI to miss initial performance requirements and payments.

A new IMF/IBRD Structural Adjustment Program and a financial rescue package was negotiated in mid-1989. The IMF/IBRD program called for additional cuts in government investment spending, further reductions in the civil service and major changes in tax levying and collection procedures to bring about an increase in government revenues. In December 1989 a Paris Club settlement was signed and negotiations for another London Club settlement were begun. The latter are still underway.

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In October 1989, a "Friends of Cote d'Ivoire meeting" was organized under the auspices of the IBRD to raise the funds necessary to complete the refinancing support package. At this meeting, the USG gave its support to Cote d'Ivoire's economic reform efforts and pledged its assistance. The USG's assistance was predicated upon the long and friendly relationship between the two countries and upon the USG's recognition of the essential role played by the Cote d'Ivoire both as a peacemaker and as the motor of economic development of the West African region.

Unfortunately, in February 1990, another fall in cocoa and coffee prices (to historical lows) left Cote d'Ivoire again in non-compliance and obliged it to make adjustments to the IMF/IBRD agreement.

B. Existing Situation and Future Economic Outlook

The adjustment measures proposed in early 1990 provoked widespread opposition. A March 1990 announcement of belt-tightening measures aroused the ire of a wide array of urban-based interest groups which feared a further erosion in their steadily declining living standards. From March through June 1990, there were an unprecedented series of strikes in Abidjan and other urban centers by the police, army recruits, customs workers, firemen, teachers, students, civil servants, municipal workers, hospital workers, doctors and nurses, bus and taxi drivers, bank workers, market women etc. The situation was equally grave in the rural areas where farmers, who had watched cocoa prices fall from an official price of 400 FCFA per kilo to a market price of 50 FCFA per kilo in less than two years, were also experiencing a deterioration in their living standards. Like their urban fellows, they expressed their unwillingness to make further sacrifices in the name of economic adjustment.

The GOCI is caught on the horns of an unpleasant dilemma. If it does not institute the required economic changes, it will find itself bereft of donor assistance desperately needed to meet payrolls and avoid a collapse of the banking system and the entire economy. If, on the other hand, it insists on enforcing its austerity measures, it risks serious political upheavals. In an effort to appease the populace, the GOCI has made major changes at the highest levels of the administration, agreed to institute political reforms including a multi-party system and rescinded the proposed economic austerity measures of early 1990. It has also created a Special Commission, chaired by the former head of the Regional Central Bank, which has developed and proposed yet another series of measures aimed at satisfying both the IMF and the populace. On 22 June 1990, the IMF accepted the latest proposals.

Whether or not the latest approach will succeed remains to be seen. At the same time, it is clear that there are difficult times ahead both economically and politically and that Cote d'Ivoire is in a period of transition. It is also clear that for economic recovery to take place, and political stability to continue, Ivorian urban centers, which are the loci of both rapid population growth and unmet emergent needs, must be rendered capable of some level of autonomous economic development, and that this will require the existence of competent municipal managers and reliable revenue sources. In effect, an essential element of economic recovery is the fostering of strong municipalities that can ensure their own economic development as well as that of surrounding areas.

It is within the above context, therefore, that the proposed grant for this project must be considered. The grant, on the one hand, can be considered as part of the support offered to the GOCI by the USG at the October 1989 Friends of Cote d'Ivoire meeting. On the other hand, its true economic impact will be derived from its reinforcing the role of secondary cities as dynamic poles of regional development. The PL480 Title I Program and the Economic Support Fund (ESF) cash transfer are providing immediate assistance to the central government while this project will reduce the burden of secondary cities on the central government in the medium term.

C. Project Costs and Benefits

1. Overall Approach

Project costs are relatively straightforward with no apparent hidden or "indirect" costs. Capital costs are limited to the cost of facility construction and commodity purchases. Other direct costs are those associated with training and revenue enhancement. Recurrent costs include the the cost of maintaining facilities and equipment. The project makes provision for covering recurrent costs through the collection of fees and taxes. In fact, the facilities will generate substantial funds for the municipalities.

Measurable project benefits include municipal revenues derived from user fees on project facilities and increases in property tax yields in conjunction with the simplified cadastre. These benefits are expected to last well beyond the LOP. Immeasurable, yet tangible benefits are increases in levels of municipal service provision and the improvement in human resource quality through training.

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The overall balance of benefits and costs from the total project is expected to be strongly positive because of the stimulus to economic development provided by an improved administrative and physical environment for private sector growth. The increase in tax collections at the municipal level will make municipal services more self-supporting and reduce the fiscal and administrative burden on the central government, thus strengthening the overall macroeconomic situation. The growth of urban-based development throughout the country, rather than its concentration in Abidjan, will create significant benefits in terms of the reduction of congestion costs, environmental costs, social tensions, etc. All the costs and benefits mentioned above are extremely difficult to quantify, but this difficulty does not diminish their importance. Anecdotal information and casual observation of the experience of similar activities carried out by RHUDO indicate the substantial benefits from these activities. The training and technical assistance under this project will be much more important than in the past. Unfortunately, these are the most difficult components to evaluate, although in theory they have the most potential for producing positive results.

A straightforward analysis of the physical infrastructure projects is presented in order to illustrate the order of magnitude of the results. The four types of project analyzed are: 1) Commercial centers; 2) Covered markets; 3) Slaughterhouses; and 4) Transportation depots. The exact mix of these projects will be decided during the first year of the project so it is not possible to calculate the overall rate of return on the construction component. Furthermore, no attempt will be made to calculate the benefits from the training and technical assistance. The benefits for each type of structure are based on observations of similar projects carried out by RHUDO in Cote d'Ivoire. The new projects could have larger or smaller benefits than predicted though the costs probably will be quite accurate. The analysis is somewhat flawed because it does not present the situation with and without the projects, which tends to overstate the benefits. Nevertheless, the exercise is instructive, though the caveats and discussion of nonquantified benefits should carry more weight than the numbers that are presented.

2. Commercial Centers

These structures house a number of shops occupied by individual retail businesses, generally service businesses, such as vehicle repair, restaurants, etc., on a permanent basis. Construction costs are estimated to be FCFA 77 million or about \$280,000. The retail turnover will be about FCFA 103 million in the first year, of which FCFA 41 million represents the value added by the retailing service function. This value added, minus the recurrent cost of the facility, is considered the cash flow or

benefit of the project. The cash flow of the project over 20 years, including the first year construction cost, was discounted at 10 percent to yield a net present value of FCFA 175 million, which is substantially greater than the construction cost of FCFA 77 million. The internal rate of return is 23.2 percent, which is much greater than the opportunity cost of capital. The benefit cost ratio (B/C) calculated by comparing the NPV of the benefits to the NPV of the costs is 2.3.

By the three measures calculated above, the construction of a commercial center is a socially desirable activity. It also is something that the private sector should be able to provide. As noted earlier, the analysis suffers from the drawback that it does not compare the situation with the project to the situation without the project. Undoubtedly, some of the retail activity would take place without the project; on the other hand there would be offsetting costs as well. There are, however, a number of other considerations that are important, but not quantified in this economic analysis.

- The financial analysis demonstrates that the fees charged for the use of the facility more than offset the recurrent costs;
- The commercial center facilitates larger tax collections that are needed by the municipality;
- The amount of credit available for real estate development is extremely limited because of the financial crisis so that private investment might not take place.

3. Covered Markets

Covered markets are one story concrete structures with metal roofs that provide tables or other open space for small traders. Fruits and vegetables are the primary commodities, although cereals, prepared foods, manufactured goods and other items are sold. A variety of miscellaneous services are also provided in covered markets. These markets tend to replace smaller, primitive markets made up of individual stalls, tables or simply a spot on the ground. Most of the activity is at the retail level, although there often is the wholesale activity of supplying the traders with goods, or even the collection of goods for movement to other markets. The same analysis was carried out for a covered market as for a commercial center. The traders tend to operate on a smaller scale, and also with smaller margins than the service businesses at the commercial center. Thus the value added as a percentage of retail turnover (21.5%) is lower than for the commercial center (40.0%). In fact, when fees, taxes, rents, etc. are added to the retail price, the retail value added is only, 14 % of the total. Although there are many more sellers in a covered market than in a commercial center, the total turnover is

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smaller, the cash flow is significantly lower and the construction cost is higher. The markets generate substantial amounts of revenue, however, to cover rents, utilities, fees and taxes. In the first year of operation, these items or costs amount to FCFA 38 million, while the wholesale cost is FCFA 59.8 million and the retail mark-up (value added) is FCFA 16.4 million.

The narrowly defined internal rate of return is 7.6 percent, the net present value of the cash flow (FCFA 80 million) is lower than the construction cost (FCFA 122 million), and the benefit cost ratio is less than 1.0 (0.8). Some part of the rents, taxes and fees is also value added, so the IRR and the B/C ratio could be as high as 10% and 1.4 respectively.

There are good reasons to construct these markets even though the economic analysis may argue against them. Some of them were listed in Section C.2, but in addition:

- They promote improved health through better sanitation practices by getting the produce, the customers and the traders out of the mud;
- They serve large numbers of low income traders, usually market women, which is the largest concentration of employment in most secondary cities;
- Greater competition is fostered, which leads to lower prices and improved nutrition for the urban masses;
- The quality of life of the sellers and buyers is improved;
- They create a more attractive commercial environment that may promote economic growth in the secondary cities rather than in Abidjan;
- More sales will take place in the secondary urban market, rather than in larger cities, which reduces travel costs for consumers and reduces congestion costs in the larger cities;
- The political benefit to the U.S. of providing visible economic assistance is significant, in part because a covered market is requested more than any other service;
- Markets are the largest source of revenue for municipalities and increase the amounts of taxes collected;
- Better markets increase total production in the area served, raising income and lowering under-employment;
- The income earned by market women, although often a small part of total family income, can make the difference in deciding not to migrate to Abidjan, to continuing to send children to school, or paying for health services.

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4. Transportation Depots

Transportation depots are paved areas where wholesale markets occur as well as a place for buses and taxis to stop. For economic analysis purposes, only the buying and selling of goods at the wholesale level were included in the calculations. Although transportation depots are relatively cheap to build and maintain, the value added is relatively low because of the small margins in the wholesale business. Nevertheless, the net present value of the cash flow exceeds the construction cost and the internal rate of return is about 13 percent.

The transportation depots are especially important for facilitating the flow of produce from rural areas to urban areas, and thus in increasing production. Farmers have little incentive to produce a surplus if there is no buyer or market where he can go to sell his produce in bulk.

The transportation depots also are complementary to covered markets by providing a steady supply of goods. These depots also facilitate the operation of the transportation system which ties the rural areas and secondary cities into the larger, national economy.

5. Slaughterhouses

The fourth type of infrastructure planned under this program is the slaughterhouse. These are very small structures that provide a place for private butchers to slaughter animals under improved sanitary conditions. There is a concrete floor, running water and drains that greatly improve the probability that consumers will receive meat that has not been contaminated by filth.

The slaughterhouses are the cheapest item to build at PCFA 18.2 million or about \$67 thousand. They have a high IRR of 46 percent because of the high turnover relative to the construction and recurrent costs. The net present value of the cash flow exceeds the construction cost by a factor of 5. The B/C ratio is 4.5. In addition, the municipality collects fees and taxes that make the operation profitable.

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6. Recapitulation

The infrastructure projects on average have an IRR that exceeds the opportunity cost of capital. Comparison with the situation without the project might drop the IRR below this level. That is to say, the net increase in production and retail turnover, all of which would be value added for this more ideal analysis, might not justify the physical investments, especially that of the covered markets. Adequate data are not available to even guess at the magnitude of increase. Nevertheless, relatively small increases in marketed production are much more significant in terms of value added than is the value added by retail marketing of existing production. That is virtually the entire amount of new production, especially in agriculture, is considered value added.

The construction of covered markets, transportation depots (wholesale markets) commercial centers and slaughterhouses are important for another reason. Marketing activities provide local governments with up to 74 percent of total local revenues. Improved markets can make it easier to identify traders, assess taxes and collect revenues. Improved administrative practices, as taught in the training courses, are likely to be more effective than new physical facilities, but physical infrastructure plays a role in the total package. Perhaps the intangible of improving civic pride is more important than any simple quantifiable item. The goal of the project is to promote decentralized development with all its benefits. This project, with its three main components, will advance the goal. The overall rate of return of project expenditures cannot be calculated in advance, but the previous experience in Cote d'Ivoire encourage us to do more.

COMMERCIAL CENTER

YEARS	CONST COST	RECURRENT CST	TOTAL COST	RETAIL TRN	WHOLESALE TRN	VALUE ADDED	CASH FLOW
1	77,600,000	0	77,600,000				(77,600,000)
2		1,740,000	1,740,000	102,960,000	61,776,000	41,184,000	39,444,000
3		1,740,000	1,740,000	103,989,600	62,393,760	41,595,840	39,855,840
4		1,740,000	1,740,000	105,029,496	63,017,698	42,011,798	40,271,798
5		1,792,200	1,792,200	106,079,791	63,647,875	42,431,916	40,639,716
6		1,845,966	1,845,966	107,140,589	64,284,353	42,856,236	41,010,270
7		1,901,345	1,901,345	108,211,995	64,927,197	43,284,798	41,383,453
8		1,958,385	1,958,385	109,294,115	65,576,469	43,717,646	41,759,261
9		2,056,305	2,056,305	111,479,997	66,887,998	44,591,999	42,535,694
10		2,159,120	2,159,120	113,709,597	68,223,758	45,483,839	43,324,719
11		2,267,076	2,267,076	115,983,789	69,590,273	46,393,516	44,126,440
12		2,380,430	2,380,430	118,283,485	70,982,079	47,321,386	44,940,956
13		2,499,451	2,499,451	120,669,534	72,401,720	48,267,814	45,768,362
14		2,624,424	2,624,424	123,082,925	73,849,755	49,233,170	46,608,746
15		2,755,645	2,755,645	125,544,583	75,326,750	50,217,833	47,462,188
16		2,948,540	2,948,540	128,055,475	76,833,285	51,222,190	48,273,650
17		3,154,938	3,154,938	130,616,584	78,369,951	52,246,634	49,091,696
18		3,375,783	3,375,783	133,228,916	79,937,350	53,291,566	49,915,783
19		3,612,088	3,612,088	135,893,494	81,536,097	54,357,398	50,745,309
20		3,864,934	3,864,934	138,611,364	83,166,819	55,444,546	51,579,611

DISCOUNT RATE 0.1 NPV 175,044,670

IHR 0.232365

COST BENEFIT 2.3261

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COVERED MARKET

YEARS	CONST COST	RECURRENT	TOTAL COST	RETAIL TURN	WHOLESALE TRN	MUN. REVENUE	VALUE ADDED	CASH FLOW
1	90,000,000	0	90,000,000					(90,000,000)
2	32,000,000	2,000,000	34,000,000	76,240,000	59,840,000	15,166,000	31,566,000	(2,434,000)
3	0	2,400,000	2,400,000	85,388,800	67,020,800	15,620,980	33,988,980	31,588,980
4	0	2,472,000	2,472,000	93,927,680	73,722,880	16,089,609	36,294,409	33,822,409
5	0	2,546,160	2,546,160	100,502,618	78,883,482	16,572,298	38,191,434	35,645,274
6	0	2,622,545	2,622,545	105,527,748	82,827,656	17,069,467	39,769,559	37,147,015
7	0	2,701,221	2,701,221	108,693,581	85,312,485	17,581,531	40,967,646	38,261,425
8	0	2,782,258	2,782,258	111,954,388	87,871,860	18,108,997	42,191,526	39,409,268
9	0	2,865,726	2,865,726	115,313,020	90,508,016	18,652,267	43,457,271	40,591,546
10	0	3,009,012	3,009,012	118,772,411	93,223,256	19,211,835	44,760,989	41,751,978
11	0	3,159,462	3,159,462	122,335,583	96,019,954	19,788,190	46,103,819	42,944,317
12	0	3,380,625	3,380,625	126,005,650	98,900,552	20,381,836	47,486,934	44,108,309
13	0	3,617,268	3,617,268	129,785,820	101,867,569	20,993,291	48,911,542	45,294,273
14	0	3,870,477	3,870,477	133,679,395	104,923,596	21,623,090	50,378,888	46,508,401
15	0	4,257,525	4,257,525	137,689,776	108,071,304	22,271,782	51,890,255	47,632,710
16	0	4,683,277	4,683,277	141,820,470	111,313,443	22,939,936	53,446,962	48,763,685
17	0	5,385,769	5,385,769	146,075,084	114,652,846	23,628,134	55,050,371	49,864,602
18	0	6,193,634	6,193,634	150,457,336	118,092,432	24,336,978	56,701,882	50,934,248
19	0	7,122,680	7,122,680	154,971,056	121,635,205	25,067,087	58,402,939	51,980,259
20	0	8,191,082	8,191,082	159,620,188	125,284,261	25,819,160	60,155,027	51,961,945

DISCOUNT RATE 0.1 NPV 153,402,419 IRR 0.1001

COST BENEFIT 1.4048

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SLAUGHTERHOUSE

YEARS	CONST COST	RECURRENT CST	TOTAL COST	RETAIL TRN	WHOLESALE TRN	VALUE ADDED	CASH FLOW
1	18,200,000	0	18,200,000	0	0	0	(18,200,000)
2	0	1,080,000	1,080,000	180,000,000	158,400,000	21,600,000	20,520,000
3	0	1,080,000	1,080,000	180,000,000	158,400,000	21,600,000	20,520,000
4	0	1,080,000	1,080,000	183,600,000	161,568,000	22,032,000	20,952,000
5	0	1,123,200	1,123,200	187,272,000	164,799,360	22,472,640	21,349,440
6	0	1,168,128	1,168,128	191,017,440	168,095,347	22,922,093	21,753,965
7	0	1,214,853	1,214,853	194,837,709	171,457,254	23,380,535	22,165,682
8	0	1,263,447	1,263,447	198,734,545	174,886,399	23,848,145	22,584,698
9	0	1,313,254	1,313,254	204,696,581	180,132,991	24,563,590	23,224,336
10	0	1,419,609	1,419,609	210,637,478	185,336,981	25,300,497	23,880,888
11	0	1,504,786	1,504,786	217,162,603	191,103,096	26,059,512	24,554,726
12	0	1,625,169	1,625,169	223,677,481	196,836,183	26,841,298	25,216,129
13	0	1,755,182	1,755,182	230,387,805	202,741,269	27,646,537	25,891,354
14	0	1,895,597	1,895,597	237,299,439	208,823,507	28,473,933	26,580,336
15	0	2,047,245	2,047,245	244,418,423	215,088,212	29,330,211	27,282,966
16	0	2,251,969	2,251,969	251,750,975	221,540,858	30,210,117	27,988,148
17	0	2,477,166	2,477,166	259,303,504	228,187,094	31,116,423	28,639,255
18	0	2,724,883	2,724,883	267,082,610	235,032,696	32,049,913	29,325,031
19	0	2,997,371	2,997,371	275,095,088	242,083,677	33,011,411	30,014,040
20	0	3,297,108	3,297,108	283,347,941	249,346,188	34,001,753	30,704,645

DISCOUNT RATE

0.1

NPV
93,548,951

IRR
0.4619

COST BENEFIT
4.5116

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ANNEX B

**THE DECENTRALIZATION PROCESS
IN COTE D'IVOIRE**

Prepared for REUDO by:
Jennifer L. Mandel
Consultant
School of Public and Environmental Affairs
Indiana University
August 9, 1990

2. The Post-Independence Period -- 1960 - 1980

When Cote d'Ivoire gained independence in 1960 the decision was made to maintain a highly centralized system of government. This was based on: 1) the fact that the system was already in place; 2) the fear that decentralizing would cause problems between the different ethnic and religious groups who might polarize different areas of the country; and 3) the feeling that the foremost task facing the new government was economic development for which a centralized system was the most conducive. Thus the French system remained the base of this "new" system of government, which in fact was the result of only minor restructuring and the creation of a new terminology for the different levels of administration. The newly independent government was structured in terms of the department, the sous-prefecture (cercles), the canton and the village, and the commune.

The regional and local government was managed by "prefets" who headed the departments or "prefectures" and "sous-prefets" who governed at the local level on behalf of the central government. These positions continued to be filled by central government appointment as they had been under the French. Those appointed worked as agents of the central government. Their work was supervised by the Ministry of the Interior who also nominated them to their position.

The major responsibility of these officials was to enforce the laws of the central government. The responsibilities of the "prefets" included: administrative and political decision making, financial control, control of the police and armed forces in the area, and any other responsibilities delegated to them by the Ministry of the Interior. In addition, the "prefets" served as mayors in the major urban areas. The responsibilities of the "sous-prefets" were to act as auxiliaries to the "prefets". Their power was concentrated at the local level where they supervised the chiefs of the cantons and villages within the area. They also acted as the mayors of the towns where they were headquartered, unless it happened to be the same as the "prefets" whose power superseded their own.

The commune, which would later become the fundamental unit for the decentralized government, continued to be maintained as a part of the central government. In this post-independence period the commune was defined as it had been under the colonial law of 1884, which was modified in 1955, as "territorial groupings possessing a legal identity and financial autonomy." (Dai, p.4) There were two types of communes. The first was "le commune de moyen exercice" (partial autonomy). These communes, which were the majority at the time, were the major urban centers of the country and had only limited powers and autonomy. The "prefets" acted as "administrator-mayor". The second type of commune was one of

THE DECENTRALIZATION PROCESS IN COTE D'IVOIRE**PART I - INTRODUCTION**

The decentralization process in Cote d'Ivoire officially started on October 17, 1980 with the promulgation of Law No. 80-1180. This system of government was implemented in direct response to the economic crisis that first became apparent in the late seventies. There are several major objectives of the process. The first is to get the population more involved in the developmental decision making of the country. The second is to relieve the central government of the burden of fully funding economic and urban development in the country as it had been doing up to that point. Finally, there is the desire to strengthen the urban centers of Cote d'Ivoire and their ties to the surrounding rural areas so that they can become "poles of development" which will foster local and ultimately national economic growth. It is these units consisting of an urban center and surrounding rural area, called communes, that form the base of decentralized government in Cote d'Ivoire.

While it would appear that the first of these objectives is being met quite adequately, given the youth of this process there have been a number of problems in meeting the last two objectives. The central government continues to support much of the development that is occurring in the country at this time. In addition, owing to a lack of material and human resources as well as experience, the newly created municipalities are not yet the centers of development they are intended to be. Before examining these problems it is important to have an understanding of the history and current status of the decentralization process in Cote d'Ivoire. The first part of this paper briefly explains the political and economic history of Cote d'Ivoire. It then carefully examines the current administrative structures intended to be the implemented form of the decentralization process. The second part of the paper analyzes the process of decentralization in order to identify key problems and constraints which will affect future progress.

PART II - BACKGROUND AND CURRENT SITUATION**A. Decentralization -- An Historical Perspective****1. Colonial Administration**

Decentralization in Cote d'Ivoire is structurally based on the highly centralized system of the French colonialists. This system reached even the lowest levels of the Ivorian population through a series of increasingly smaller and lower levels of administration that were all controlled by the central government. The Cote d'Ivoire was divided into territories or "cercles", then subdivisions and finally cantons.

"plein exercice" (full autonomy). There were only two of these -- Abidjan and Bouake, which were the largest Ivorian cities. They were fully autonomous and independent. However, this was only evident in that the municipal councils elected the mayor rather than his being appointed. In both cases the municipal councils, which were elected every six years, were in fact very ineffectual bodies that were only rarely consulted by the mayors.

This period in Ivorian history was marked by rapid economic, urban and population growth. Between 1965 and 1988 the population of Cote d'Ivoire increased from 4.3 to 10.8 million. There were two primary causes for this. The first was natural population growth and the second was a function of the in-migration of people from neighboring countries who also wanted to benefit from the economic success of the country. In order to perpetuate the economic growth of the period the agricultural sector was strengthened and expanded.

In addition, there were major investments being made in urban infrastructure in the major cities of Cote d'Ivoire in order to accommodate the needs of its growing urban population. By 1980 this rapid urban development resulted in the expansion of the number of departments from 4 to 34 and an increase of the number of "sous-prefets" to 236. The central government provided everything from streets and schools to public health, water and electricity.

During this period of economic prosperity the centralized form of government was very effective. It was probably for this reason that the first steps toward decentralization taken in 1967 were never implemented. At that time the government created Committees for Regional Development whose mission was to identify an area in each of the regions of Cote d'Ivoire that could serve as the seat of regional development. Under the proposed system the regional administrative authority was to be the "prefet", but the planning process for the region was supposed to be bottom up. However, the "prefets" were never named and the new system was never implemented.

B. Decentralization -- Causes and Objectives

1. Causes

In the late seventies the bottom fell out of the coffee and cocoa markets. These products were the country's primary exports and therefore the basis of its economic success. When the world market prices of these products fell twice before the close of the decade, Cote d'Ivoire faced serious economic problems. This is what prompted the government's move toward decentralization.

Another factor was the expansion of the urban centers which were growing at a rate of 8.81% per year while the rural areas were only growing at a rate of 1.69% per year. This rapid rate of growth increased the demand for urban services which the government was unable to meet. Between the periods 1975 - 1980 and 1980 - 1985 the state's investments in urban infrastructure dropped by more than half from CFA 35,000 per capita per year to CFA 15,000 per capita per year. The final factor was that the highly centralized system had grown stagnant. A small group of the ruling party, PDCI, controlled the government. By 1980 the party had lost its "mass appeal", which was evident in the call for change on the part of "a new (often well educated) generation" of people. (Dai, p.5) The hope was that the increased need for leaders caused by a decentralized system of government would provide the much needed new blood.

2. Objectives

There are three major objectives of decentralization. The first is to stimulate local economic development with the hope that this will in turn stimulate national economic growth. The second is to continue the process of rational urbanization and regional development which had been started in the post-independence years. This is being done through the promotion of cities other than Abidjan as "poles of development for the country. The final objective is to involve the population more in the daily affairs of their communities and the planning and prioritizing of development. These are all to be accomplished by: a) involving the population in political decision making through democratic elections; and, b) by making the local authorities responsible for meeting the needs of the population. This would in turn relieve the central government of the financial burdens it could no longer manage.

C. The Phases of Decentralization

1. Phase I -- 1980 - 1985

Decentralization began with the promulgation of the municipal law of 1980 which created 29 new communes for a total of 37. The municipal code of 1980 is being progressively implemented through a series of decrees which confer on the municipalities increasingly broad areas of "competence" or responsibility. This code defines a commune as an urban center and its surrounding rural area within a five to eight kilometer range. It also stipulates that each commune is governed by a democratically elected mayor and municipal council. The size of the council depends on the size of the commune, as does the number of assistants the mayor may have. The criteria for the creation of a commune during this phase were its ability to sustain itself economically and "the existence of a real community of interests perceived as such by the inhabitants." (Koffi, p.4). Regional studies were conducted prior to the

creation of the communes to determine which of the newly developed cities were most able to support themselves economically.

According to officials at the Direction des Collectivites Locales (DCL), the branch of the Ministry of the Interior (MOI) responsible for managing the process of decentralization, the major milestones of this phase in the process were: the creation of the new communes; the promulgation of a municipal code; and the creation of a real communal development policy.

2. Phase II -- 1986 -1990

At the beginning of the second phase of decentralization, with the creation of 98 new communes for a total of 135, almost half of the nation's population was brought within a communal area. Those outside this area are still governed by the "prefets". Unlike the original group of communes, the new ones were the creation of political pressure rather than of rational economic planning. While it is obvious that many areas which wanted to be communes met the second criterion for communalization, communal identity, most of the new communes could not meet the first and more important criterion, economic sustainability. Therefore many of the new communes continue to depend on the central government for as much as 80% of their budget. Yet it is the creation of these communes that the central government points to as a milestone of the second phase of decentralization. The only other milestone for the phase is the transfer of more responsibilities to the communes, both those that were already created and the newly created ones.

In many ways the communalization process in Cote d'Ivoire is also a process of urbanization. Almost half (45%) of the population of Cote d'Ivoire live in the urban areas of the country. If urbanization continues as it has, the urban population will treble in size by the year 2000. Even so the majority of communes are small with populations of 20,000 or less, and many still derive the greater part of their resources from the rural areas within the commune.

D. Administrative Structures of Decentralization

1. Municipal Administrators

Communal administration consists of two major organs -- the mayor and the municipal council. These are elected every five years. Theoretically the municipal council represents the population and the mayor represents the central government. However, the municipal council is elected as part of a mayoral slate. In other words, when the population votes for the mayor it is also electing his municipal council. Together these bodies have comprehensive decision making and administrative powers which include: budgeting, taxation, contracting for work, providing services, and managing and trading municipal goods.

The municipal council is the locus of all political debate in the commune. All major communal policy and budgeting decisions are made here. It is a collegial body that is required to meet at least three times a year and whenever the mayor, who is the head of the council, calls a meeting (i.e. when there is a decision to be made). Meetings of the council are open to the public. The role of the municipal council is to: a) assure the population the best possible living conditions; b) program communal development according to priorities set by the population; and c) to harmonize these programs with the orientation of regional and national development.

In accordance with the policies of the "tutelle", described in detail below, the central government, through the DCL, exercises a close watch on the activities of the councils. All the minutes of the meetings are sent to the DCL and all decisions made by the council are subject to review and approval by the DCL before they can be executed.

The mayor, his "chef du cabinet", who functions like an assistant mayor, and his assistants serve as the executive branch of the commune. The mayor only has power through the municipal council and his assistants only have it as it is delegated to them by the mayor. They also have power as it is specifically defined by law. They are responsible for implementing all plans and activities decided on by the municipal council as well as the day to day management of the commune. In addition, as the representative of the central government at the communal level, the mayor is responsible for publication and execution of all laws and rules. He is also responsible for the safety of the inhabitants of the commune. Mayors benefit from a clause of general responsibility, but must always act in harmony with central government objectives and within the framework of the law. Like the councils, the mayor is subject to the oversight of the DCL.

In addition to generally helping the mayor fulfill his obligations, the mayor's assistants are specifically responsible for: establishing the agendas for municipal council meetings; coordinating development activities in the commune; supervising the charging and collection of taxes; and determining and supervising the manner of communal work.

2. Communal Employees

There are three types of communal employees.

a. Those who are recruited by the central government and then put at the disposal of the communes. These people are paid by the central government and therefore are a form of governmental aid to the commune. The positions they fill are often technical in orientation such as the Secretary General who is responsible for the day to day management of the commune in which he works.

b. Communal employees who are seconded by the central government to the commune are governmental officials paid by the commune. An example of this is the municipal receiver who is an employee of the Treasury working in the financial department of the commune.

c. There are communal employees who are recruited and paid by the commune. This is the largest group of communal employees and comprise most of the support staff.

Almost all of the well trained personnel in the communes are provided by the central government. According to the 1985 census, the national government civil service employed 110,330 people while the municipal public service only employed 6,838 of which 317 or 4.63% were seconded by the central government. In 1989 the number of seconded officers had more than doubled to 671 while the number of locally recruited employees was 11,958. Of all municipal employees 1,150 or 16.81% work for the City of Abidjan. Of the communal staff about 67% work in technical services departments, 17.5% work in financial departments, and 15.5% work in administrative departments.

3. Municipal Responsibilities

The transfer of "les competences" or responsibilities is the means by which the central government delegates authority to the communes. Although legislation has already been passed giving communes authorization to manage numerous areas of responsibility, actual implementation of this law must take place through the passage of decrees by the Council of Ministers. Implementation is happening progressively as each new area of "competence" is transferred by decree. There are eight areas of responsibility that have already been passed on to the communes: cultural -- museums, libraries, theaters, and cultural centers; public health -- dispensaries, health centers and infirmaries; green areas -- play grounds, parks and gardens; public utilities -- water and electricity; education -- preschool, primary schools, orphanages, buildings for teaching personnel, sports fields, and health facilities; public hygiene and veterinary -- maintaining clean areas where animals are sold and the transport of animal products within the communal area; social -- social centers and groups.

None of the above described areas of responsibility are clear cut. For example, communes are responsible for education up to the high school level; after that it remains the responsibility of the central government. This is problematic because all communes have primary schools, but many don't have high schools and want them. The Ministry of Education retains responsibility for hiring and paying teachers so that if a commune builds school the central government may not be able to staff it for them. Similar problems exist in the other areas of responsibility. However at least theoretically, "all the

jurisdiction exercised in the localities by the central government and its decentralized administration should be gradually transferred to the communes." (Attahi, p.115) Given these areas of responsibility, communes organize their work into three general areas: local government services; socio-cultural services and manpower; and economic services. Local government services include responsibility for highway and road networks, town planning, environment, public hygiene and sanitation, water supply, and cemetery and funeral services. Socio-cultural services include: education, public health, welfare work, housing, sports and leisure, and cultural activities. Economic services includes management of loans for agriculture and livestock farming, forestry, hunting and fishing, mineral resources, transportation and communication, industry and trade, arts and crafts, and tourism. Although, theoretically, communes should be providing all of these services according to the Municipal Code, only a few are offered in reality. Not even the most wealthy and well organized communes have the human and material resources to offer all the services as yet. However, some do have the means to at least offer a small amount of assistance to the needy. To manage these services as well as the other communal functions the communal administration are typically divided into four departments. The administrative department is responsible for personnel, civil law, legalization of documents, management of the military bureau, youth and sports activities, and social and cultural activities. Of these responsibilities, only personnel and civil law currently function at all. Personnel only works partially because of the lack of a statute concerning municipal employment which places many communal employees outside its jurisdiction at the moment.

The technical services department of most communes, on the other hand, works quite well. It is the principal means of active management for the communal administration. Its services include: maintenance and hygiene, public roads networks, town planning, housing and research and the garage. Of these the communes manage to provide at least the basic services like garbage collection, cleaning the markets, and maintaining the roads. In general this department is the best functioning in the communes. Yet, it is still severely under-equipped and therefore only operating at a barely adequate level. The central government is helping by providing trained personnel for many of these departments. However, there are no formal arrangements for collaboration among the communes themselves and between the communes and the central government in such area as equipment purchasing.

The financial department of the communes, which is responsible for all municipal accounting, is generally the most developed. It is run by an administrative secretary who is assisted by officials trained in accounting. Also working in

this department is the municipal receiver. He provides a check on communal budgeting and accounting procedures on behalf of the central government by whom he is employed. However, even national financial officials are having trouble adapting to new communal finance and budgeting procedures, which have only been in effect since 1984. Many of the municipal officials complain that they are too complex and cumbersome to be useful. At least some of the problems may have to do with lack of experience in such areas as estimating receipts when the budget is being written.

The last department is the archives. Although, this function does exist in most of the communes, it is not structured as a separate department. In most communes the function of archiving all communal records falls under the jurisdiction of the administrative department.

4. The Tutelle

The management policy of assistance and control of local government units in Cote d'Ivoire is called the "tutelle" and is exercised by the Ministry of the Interior (MOI) primarily through the DCL. "The central government has judged it necessary both to give them (the municipalities) assistance and to control their activities, partly because of their youth, but above all because they deal with public property." (Attahi, p.140) The aim of this close supervision of the communes is to keep the communes working within legal boundaries. The grounds for this are: the new communes are supported by the central government; there is a lack of qualified people working within the communes; and the municipalities lack experience in government. There is, therefore, a need for an apprenticeship period for the communes to develop into independent political entities.

The role of the DCL is to oversee the management of the communes, provide a framework for communal administration, and to provide technical and financial assistance. Their regulatory functions include: keeping communal operations within legal boundaries; training and development of communal personnel; ensuring that the development programs and management schemes of the communes are consistent with the general urban planning policies of the central government. In other words, the DCL assures that local urban development plans respect the orientation and regulations of the central government's master plan.

There are several levels at which the DCL can supervise and sanction the activities of the communes. It can suspend elected officials on the grounds of fraud, embezzlement, ineligibility for the post, poor management, etc. It can even dissolve a whole municipal council for just cause. Alternatively, it can decide to simply suspend a particular action of a mayor or the municipal council. However, this

rarely happens since the commune must have the approval of the DCL prior to taking most actions.

The DCL has over 96 areas of control and over 436 specific tasks. Most of these are purely routine and are designed to enforce operational uniformity, but some, like those mentioned earlier, are more dramatic.

One area in which the DCL is particularly active is training. Although much of the training itself is conducted through the National School for Administration (ENA), the teaching staff is usually drawn from the cadre of DCL officials. Developmental agencies and other non-governmental agencies also provide assistance in this area, which is particularly important since most newly recruited municipal agents need at least a minimum amount of training in communal management. Because a coherent training policy has not yet been achieved, the DCL has opted to do on the spot training, with seminars and short courses to reinforce it.

There are two other governmental agencies that help the DCL to fulfill its responsibilities. The Treasury not only provides the municipal receiver for the communes, but also trains municipal financial officers. In addition it helps the DCL in setting out and implementing guidelines for communal financial management.

The second agency that should assist the DCL more is the Department of Territorial Administration (DAT). Also located within the Ministry of the Interior, it coordinates the activities of the "prefets" and "sous-prefets". Theoretically the DAT agents should perform more of the routine assistance and control functions required under the "tutelle" since they have officials located at the departmental level, which is geographically closer to many of the communes than Abidjan. Presently, the "sous-prefets" maintain the electoral lists and the military bureau, which is a communal responsibility that has not yet been transferred to them, but that is the sum of their assistance. Otherwise the "prefets" and "sous-prefets" continue to operate much the same way they did prior to decentralization and are not relieving the DCL of its administrative burden.

5. The City of Abidjan

The city of Abidjan is an agglomeration of ten communes: Yopougon, Abobo, Cocody, Plateau, Treichville, Marcory, Attécoubé, Port Bouet, and Koumassi. It is responsible for the provision of services and the co-ordination of development for the region of Abidjan. The city administration primarily exercises the technical powers of an urban district or community. For example, it is responsible for garbage collection for the ten communes that make up the city. It acts as an intermediate government between the ten communes and the

central government. However, its powers relative to the communes are rather vague as is the division of responsibility between the city, the central government, and the communes.

In terms of administrative structure, the city operates like the communes. It has an elected city council and a central mayor. The mayor is chosen from and elected by the mayors of the ten communes. After the central mayor of Abidjan has been elected, the commune that he originally represented elects a new mayor. There is no clear hierarchy between the mayors of the communes and the Mayor of Abidjan. According to law they all have the same status. The Mayor of Abidjan has the same staff as the mayors of the communes. The only difference is that even though the Secretary General of Abidjan is detached from the central government public service, unlike the secretary generals in the communes, he is paid by the city of Abidjan rather than the government.

The city council has five representatives from each of the ten communes. It is responsible for many of the same things as smaller communal councils, but has additional responsibilities as well. Many of the responsibilities of the ten communes of Abidjan are exercised by the city of Abidjan instead because they can be exercised globally in a more effective manner. These responsibilities include: the road system, traffic and parking; urban planning; street lighting; planning, management and supervision of cemeterias. Finally the city is responsible for first aid and fire fighting services and regulation of public land and property.

Technical services are the major responsibility of the City of Abidjan. This is evident in that 75.5% of all the city's employees work in the technical services department. The rest are divided between the administrative and financial departments, which serve primarily as supports to the technical department, -- 14.77% and 9.63% respectively. The City of Abidjan is so much better equipped in terms of technical and material resources, such as trucks, than the other communes and even the central government that it often helps them with such things as road maintenance. By far the largest expenditure of the City's technical department is its contract with SITAF, which is the company responsible for garbage collection for the whole city.

E. Municipal Finances

1. Municipal Revenue

Municipal revenue in Cote d'Ivoire comes from five major sources: taxes; receipts for fees and services; revenues from public property; investments, grants and other aid; and finally, miscellaneous sources. One group of revenues is set and collected by the central government. Another is

established and collected by the commune itself. None of these sources is very productive since collection returns tend to be very low. In 1983 land tax recovery was only 32.17%. In 1984 it dropped to only 20.91%. In the same year the business tax recovery rate decreased to only 51.12%. At the same time, government grants are decreasing annually. These drops in tax recovery and grants are a direct result of the economic crisis.

There are eight specific areas of revenue for the communes. The first of these is transferred government taxes, of which there are two types. Both types are established and collected by the central government which then returns all that has been collected to the communes in proportion to their contribution. The first of these is property taxes and the second is the "patente" or business tax. Although the money is theoretically returned to the commune, in reality it is kept in a common coffer at the Treasury which is shared by all the communes and the central government. In addition it can take up to seven months for the commune to receive its share of the money. When the commune incurs an expense the bills are sent to the Treasury to be paid out of its share. It should be noted that this is not a very large percentage of the communal budget. In 1987 property taxes and the "patente" represented only 15% and 9% respectively of the total communal budget. This is probably due to the fact that the communal portion of all government taxes is not very large. In 1983 it amounted to only 2.22% of the total collected by the central government.

The second area of municipal receipts are remunerative. These are user fees or rent paid by inhabitants for various communal services such as space in the public market or use of the communal slaughterhouse.

The third area of revenue is the global grant given by the central government to the communes. This grant only accounts for 1.5% of the total government budget. The money is allocated according to criteria set by the ECL and depends primarily on the size of the commune and the other sources of revenue that they have. However, other technical and political factors are also considered. Thus, in 1986, the older, larger more established communes such as Adjame and Bouake received only 20% of their total revenue from this source. By contrast, the newer, smaller ones received an average of 67% of their total revenue from this source. Some of the very small ones receive as much as 80% of their revenue from the central government.

Communes may also receive grants from other sources within and without the country. For example, if the commune has a particularly wealthy citizen, he might choose to donate resources for a particular project. A commune may also receive a grant from a development agency or other non-governmental organization.

Another source is the "patrimoine" which is also a form of remunerative revenue. This is a user-fee specifically for the rental of communal halls or chairs for occasions such as funerals.

The final form of tax revenue is miscellaneous taxes on such things as movie theaters, taxis, and advertising posters. While on one level these taxes are not specific in the sense that they are for numerous diverse things, on another level they are specific in that each taxable item is clearly stipulated in the law. Communes cannot use this catchall category of tax to create and establish taxes that are not otherwise defined in the law. For smaller communes this is a particular problem since they generally do not have such things as movie theaters, taxis and advertising posters.

The last source of revenue for communes is one that they have not yet been allowed to use - loans. The reasons for this are quite logical. Many communes cannot begin to support themselves. Repayment of a loan would ultimately become the responsibility of the central government in the all too likely event that the commune could not pay it back. Given the size of the national debt at this time the central government must avoid the possibility of increasing it. However, as the communes become more self-sufficient this should become a very useful source of funding for the communes.

2. The Budget Process

The mayor is responsible for the preparation of the communal budget. The Municipal Code, Article 14, specifically stipulates that he must evaluate municipal receipts and that the budget must be sincere and verifiable. It further stipulates that he is not allowed to create fictitious receipts. This is to prevent mayors from trying to find ways to be allowed to execute projects for which they do not really have the means. It is also to prevent corruption which was a serious problem during the first phase of decentralization. After the budget has been written it is reviewed by the finance committee of the municipal council which then passes it on to the council with their opinion. The budget then must be voted on chapter by chapter, then globally by the municipal council. The council can also decide to vote on the budget paragraph by paragraph or section by section instead of chapter by chapter.

After it has been approved by the municipal council, the budget is sent to the DCL for review and approval. If the problems with the budget are simply a matter of form, the DCL can either correct them or it can send the budget back to the commune for revision. If the problems are a matter of substance, then the budget must be revised by the commune with the advice and assistance of the DCL. The mayor has fifteen

days from the time of receipt to get a revised budget to the municipal council. After the revised version has been approved by the municipal council the mayor has three days to get it back to the DCL. If the mayor takes too long with this process, the DCL is allowed to correct it itself. Alternatively, the municipal council can choose simply to refer it back to the DCL for correction. The short time limits can present some problems for communes which are far away from Abidjan where the DCL is located and to where the budget and revisions must be sent.

Once the budget is passed by both the municipal council and the DCL, the mayor is personally responsible for all the communal money: expenditures and receipts. Everything must be accounted for. If he manages the money badly the central government may sanction him. Below a fixed ceiling the mayor may spend communal money as it is allocated in the budget. However, for any major projects he is required to get the approval of the DCL before committing the commune to any expenditures.

The DCL also dictates to the communes what will and will not be kept in the way of communal records and is required to inspect these records annually. The central government cannot impose any expenditures on the communes other than those for which they are directly responsible. They can, however, give the commune more general authority in a particular area, but in this case must also provide the means for fulfilling the additional responsibility. The central government may borrow money from the communes within certain guidelines set by the Council of Ministers. The guidelines are sufficiently strict as to make it almost impossible.

Another form of control imposed on the communes by the central government relative to their budgets is the municipal receiver. This is an employee of the Treasury who works in and with the commune. Although he is paid by the municipality, he is accountable to the government. For this reason two or more communes are allowed to share the same receiver if they so choose, but all communes are required to have one. The municipal receiver is personally accountable for all municipal funds that are not kept in the Treasury. He may deposit this money in the name of the commune either at a bank or at the Treasury. Three times a year the municipal receiver is required to check his accounts against those of the mayor to be sure they match, and, once a year, the Treasury is supposed to do the same.

Although the theoretical framework for a very rigid system of checks and balances on communal budgeting exists, it is not very effective. This is primarily due to a lack of trained personnel. There are still some problems with corruption and mayors who want to build beyond the means of the municipalities.

PART III - ANALYSIS

A. Introduction

The effective implementation of the decentralization process in Cote d'Ivoire is not yet a reality. There are numerous problems inherent in the system as it currently exists which hinder the attainment of this goal. In order to ascertain what these problems were, numerous interviews were conducted with officials of both the central and municipal governments as well as several outside organizations which have been helping the Ivorian government implement this new system. The four communes chosen for interviews are not strictly representative given their location. Two are communes within the city (Abobo and Adjame) and two are outside, but close to the city limits (Dabou and Anyama). Owing to limited time and resources, a more extensive survey was not conducted. At least one major official from each commune was interviewed, and, in some cases, a department head or an assistant to the mayor also sat in. The Directors of both the DAT and DCL were also interviewed as were several other officials within the DCL. In addition, professionals at the Department of Public Works, the World Bank, the Hans Siedel Foundation, and REUDO were included in the survey. By interviewing individuals from various perspectives in the process, an attempt was made to get as complete a picture as possible of the problems in the system.

Prior to examining these problems, it is important to bear in mind several important facts. The process is only ten years old at this point in time. It is a dramatically different system of government from that which was experienced by the country in its first twenty years of independence. This type of change takes time -- to gain experience, to train a sufficient number of administrators, and to change the population's attitudes and behavior in terms of their governmental system. In many ways this process is one of trial and error where mistakes are made and laws need to be modified before the system can function as it is intended.

B. Administrative Problems of the Communes

1. Personnel

In addition to the general dearth of municipal employees, there are numerous problems within the personnel structure of the communes. There is a lack of clear definition of roles. This is most evident in the conflict that often exists between the "Chef du Cabinet" and the Secretary General. The "Chef du Cabinet" is appointed by the mayor and heads the office for him. Theoretically, he should be most concerned with the "political" management of the commune while the Secretary General, who is appointed by the central government, should be responsible for

the administrative management of the commune. However, what is political and what is administrative is not clearly defined. To further complicate the matter the Secretary General is often seen as a pawn of the government not only by the "Chef du Cabinet", but also by the mayor. This results in his being excluded from information and decision making which can be a very serious problem since he is usually the only one of the three who is a full-time employee of the commune.

Another issue that is tangentially related is that many people working within the communes are volunteers. This includes the mayor and the municipal counselors. In all the communes visited, the mayor was not present at the office more than twice a week. This is often also true of the "Chef du Cabinet". A solution to this problem which is practiced in the commune of Dabou, is to have the mayor and his assistants rotate being at the office six days a week. Thus, there is always someone beside from the Secretary General there to deal with any problems that come up. However, Dabou is not one of the communes where conflict between the mayor and his assistants and the Secretary General seems to exist.

The problem of the voluntary nature of the job of the mayor and municipal counselor has other serious ramifications. For the communes that are far removed from Abidjan, it can mean an absentee mayor if his job is located in Abidjan, as is often the case. In order to be mayor it is not necessary to live in the commune only to be from the commune. Given that most of the people who serve as mayor have other full-time employment which is often not in the commune, serious problems in management can arise.

In addition to the voluntary nature of the positions, there is the problem of little or no remuneration for the work of the mayor and municipal counselors. For the mayors this is not usually serious a problem since most if not all have other forms of income. However, it does present some serious problems for the municipal council. Only the commune of Dabou did not express a problem with getting municipal counselors to come to meetings. For some communes it is difficult to get a majority at council meetings. Although it is required by law that municipal counselor live in the commune that they represent, the further the commune is from Abidjan the more difficult it can be because many of them work in Abidjan and do not want to or are not able to travel the distance to the meeting. This is often a result of the high cost of travel and the fact that they are not remunerated. Most of the communes felt that municipal counselors should at least be reimbursed for official travel.

Another set of issues relative to communal employees is that of education and training. Almost all the qualified people working within the communes come, in one way or another, from the central government. In general, throughout the Cote d'Ivoire

there is a lack of people trained in the skill areas needed for work in the communes. In addition to a lack of specific training, there is a fundamentally low level of education among the people working within the communes. The "Chef du Cabinet" of Adjame felt that even if there were training available for most of the communal employees, they would not have the fundamental educational base to benefit from it. He also expressed this opinion about some of the municipal counselors, who he felt did not have the educational background to understand their responsibilities, much less properly carry out the business of a municipal council meeting. Dabou representatives did not concur with this perspective. They felt that their council was representative of the inhabitants of the commune, including farmers, businessmen, educators, etc.. Although this means that there are some members who were considerably better educated than others, because the business of the municipal council is practical, having to do with the activities of the commune, all the members understand their role and participate actively.

Another opinion expressed on the training of communal personnel was that those recruited by the mayors are particularly poorly equipped for their responsibilities. This is due to the fact that the mayors recruit on the basis of friendship and nepotism. However, two out of the four people interviewed at the communal level were mayoral appointees. Both of these gentlemen had university training. While it is apparent that there is a need for more training at the communal level, there is only limited evidence to suggest lack of educational background among municipal employees is such that they would not benefit from training.

There is agreement, however, that the only people who should be trained are those who are not elected or appointed to their positions. This was most firmly expressed regarding the mayors. The perspective is that these people may or may not hold their job for more than five years. In addition, they are seen as politicians rather than administrators. The consensus is that the training of municipal officers should be limited to sensitizing them about their role and responsibilities. This should be done through seminars such as those presented by the Union of Cities and Communes of the Cote d'Ivoire.

There also seems to be a consensus that all of the best trained people are employees of the central government rather than of the commune. The argument put forth by the central government is that the DCL, which represents the government, needs to be equipped with personnel before the communes in order to increase their ability to oversee the work of the communes. However, this would seem to be counter to the principle goal of decentralization which is to ultimately have fully autonomous and independent municipal governments.

There are two areas where a need for more training is evident. The first is in the area of communal financial management. There are simply not enough people who understand the fundamentals of accounting or writing and maintaining a budget to work within the communes. The second area is in technical services where there seems to be a lack of engineers, architects and town planners. One solution that was offered in this area, in addition to the training efforts of organizations such as USAID, the World Bank and The Hans Siedel Foundation, is for the National School for Administration to establish a training program specifically to train this type of municipal employee.

The last problem in the area of personnel is the lack of a statute concerning municipal personnel. Owing to low salaries and no clear career path, people who might otherwise opt for municipal employment decide to work in the civil service instead. This presents problems for the communes which have trouble recruiting and retaining qualified personnel. This is particularly true for smaller more isolated communes who have the added burden of not being a place that would attract young professionals under the best of circumstances. There is, in fact, legislation that has been drafted that regulates municipal employment. The statute covers such areas rules of employment, career options (i.e. possibilities for advancement), regulations for recruitment, and conditions for promotion. In addition, it defines rights and responsibilities of municipal employees which is particularly necessary to protect them against unjustified removal on political grounds. However, this legislation has not moved past the drafting stage.

2. Transfer of Responsibility

The biggest problem in the area of transfer of responsibilities from the central government to the communes is the difference between theory and reality. In theory, the communes already have many areas of "competence", but lack of resources, both material and human, has kept these areas from being implemented within the communal administration. In addition, many of the areas have only been partially transferred. Two examples of this are the areas of education and public health. Although, communes are responsible for all social activities, public health, and education, they are limited to planning and construction of super-structural facilities such as schools, dispensaries and social centers which are then managed by the related technical ministry. All the communes agreed that they ought to have more control with greater and more effective powers. For example, the mayors want to be able to head the land allocation committees that are currently heading by the prefects.

Another area of concern for the municipalities is the police. According to the DCL it has been impossible for the mayors to assume their legal role of protecting the people because simply placing the government's police force at the disposition of the mayors is insufficient to make it work for the commune. The local police must still take all their orders from the central government.

Although, everyone who was interviewed agreed that the transfer of responsibility was incomplete and inadequate, they all had different opinions as to why it is not yet a reality. The Secretary General of Abobo felt that too many decisions were still being made at the central government level. For example, the reason that the communes may not build high schools is because the central government is still responsible for staffing them and therefore does not want communes building schools it will then be unable to staff. If communes were responsible for both the building and the staffing of schools, it might be better. However, as already discussed, there is a general lack of qualified personnel in the country so it is understandable that the central government would want to maintain that responsibility for the time being.

Another reason for the incomplete and inadequate transfer of responsibilities is that they are being implemented progressively. While, on the one hand, this makes sense in that the communes would be completely paralyzed if they were all transferred at once, on the other hand, this form of implementation confines the communes to day to day administration at the expense of long term rational planning.

Another reason that the transfer of responsibility has not yet become reality that was expressed by several individuals and the DCL is that the resources to manage and exercise these responsibilities have not yet been transferred. According to law, when a "competence" is transferred the requisite resources should also be transferred to the communes. However, as a function of the economic crisis and the unwillingness of some ministers to give up resources which symbolize power, this has not taken place.

Some communes have been more effective in implementing their responsibilities than others. This has been because there is someone working within the communal administration - the mayor, the secretary general, or an assistant to the mayor - who is sufficiently strong and creative to provide or find resources for the commune. Some officials of the central government argue that this sort of imaginative action (as long as it is within legal boundaries) is what is required of the communes given the economic crisis. Having seen what can be accomplished with a little ingenuity and persistence, it is certainly possible to understand and agree with the rationality of this argument. On the other hand, it remains true that it

takes money to make money and the communes that have had the most success are ones that had at least some minor forms of revenue prior to decentralization.

3. The Tutelle

There are numerous problems with the management of the decentralization process in Cote d'Ivoire. The DCL cannot effectively cope with the management of the communes that already exist much less the hundreds more that are to be created. They lack human and material resources. In order to be effective they need inspectors who can diagnose the management problems in communal administration and make recommendations for change. In addition, it would be useful if the technical unit could coordinate and execute studies in urban planning for each of the communes in order to help them better conceive and execute long range development plans for the communes.

The problem with the DCL's taking on all these new responsibilities is that they do not even have enough resources to accomplish those things for which they are currently responsible. Although the communes are supposed to be inspected every year, between January 1986 and April 1989 the inspectors of the Inspection General only conducted 61 inspections in total and the DCL only conducted 4 that were ordered by the Minister for the Interior.

In addition to the problem of inspection, the Commission for departmental programs and budgets which should oversee the communal budget process for the DCL is not yet functioning. This is due to the fact that responsibilities for the "tutelle" have not yet been reorganized as they should be. The DCL is left to do everything on its own with only limited resources. A very negative manifestation of this is that four communes are currently operating with budgetary deficits because the DCL approved budgets with insufficient and incomplete information. In order for the department to be really effective, systematic actions will have to be put in place where they concern the operation of the "tutelle". This will have to be done at the latest by the first semester of 1991 especially if the communal landscape is to be expanded to include hundreds more as is currently planned.

Another area of difficulty in the effective management of the "tutelle" is the constant conflict between the government, the communes and the city of Abidjan. The lack of a clear separation of duties, and of qualified personnel has created conflict not only over the definition of areas of responsibility, but also over the appropriate balance between control and freedom of the communes. Every commune feels that the government is trying to control their actions too rigidly

whereas the government feels that communes are uncontrollable. According to the government, the communes lack respect for the law -- assuming communal administrators have even bothered to read the legal texts. They tend to do what they want regardless of its legality. While it is true that the communes often do things that are illegal, they argue that this is only way to accomplish the development goals of the communes. For example, the commune of Dabou wanted to make two villages within its domain accessible by building a road. Although they had the authority to build the road, they did not have authority to build the bridge that was also necessary. However, they went ahead and built the bridge. Their rationale is that: a) what the government does not know will not hurt it and they are unlikely to ever discover the bridge and b) their first priority is to the people of Dabou who wanted and needed the bridge. In addition they had the money and expertise to do it. Aside from the fact that the communes often act illegally, the DCL feels the need to exercise rigid control because of corruption among the elected municipal officials. It is easy to see how a vicious circle can develop with this problem. The more control the DCL tries to exercise, the more illegal activities the communes will undertake. The more illegal activity undertaken, the greater the need for control in the perception of the DCL. The Director of the Department of Territorial Administration (DAT) put it very succinctly. He said that too much control blocks development. It is simply a question of a different approach in his mind. Currently the DCL acts as a distrustful parent correcting and limiting every action taken by their children. A better approach might be allowing the communes more latitude and providing the necessary assistance to enable them to be successful. Then, when there is problem of mismanagement or illegal action, the DCL could simply sanction the offending party or commune.

Officials of the commune of Dabou do not find the controlling actions of the DCL excessive. They believe that until the communes are fully financially independent of the government, the DCL has every right to control their actions. They also feel that negotiation offers a way around this control. The success of the commune depends on its ability to negotiate with the central government for the authority to do projects for and its population and for the resources. One example of how Dabou made this work was in obtaining a grant from Canada to build a water tower. The first assistant to the mayor negotiated with the Ministry of Foreign Affairs for the right to travel to Canada where he negotiated with the Canadian government for the grant.

While this may be an effective way of meeting the demands of the population, it is also one of the major frustrations for the DCL. They are unable to control communal action that circumvents them. It is also impossible to cope with communal officials who use ministerial connections to get positive responses to requests for authority that had previously turned down by the DCL.

The situation would also be considerably improved if the DAT, through the "prefets" and "sous-prefets", fulfilled its assigned role in the exercise of the "tutelle". Theoretically, it should act as a filter for the DCL. Given that the "prefets" and "sous-prefets" are considerably closer in location to the communes, it makes more sense for them to provide the required assistance and the routine control. However, this has yet to be implemented effectively and may present another set of problems. The communes tend to be at least as distrustful, if not more so, of the "prefets" than they are of the DCL. This has roots in the colonial and post-independence role of the "prefets". At that time they were the elite and all powerful arm of the centralized government. It will take time and much effort to change this perception within the communes. However, with the deconcentration and refocus of the "tutelle", it is possible that they could become a very important resource for the communes and relieve the DCL of much of its routine responsibilities.

4. Miscellaneous Administrative Problems

There are three other problematic areas that deserve brief mention. There is a lack of a consistently coordinated approach to local development. Although, the central government has plans for development throughout the country they are not often shared with local officials except when these officials are being told that they cannot do a particular project because it does not fit in to the national development scheme. In addition, of all the communes in Cote d'Ivoire only Yopougon has worked with the Department of Public Works to formulate a development plan for the commune.

Another area that is not quite working the way it should is the triannual plan that the communes submit to the DCL every year. Theoretically, the communes should be doing long term planning (long term being three years) and revising these plans every year. In reality, the triannual plan is nothing more than a wish list of projects the communes would like to see accomplished. Many of these projects are totally beyond the means of the communes. Municipal officials do not know how to plan rationally for the future. They also do not know how to anticipate realistically their annual revenue. Therefore, while triannual plans have the potential to alleviate to some degree the problem of planning discussed earlier, it has not as yet been effectively implemented.

Finally there is the problem of the size of some of the communes. There are no rules governing the size and shape of the communes and some people feel that there ought to be. The secretary general of Abobo for example, feels that his commune is too large and unwieldy to manage. There have been discussions and perhaps there even exists some draft legislation to make this commune and Yopougon two communes each

instead of one. However, due to political pressure this has not yet occurred. It is possible that it is on the central government's agenda to be done at the same time they create the new communes in 1991. This division of large communes may even constitute the creation of new communes.

There is only one potential problem with this, aside from the political ones: the issue of ethnicity and religious diversity. In creating communes, the central government has been very careful to keep groups that would find it difficult to work together from being in the same commune. To understand this problem, it is important to understand that people in Cote d'Ivoire still live to a large degree in communities based on ethnicity and/or religion. This is especially true in areas outside Abidjan, but also exists within the city limits. Prior to determining the legal boundaries that will define a commune, the DAT does a study of the area. This is done in order to determine the urban center which will become the communal center and whether all the ethnic and religious groups within the boundaries of the commune will be able to live and work together effectively. Assuming that there are no potential conflicts, the area is then defined a commune, or in the cases of Abobo and Yopougon, it is then determined whether it is feasible to divide the area into two communes. Political problems aside, if in fact there are no ethnic and religious problems it would seem logical to divide these two. (For further details on the size (population) of these two communes refer to the map located at the front of the project paper.)

C. Financial Problems

1. The Government Subsidy

Financial issues are some of the mostly hotly disputed in Cote d'Ivoire. This is due in large part to a general lack of resources. Much needs to be done to help the communes become more self-sufficient. One possible means of accomplishing this is by improving the current tax structure and collection procedures. Another possibility that has already been mentioned is the problem of the common coffer for communal and central government funds. Finally, there is the issue of the central government subsidy for the communes.

Some of the people interviewed felt that if the government would simply allow the communes to collect and keep their share of the central government taxes they then would not need this subsidy. They believe that what they lose in locally collected government taxes is more than what the central government gives them back in the form of a subsidy. "Current government policies regarding the apportionment of resources, the delegation of fiscal power, as well as legislation governing the levying and redistribution of taxes among municipalities are not conducive to making available to communes the resources needed to perform their assigned tasks." (Dei, p. 4) In the

long run, changing the policies concerning the allocation of money could also improve the financial position of the central government more rapidly. If, for example, the amount of money the government would lose in taxes was only slightly more than what they currently gives out in subsidy, the money they could save in administering the collection and allocation of taxes and the allocation of the subsidy might easily compensate for the loss in tax revenue.

2. The Common Coffe

According to Mr. Hipaud Lago, Director of the DAT, when there is enough money for everyone, this financial system of a common coffe is not a bad one. It only becomes a problem when there is not enough money to go around, which is the current situation in Cote d'Ivoire. When the federal government needs to pay its employees, it does not matter very much to whom the money theoretically belongs. This will become an even bigger problem as the population becomes poorer and receipts are decreased.

The financial burden on the communes will become greater as the government takes less and less responsibility. The only solution is for there either to be separate coffers for the communes and the government within the Treasury, or alternatively, for the communes to assume responsibility for their own finances. The latter may be a solution that is not yet feasible due to problems of financial mismanagement at the municipal level. Implementing the former suggestion remains a problem in that even if the communes had a separate coffe, they will still be limited in their activities due to the general lack of material resources in Cote d'Ivoire at this time.

3. Tax Problems

A solution to the low rate of return on taxes must be found in order for the economic situation to improve at both the local and national level. Poor recovery of property taxes is a function of several factors. The government has set an unreasonably high rate for expected returns, given the socio-cultural context. The rate that has been set is 60%. In addition, the property tax itself is too high, complex and inconsistent. For example, land that is not developed is not taxable; if it becomes developed, it is then taxable -- unless it fits into one of the numerous long and short term exemption categories. Exemption status can at times also depend on the tax collectors.

Tax collectors are unqualified and ill-equipped for their jobs. In addition to not being paid very well, they are not even provided with vehicles or gas money. Municipal tax collectors are not accountable for the collection. These factors combine to severely increase the potential for corruption. Similar problems exist in the collection of the business tax or "patents".

Communes are restricted to levying only those taxes specifically stipulated by law. They are not free to establish taxes that are in keeping with the mode of life in their area. This is a particular problem for smaller communes that are comprised primarily of villages. Much of what is taxable for the communes are things unique to urban life. If and when the entirety of Cote d'Ivoire is urbanized through communalization, these taxes will function excellently. It has been suggested that, failing a reform in the tax structure, creative mayors of rural communes can read the text of the law liberally enough to tax the carts, which are utilized in their communes, as opposed to trucks they are allowed to tax, and which are not. This would serve the same purpose as increasing the municipal revenue base.

4. Mismanagement and Misconduct

Aside from problems that require changes in law, there exist problems that require changes in attitude and behavior. These are financial mismanagement and misconduct, which persist in being a problem in some municipalities. Misconduct occurs when a mayor or other municipal agent does not respect separation of duties between the budgetary officer and accountants and becomes involved in manipulation of funds. For example, the mayor may decide to open an account which is forbidden since he is the budgetary officer and that is the responsibility of the municipal receiver, who is an accountant.

Mismanagement, on the other hand, occurs when mayors fail to respect rules governing communal receipts and expenditures. There are four communes that are currently operating with deficits because their expenditures exceeded their receipts as a result of mismanagement.

There are those who feel that until mayors and municipal agents learn how to properly budget and control communal expenditures, their financial situation will never improve. Even if the tax structure were changed and the coffers separated, the communes would persist in making poor choices on how to spend their money.

D. Problems of Public Participation

Increased public participation seems, for the most part, to be the one decentralized objective that is being successfully implemented. However, there are a few minor problems. One is that the public is not yet entirely aware of their ability to participate and the necessity of their participation. It should be noted that this is one area where the smaller more regionally oriented communes have an advantage over the larger urban ones. Public participation in developmental decision making is a concept that fits well into the traditional social structure. Given that village developmental decision-making has always been participatory, the idea of it is not new to the population of Cote d'Ivoire. It is one, however, to which

urban populations are taking some time to readjust. The form of participation with which people are familiar is, however, one that requires a project by project approach rather than a long term planning approach. Occasionally it is the case that the public wants to participate in a project by providing free labor, as opposed to financial resources. While this functions very well in the rural setting, it is not as practical in the urban environment where people tend to want to limit their participation to paying their taxes, and often, they do not even want to do that.

E. Legal Problems

There are several areas in which current law must be modified and new law must be written in order to make decentralization more effective in Cote d'Ivoire. Many of these have been discussed throughout this paper. In general, there is a feeling within the communes and certain parts of the central government that the law is too complex and difficult to follow. At times it can even be contradictory. The "Chef du Cabinet" of Adjame felt that the law, as currently written, is an obstacle for municipal employees, who, for the most part, do not know it, and, even if they did, could not follow it due to its complexity. To remedy this situation, he suggested that officials from the central government ought to go to the communes to see how things are actually done. Once they had seen this, they could rewrite the law in such a way as to make it truly implementable. In the DCL's intermediate evaluation of the second phase of decentralization, a list was included of several new and modified laws that had already been drafted. Among these is one to provide municipal employees with a framework of rights and responsibilities. It is as yet unknown when these modifications and new laws will be enacted. One thought on the subject was that they would be passed before the elections in October. However, the date of elections is not yet even set.

F. The Future of Decentralization

Phase three of the decentralization process will begin January 1, 1991. By that time, there could be major changes in the political face of Cote d'Ivoire. In October of this year elections of municipal and federal officials are to be held. This will be the first election in the history of the country in which more than one political party will participate. Although this could change how decentralization is implemented, it cannot reverse the process. Assuming that the current party maintains power, then the communal landscape should be expanded to include a total of between 350 and 400 communes. In addition, there should be a continuing movement toward improving the implementation of the process.

In order for decentralization in Cote d'Ivoire ultimately to be a success, many changes need to occur. A major key to success will be education. This includes better training and education of municipal officials, a greater number of people being educated for municipal public service, and increased education in the democratic process for the public. In addition, elected officials must continually be sensitized to their role in the effective participation of the public and the management of communal affairs. The achievement of these steps to success is largely a matter of time and experience.

There are, however, several things the government can do to speed the process along: 1) they must complete the code of municipal law and fully implement it; 2) the current law needs to be modified so that it is implementable; 3) the management of the "tutelle" must be reorganized so that it is more effective in its control of communal action and so that it can serve more as an assistant to the communes; 4) the financial system must also be revised so that the communes have sufficient funds to operate without the continual support of the government.

For diverse reasons, the concrete application of decentralization has not yet become effective except in a few particular cases. The first reason is the youth of the decentralization process. There are communes that are only five years old. The second reason is the fact that decentralization requires the adoption of a completely new and different form of government from that which previously existed. This requires that the population in general, and public officials in particular, change their way of thinking about government. The last reason is the general dearth of material and human resources.

Everyone interviewed agreed that the idea of decentralization is good and necessary for Cote d'Ivoire. A great deal of time and internal resources have already been committed to making the process work. With the continuing help of agencies such as USAID, the World Bank and UNDP, it is only a matter of time before all the objectives of the process will have been accomplished.

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Alleby, Kangou; Contrôleur d'Enquêtes; ORSTOM.

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Mr. Couby, Premier Adjoint au Maire de Dabou.

Dei, Carleene; RHUDO/USAID.

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Mr. Esses, Expert au Bureau International du Travail

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Merril, Jon; RHUDO/USAID.

Saint-Vil, Jean; Geographe; Direction et Contrôle des Grands Travaux.

Traoré, Bakari; Chef de Cabinet; Mairie d'Adjamé.

Williams, Guy; Agronomist, Banque Mondiale.

ANNEX I
TRAINING PLAN

NAME OF COURSE	# PARTIC.	# COURSES	TYPE PARTIC.	EST. COST \$000s	TIME Qs & FYs
TOT	8	2	DCL Training Unit	60	1Q 92
TOT	8	1	DDS Training Unit	8	1Q 92
Economic Development	30	4	Municipal Officials	75	1Q 92-4Q 92
Financial Management	30	2	Heads Municipal Financial Departments	75	1Q 92-3Q 92
Computer Efficiency	20	2	DCL Personnel	25	2Q 92
Computer Efficiency	20	2	DC Central and Local Level Agents	25	2Q 92
Urb. Serv. Delivery	30	10	Members Municipal Public Works Departments	75	2Q 92-3Q 93
Community Organiz.	16	6	Local Social Workers	25	2Q 92-4Q 92
Environm. Awareness	12	2	Central and Local Public Works Specialists	60	2Q 92
Admin Management	10	3	Core Project City Senior Personnel	60	3Q 92-4Q 92
Privat. Urban Serv.	10	5	Core Project City Senior Personnel	85	3Q 92-1Q 93
Cadastral Collection	22	8	Central and Local Tax Agents	66	1Q 93-2Q 93

ANNEX J

ILLUSTRATIVE PROCUREMENT LIST

ITEM	QUANTITY	UNIT PRICE	TOTAL COST
1) COMPUTER EQUIPMENT			
a. Central processing unit	14	\$1,225	\$17,150
b. Monitor	14	675	9,450
c. Printer (dot matrix)	14	1,425	19,950
d. Uninterrupter power supply	14	2,315	32,410
e. Maintenance 24 months	14	2,800	39,200
f. Consumables (disks, paper, ribbons)	14	1,750	24,500
subtotal		\$10,190	\$142,660
2) COMPUTER SOFTWARE			
a. Data base management	5	\$640	\$3,200
b. Word processing	5	370	1,850
c. Mathematical spreadsheet	5	460	2,300
subtotal		\$1,470	\$7,350
3) OFFICE EQUIPMENT			
a. Adding machines	16	\$500	\$8,000
b. Typewriter (manuel)	16	1,220	19,520
c. Consumables (paper, ribbons)	16	845	13,520
subtotal		\$2,565	\$41,040
4) AUDIO VISUAL EQUIPMENT			
a. Slide projectors	5	\$1,470	\$7,350
b. Screens	5	980	4,900
c. Cameras (35 mm)	5	1,680	8,400
d. Consumables (film, slides, paper)	5	870	4,350
subtotal		3,530	\$25,000
TOTAL COST FOR COMMODITIES			
1) COMPUTER EQUIPMENT			\$142,660
2) COMPUTER SOFTWARE			7,350
3) OFFICE EQUIPMENT			41,040
4) AUDIO VISUAL EQUIPMENT			25,000
TOTAL US DOLLAR COST			\$216,050

ANNEX K

INITIAL ENVIRONMENTAL EXAMINATION
OF
CATEGORICAL EXCLUSION

PROJECT COUNTRY: Cote d'Ivoire
FUNDING: FY(s) 90 - 92 US\$ 5 Million
IEE PREPARED BY: Robert Warren Banchatt
Regional Environmental Officer, REDSO/WCA

ENVIRONMENTAL ACTION RECOMMENDED:

Positive Determination _____
Negative Determination _____
Categorical Exclusion XXX
Deferral XXX

SUMMARY OF FINDINGS:

The technical assistance component is recommended for categorical exclusion under 22 CFR 216.2 section (c)(2)(i). The training is recommended for a categorical exclusion under 22 CFR 216.2 section (c)(2)(i). The institutional capacity building aspect is recommended for categorical exclusion under 22 CFR 216.2 section (c)(2)(xiv). Facility construction activities are recommended for deferral until such time as these currently unidentified subprojects are identified and planned. It is suggested that IEE preparation for each facility concurrently with site selection and detailed design holds the greatest potential for assuring that the construction will not have significant environmental impact. The development and approval of such plans is a suggested mitigating measure to the proposed construction activities. Review and threshold decisions for each facility will be rendered by the Regional Environmental Officer REDSO/WCA, cleared by the Regional Legal Advisor, and copies forwarded to AFR/TR/ANR, AID/W. By approving this IEE, the Africa Bureau's Environmental Officer hereby delegates that authority. An irreversible commitment of funds will be avoided through the implementation process which will require an approved IEE ^{other appropriate} before the commitment of funds. A covenant is necessary to prohibit use of ~~accounts~~ for the purchase, importation or use of pesticides.
project funds

CLEARANCE:

Acting REDSO Director: [Signature] DATE: 8-14-90
Howard R. Handler

CONCURRENCE:

Bureau Environmental Officer: [Signature] APPROVED: [Checkmark]
DISAPPROVED: _____
DATE: 9/2/90

CLEARANCE:

CC/Africa: [Signature] DATE: 5 Sept 90

1.0 PROJECT DESCRIPTION

The Cote d'Ivoire Municipal Development Support Project is a three year, \$5 million project designed to support the efforts of the Government of Cote d'Ivoire (GOCI) to promote equitable and sustainable local-level economic development in a limited number of secondary cities throughout the country. The purpose is to strengthen the management capacity, service provision levels, and financial viability of project cities while simultaneously increasing the level of private sector provision of urban services within those cities. The technical assistance (TA), the training, and the institutional capacity building initiatives while targeting individual cities does stress rural-secondary cities linkages and as such potentially will have an effect throughout Cote d'Ivoire. The activities which will be undertaken to achieve the project purpose include: TA to municipal governments to develop permanent institutional capacity and planning capability, training for elected and appointed municipal officials, cadastral surveys with associated ownership studies, provision of commodities, and financing for facility construction.

USAID will provide support to the government of Cote d'Ivoire for these activities via three channels. First, two and one half million dollars (\$2,500,000) will be used to contract for services which will include project management, TA, and training services. Also included will be studies, logistical support, designing and carrying out local awareness campaigns, and commodity procurement perhaps including vehicles, spare parts, office equipment and computers. Other commodities, of a type as yet undefined, may also be procured, but these will not include pesticides.

Second, USAID will provide the GOCI with \$2.28 million for facility design and construction. These facilities will include local covered market structures, depots for transportation, commercial centers, and slaughterhouses. Thirdly, two hundred thousand dollars will be provided for project evaluation and monitoring activities. The GOCI will provide one million six hundred and sixty seven thousand dollars (\$1.667 Million) in funds, as well as personnel, office space, and recurrent cost resources.

The project is focused on strengthening municipal government administration and intercity linkages while improving the living conditions for lower income urban residents in selected secondary cities throughout the country. Some field level operations will be conducted through contracts with private enterprises for the various municipal services. Local goods and services, locally available supplies, and equipment will be utilized. Although not directly included in this project, improvement in public health is a focus of the AID program in the Cote d'Ivoire.

The major objective of the project will be to provide TA and municipal management training focusing on improving the financial position of the city which is seen as the economic base for the private sector. The project is expected to provide management training to municipal officials to promote sound financial, technical and administrative skills. Benefits for city residents will include improved access opportunities and more effective delivery of municipal services. The capital improvement component will focus on revenue generating facilities with the intention of encouraging local and regional economic growth and providing enhanced private sector employment opportunities. While basic infrastructure such as streets, stormwater drainage, local markets, and commercial centers are found in most municipalities; the systems are inadequate, in serious need of repair and maintenance or no longer meet the needs of the population. The proposed project will address some of these inadequacies in a limited number of cities through providing municipal financial and technical management training and by providing limited capital financing for revenue generating public facilities. The project will update the property tax base and provide training in methods of improved revenue collection procedures. Land tenure and private ownership are secondary objectives of this project.

By providing the stimulus for dynamic economic growth in municipalities the project will encourage residents to settle permanently in project cities. All project activities will take place in existing urbanized areas and on unserved sites where similar activities are already taking place. There are no primary urban infrastructure activities contemplated in this project. There will be an increase in economic and commercial activity as a result of project financed public facilities. The collection and disposal of an additional volume of solid waste is likely which may tax the capacity of the collection systems and disposal sites.

Project staff will experiment with innovative ways to involve the private sector in the solution of local development problems and in the provision of municipal services. Potential activities under this heading may include; central daily market management, municipal facilities maintenance, street and drainage network maintenance, solid waste collection and disposal, and tax base up-dating and collection. The municipal government will gain skills and knowledge needed to address environmental concerns while developing strategies and action plans to address service needs of the population. Environmental sensitivity training will be included in the workplans of the technical assistance team, will be included in the economic development courses which will be offered, and special seminars on environmental planning and monitoring are proposed. Each facility proposed will undergo an environmental examination with results presented at the time of the request for project financing. This information will comprise an Initial Environmental Examination (IEE) that REDSO will review for conformity with Agency environmental guidelines. The REDSO Engineer responsible for the construction component of the project will work with REDSO E&E to develop a set of guidelines to be used to prepare the IEE as well as establish practical procedures for municipalities to follow during facility construction.

1985

2.0 BACKGROUND ENVIRONMENTAL INFORMATION

The five target cities are situated throughout the republic of Cote d'Ivoire a coastal country located on the Gulf of Guinea in West Africa. The country is bordered by Ghana to the east, Liberia and Guinea to the west, and Mali and Burkina Faso to the North. It lies between 5 degrees and 10 degrees North of the Equator and is bisected longitudinally by the fifth meridian west of Greenwich. Four major drainage basins of the four major rivers run nearly parallel from the north to the south. The republic has a warm, humid climate marked by distinct seasonal and geographical variations in rainfall which define two geo-climatic regions. The northern two thirds of the country ranges from arid savannah to semi-arid transitional tertiary forest. The southern third of the country receives up to 1100 mm of annual precipitation and contains mostly secondary forest with scattered areas of primary tropical hardwood forests.

The forest region contains the majority of the country's population and is extensively cultivated in both rather small mixed-crop plots and large agro-industrial export crop farms. Small plot owners combine traditional family needs subsistence farming with production for local markets, and income generating export crop production. Larger mechanized farms for export crop production are located throughout the forest and savannah regions. While agriculture in the savannah region is not as extensive as it is in the forest regions, it is intensive in those areas suitable to sustained production. Coffee, cocoa and to a much lesser extent hardwoods are the principal commercial export crops of the forest region. Latex, cotton, sugarcane, palm oil, pineapples and coconuts are among the many secondary cash crops produced by large and small concerns. Tertiary crops mostly intended for local distribution and self consumption, include yams, potatoes, cashews and corn. The economies of secondary cities in the Cote d'Ivoire rely heavily on the dynamics of the agricultural sector.

In recent years larger secondary cities have witnessed a very strong population growth. More than 42 percent of the country's population live in urban environments, up from 19 percent in 1960 at independence. This corresponds to an annual population growth rate of 2.5 percent per annum since 1970. Due to recent declines in agricultural product market prices, CUCI sponsored urban structure development has not been able to match the expanding population demand, resulting in deteriorating living and dwelling conditions for the majority of the urban population. Aggravating this problem is the high rate of population growth among the lower income people and the significant rural to urban migration pattern. By the year 2000 there will be three urban dwellers for each rural resident.

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The provision of public services in municipalities is more commonly found in Cote d'Ivoire than in similarly sized towns in other West African countries. Nevertheless, with sporadic solid waste collection, a lack of sanitary waste disposal, a scarcity of piped potable water, and inadequate storm drainage infrastructure the well-being of the communities is seriously constrained. Compounding these inadequacies is the inability of the municipal governments to maintain and service the existing infrastructure.

3.0 IMPACTS AND ISSUES

Dust, noise and inconvenience to the general public will be experienced for the period of on-site construction. These effects are expected to be small in magnitude, limited in duration, and contained primarily within the construction site compound. During the facility IKE preparation, a review will be made of the site selection, building and public safety standards, sanitation and solid waste collection and disposal, site stormwater runoff, public health considerations, and erosion prevention. The project plans to provide training modules to the municipalities to enhance their ability to identify and deal with environmentally sensitive development activities.

The construction of single-story covered markets and commercial centers in already developed urban areas will have little effect on the environment beyond the short-term construction disruption as long as solid waste, sanitary waste, traffic access and safety, and stormwater runoff considerations are adequately handled. Bus stations or transportation depots have, in addition to the considerations mentioned above, concerns about hydrocarbon spillages, air pollution, fire, noise, and pedestrian safety particularly children and old people, and communicable diseases. Slaughterhouses have the potential to create problems with solid waste, liquid waste, disease vectors, and odors.

Detailed construction plans and an IKE must be approved for each facility before AID funds are released. The scale of the proposed facilities on this project is very small and the project is unlikely to contribute to the degradation of the global commons. This is not an industrial plant development project or a potable water supply and sewerage project in spite of the needs in these areas occasioned by the facility construction. The term drainage on this project means municipal stormwater runoff not the drainage of wetlands or swamp areas. Careful review of the project will be undertaken to insure that neither erosion problems nor pollutant discharge problems are created. It is street maintenance not road maintenance contemplated by this project. While contributing significantly and directly to improving the livelihood of the rural poor (rural people who have recently migrated to small cities), the project will not maintain roads which pass through relatively undegraded forest lands. It is not envisioned that activities contemplated under this project will have an adverse effect on endangered or threatened species or their habitats. An Environmental Assessment is inappropriate for this project. While not contemplated, pesticide procurement or use would be subject to review pursuant to 22 CFR 216.3 (b).

4.0 RECOMMENDED ENVIRONMENTAL ACTION

The institutional reform component of the project can be considered for categorical exclusion under 22 CFR 216.2 section (c)(2)(xiv). The technical assistance component of the program can be excluded pursuant to 22 CFR 216.2 (c)(2)(i) since it is management, monitoring, planning, and advising; and suitable environmental sensitization can be included in the job descriptions of the advisors. Technical assistance is needed for research, training, design, studies, extension services, logistical support, commodity procurement, analyses, and monitoring of conditions precedent as well as for the design and implementation of local environmental awareness campaigns.

The training component is excludable under regulation 22 CFR 216.2 section (c)(2)(i), but offers a unique opportunity to result in a positive environmental influence. Environmental sensitivity training can be designed into training programs and be provided to elected officials, municipal workers, and managers at all levels of the government including the contractors and design professionals.

The commodity procurement program is excludable under 22 CFR 216.2 section (c)(2)(xii). The purchase or importation of a limited number of vehicles, spare parts, office equipment, computers and similar commodities can not be foreseen to have a significant impact upon the environment.

While not currently contemplated, if the commodity imports include pesticides they will be subjected to review pursuant to 22 CFR 216.3(b) and will require clearance before importation and use. A covenant is necessary to prohibit use of these accounts for the purchase or importation of pesticides without such a clearance.

The facility construction is recommended for deferral until the facilities can be identified and described, and the locally occurring conditions can be determined. Individual facilities will be proposed and the plans and IEE will be submitted to the project officer for approval. It is recommended that the Regional Environmental Officer be delegated the authority to make threshold decisions on facilities with clearance by the Regional Legal Advisor. Facility IEEs would be forwarded to the Bureau Environmental Officer. The formal review and approval process will prevent an irreversible commitment of funds.

ANNEX L

World Bank Urban Projects in Côte d'Ivoire

PDU 1 (Urban Development Project No. 1). This project, begun in 1976, concentrated on upgrading efforts in the Abidjan metropolitan area. It included an upgrading project for a squatter area in San Pedro that was not implemented due to a disagreement with the GOCI which wanted to raze the area. USAID provided project co-financing through the Housing Guaranty Loan Program (681-HG-003). Total project cost is \$122.3 million, of which the World Bank provided \$44 million.

PDU 2 (Urban Development Project No. 2). This project was begun in 1981 and completed in 1986. It involved upgrading actions in the secondary cities of Daloa and Korhogo. For these two towns actions were also taken to strengthen municipal services and to construct community facilities. Another tranche of the project financed improvements to the transportation network of the Abidjan metropolitan region. Total project cost was \$104 million, of which the World Bank provided \$51 million.

PDU 3 (Urban Development Project No. 3). This project, which began in 1987, involves the creation of a housing finance agency to serve as a financial intermediary for commercial and specialized bank lending, in particular long-term financing for low-income housing. (USAID's HG loan 681-HG-005, which was eventually de-authorized, was to have co-financed this project.) The World Bank project also includes sites and services projects and transportation infrastructure investments in the Abidjan metropolitan area. Total project cost will be \$246.32 million, of which the World Bank is providing \$100 million.

PDM/PDU 4 (Metropolitan Development Project, also known as 'Urban Development Project No. 4). This project, which began in 1989, aims at strengthening the role of secondary cities by means of: training of municipal staffs; the preparation and launching of basic local tax reform; creation of a loan fund for municipalities; construction of key infrastructure in 12 secondary cities; and studies. Total project cost will be \$66 million.

L-1

10/1

Secondary Centers Water Supply Project. This project was begun in 1977 and completed in 1984. It financed the expansion of the piped water systems of twelve secondary cities and the construction of water systems in five other secondary cities. Total project cost was \$21.5 million, of which the World Bank provided \$16 million.

First Abidjan Sewerage and Drainage Project. This project was begun in 1975 and completed in 1981. It involved financing to remedy shortcomings in Abidjan's inadequate and poorly maintained sewerage and drainage systems which were causing major pollution and flooding problems during the rainy season. Total project cost was \$15 million, of which the World Bank provided \$9 million.

Second Abidjan Sewerage and Drainage Project. This project was begun in 1978 and completed in 1986. It represented a continuation of the work begun in the first project. Total project cost was \$53.1 million, of which the World Bank provided \$33 million.

Third Abidjan Sewerage Project. This project is presently being designed and will represent a continuation of the actions of the previous two projects. Total project cost is as yet undetermined.

1-2
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ANNEX M

A SUMMARY OF RHUDO PROJECT ACTIVITIES HG-001 THROUGH HG-004A

The following is a summary of RHUDO projects in Cote d'Ivoire from 1967 through the present. It reviews the various projects financed by Housing Guarantee Loans HG-001 through HG-004A. It also presents a brief rationale for the manner in which RHUDO strategies and activities have evolved over time in response to a rapidly changing environment.

RHUDO projects have all shared a single goal: to improve housing and shelter conditions for individuals residing in urban areas. At the same time, the focus of project activities has evolved over time in response to the expanding needs and diminishing resources of its beneficiaries.

The initial HGs (001 & 002) were used to build modest housing units (two and three bedroom row houses and apartments). The objectives of these two projects were to provide urban middle-income families with access to improved housing and increased opportunities for home ownership and to strengthen local housing finance institutions. Both projects were undertaken in collaboration with SOGEFIA- the then flourishing state housing corporation.

HG-001, authorized in 1967, was a 3 million dollar loan with which over 390 units were built in Fairmont, a neighborhood located at the edge of one of the more populous areas of Abidjan. The units were bought, for the most part, by individuals who have exhibited a strong sense of community and have maintained and expanded their property- adding rooms, terraces, small gardens and decorative exterior walls. Fairmont today, with its tree-lined streets, is one of the more appealing residential enclaves within Abidjan.

HG002 expanded the successful HG-001 formula. Authorized in 1972, the 10 million dollar loan built 1,200 row houses and apartments in two other Abidjan neighborhoods, Williamsville and Abobo. As in the case of Fairmont, these neighborhoods fall today within the "better housing" category in Abidjan and are inhabited by civil-servants and successful entrepreneurs who have maintained and upgraded their property. HG-002 not only expanded the stock of moderately-priced high-quality housing within Abidjan, but also helped to develop the administrative capacities of SOGEFIA.

In 1973, a shift in USAID's mandate called for greater focus on low-income groups. This led RHUDO to begin employing a greater array of methods to improve urban housing and shelter conditions.

HG-003 witnessed a major diversification of project activities. In addition to the construction of housing units, the project called for low-income neighborhood upgrading (supplying paved streets, sidewalks, drainage systems and water and electrical networks). Another new component was the construction of community facilities in low-income communities (markets, health units, primary schools, transport depots, slaughter houses, day care centers, social centers etc.). The project also planned for the creation of low-priced serviced sites (lots supplied with basic infrastructure) suitable for constructing houses that would correspond with the financial abilities of the intended beneficiaries. Lastly, the project provided such needed technical assistance in a number of areas.

In addition to a greatly enlarged scope of project activities, HG-003 featured the emergence of a partnership between the World Bank (IBRD) and USAID (RHUDO) accompanied by a significant increase in funding. The result of this joint effort was the first Urban Development Project (PDU-I) for the city of Abidjan.

HG003 was authorized in 1977. Project investments totalled 122.3 million dollars with a RHUDO contribution of 21 million dollars. Project activities were localized in seven neighborhoods distributed in four of the ten "communes" of Abidjan: Abobo, Yopougon, Adjame, Koumassi and Marcory. However, the greatest proportion of project activities was concentrated in the commune of Abobo which, with a mostly low-income population, not in excess of 500,000, was an ideal candidate for RHUDO urban development projects.

Actual construction under HG003 began in 1979 and was completed in 1986. However, owing to a favorable exchange rate which resulted in more available funds, the project has been expanded to the commune of Attiecoube, justifiably considered by many to be the poorest commune in Abidjan owing to its large (90%) foreign, low-income population and its lack of urban services and community facilities. Currently underway in Attiecoube is the construction of two health units, a market and roadworks and associated drainage networks in the center of the commune.

The other current RHUDO Project is HG004 known as the Secondary Cities Project. Like 003, it creates serviced sites, upgrades low-income neighborhoods and builds a wide variety of community facilities in urban centers. Unlike previous projects, its field of action is in nineteen interior Ivorian cities.

The shift from Abidjan to the interior "secondary" cities is a function of a number of factors which are common to the developing world, including Cote d'Ivoire. First, is the present rapid rate of urbanization, not only in primary cities but in secondary cities as well. Second, is the inability of central governments to supply essential services to burgeoning urban populations due to shrinking resources brought on by unfavorable terms of trade and exchange rates. Third, is the necessity of redressing present inequitable regional development patterns. Fourth, are the undiminished needs and expectations of urban populations and the potential political repercussions if these needs remain unmet.

Under the foregoing circumstances, the encouragement of secondary cities as alternative poles of urban and regional development, is one of the more rational moves a government can make. Within Cote d'Ivoire the move to "decentralize" fiscal and administrative power began in the late nineteen-seventies and has gained momentum ever since. RHUDO's shift to secondary cities was and is in step with Ivorian national trends. It is also congruent with RHUDO's basic mandate "to ameliorate housing and shelter conditions for low-income urban households".

HG-004, authorized in 1980, involved a 20 million dollar loan with GOCI participation of 5 million dollars. Stated project purposes included: (1) the reinforcement of GOCI shelter and urban policy innovations began under HG003 through the completion of a minimum standard shelter projects with cost recovery mechanisms in a variety of secondary cities and (2) the improvement of GOCI institutional and technical capacity to carry out these activities.

The emphasis on policy reform, cost recovery and institutional development are all reflective of the socio-economic constraints listed above. They indicate the pressing need to assure that projects will promote a form of urban development that is, self-sustaining, subsidy free and able to reinforce the economic development potential of secondary cities.

HG-004 project activities were initially limited to twelve secondary cities; however, as in the case of 003, favorable exchange rates permitted the inclusion of seven "add-on" cities. Work on the original project cities has, for the most part, been completed. Project components in the add-on cities are in various intermediate stages.

Ivorian decentralization efforts during HG-004's project life resulted in the creation of new municipalities (98 in 1985 for a total of 136) and the endowment of these municipalities with greater decision making powers and responsibilities. Thus, in most project cities, elected municipal officials replaced central government agents as the chief decision makers. Naturally, RHUDO's relationship with municipal officials (both elected officials and appointed agents) have deepened. Several factors, detailed below, have contributed to this situation.

One major development that has occurred has been the identification of training as a means of ensuring that the central project goals of cost recovery and institutional development were met. Initial project plans identified two cost recovery mechanisms: the sale of serviced sites and the collection of property taxes. During the implementation phase of the project however, municipal management training for the new municipal agents was incorporated into the project as a method of improving the resource mobilization and management capacity of both local and national level agents; in sum, of enhancing cost recovery through more effective management. Training is presently one of RHUDO's highest priorities as testified to by the creation of a Training Office within RHUDO in September of 1986.

A second innovation which developed during the latter phases of HG-004 was the decision to try and ensure greater local level community involvement in all phases of project activities. Increased community participation, already an inherent aspect of Ivorian decentralization, was perceived as a means of both increasing project effectiveness and contributing to cost recovery. To this end a pilot community participation program was created in the city of Lakota in conjunction with the Ministry of Social Affairs.

Finally, during HG-004, a number of important relationships were forged with certain key Ivorian institutions which are involved in municipal development. The Ministry of Interior's Department of Local Government (DCL) which is responsible for the overall supervision of municipal governments, is presently RHUDO's principal partner in the identification and development of projects. The DCL also collaborates with RHUDO on some phases of project implementation and evaluation. In addition to being a principal target of the RHUDO training program, the DCL has also been the recipient of technical and material assistance.

Other organizations with which RHUDO has important working relationships include The Department for the Supervision of Public Works (DCGTx), which is now the country's primary project implementation organization, and The Department of Social Development within the Ministry of Social Affairs.

In 1983, HG-005 was authorized. The project, which was to be a joint USAID World Bank Project (PDU3), involved the construction of 4,500 serviced sites in up to four areas in Abidjan. Its principal objectives were to permit households with below median incomes within the Greater Abidjan area to acquire low-cost housing and to aid in the establishment of a refinancing facility for private banks (the compte de Mobilisation (CDM) thereby encouraging the financing of low-income housing. Ultimately, the GOCI decided to defer borrowing under the HG program in favor of borrowing solely from the World Bank. As a result, the loan was deauthorized in 1988.

The upcoming RHUDO project is HG004A. As its number indicates, it is an amendment or extension of HG004. The project was authorized in September of 1987 and makes available 17.8 million dollars for secondary city development.

HG-004A will finance the same sort of project components as HG-004 (neighborhood upgrading, community facilities, sites and services) in five additional towns. It will also continue RHUDO's management training and community participation activities. HG-004A will however, include as a fresh objective the promotion of private sector development (especially in the provision of urban services) within project towns. This facet of the project is consistent with RHUDO's support of Ivorian decentralization under HG-004. A second innovation which is also designed to promote municipal development is the creation of an incentive fund which will be used to recognize those municipalities which have made significant improvements in the management of their financial and technical services.

Finally, HG-004A has a number of transitional facets. First, RHUDO intends to have less direct day-to-day involvement in the project thereby delegating greater responsibility to the Ivorian implementing institutions. Secondly, certain project components should provide an opportunity to develop newer more effective relationships with the Ivorian Government as well as with certain key institutions within both the public and private sector.

HG-004A is a reaffirmation of RHUDO's commitment to ameliorating the living conditions of low-income individuals through a combination of means. It also demonstrates the manner in which the program has evolved over time: from the simple construction of housing, expanding into neighborhood upgrading and the creation of serviced sites and community facilities, culminating in the provision of management training, the participation of the wider community in RHUDO projects and more productive relationships with Ivorian public and private institutions.

In all probability, further refinements will be made and additional project activities will be identified during the implementation of HG-004A. These transformations will reflect RHUDO's ever expanding knowledge of how to promote secondary city development as well as its belief in incorporating into its projects those lessons it learns.

I HG001 LOAN

Participants: USAID(RHUDO)
Government of Cote d'Ivoire (GOCI)

Amount: RHUDO Participation 3 million dollars

Date Authorized: 1967

Location: Fairmont (see map)

Project Component(s): Housing

Type Units: 2,3 & 4 bedroom detached and
semi-detached houses and walk-up
apartments

Construction Began: 1968

Construction Completed: 1970

Total Number
of Units Planned: 500

Total Number
of Units Built: 391 (owing to a change in the
projected mix: more houses and fewer
apartments)

135

II. HG002 LOAN

Participants: USAID(RHUDO)
Government of Cote d'Ivoire (GOCI)

Amount: RHUDO Participation 10 million dollars

Date Authorized: 1972

Location: Williamsville & Abobo (see map)

Project Component(s): Housing and Savings and Loan Activity

Type of Units: 1,2,3 & 4 bedroom row houses and
walk-up apartments

Construction Began: Williamsville 1973 & Abobo 1974

Construction Completed: Williamsville 1974 & Abobo 1975

Total Number
of Units Planned: 1,240

Total Number
of Units Built: 1,200

Comments: Savings and Loans Component Deleted
owing to increased construction costs

196

III. BG003 LOAN

Participants:

USAID (RHUDO) / WORLD BANK (IBRD)
Government of Cote d'Ivoire (GOCI)

Amount:

Total= 122.3 million dollars
RHUDO Participation 21 million dollars
(Approximate Dollar Expenditures to Date=)
Neighborhood Upgrading: 5,400,000
Low Income Housing: 10,000,000
Sites and Services: 600,000
Technical Assistance 1,000,000
Undisbursed Principal 4,000,000

Date Authorized:

1976

Location:

Original Sites:
Abobo 112 Ha./ Port Bouet II/
Pelleville/ Adjame North/
Abobo North/ Koumassi N.E.
Marcory East/
(Non-Abidjan Site = San Pedro)

Site(s) Deleted:
San Pedro

Site(s) Added at Later Date
Attiecoubé

* Project Component(s):

Neighborhood Upgrading:
Abobo 112 Ha./ Port Bouet II
Pelleville/ Adjame North
Attiecoubé

Community Facilities (in conjunction
with Neighborhood Upgrading):
Attiecoubé

Sites and Services:
Abobo North

Rental Housing:
Koumassi N.E./ Marcory East

Technical Assistance:

NOTE* Non-Shelter Project Components (eg. Transportation) and
some Community Facilities Financed by IBRD and GOCI

1977

Construction Began:

Various dates post 1982

Constructed Ended:

Components completed between 1984 and 1986. Attiecoube (project add-on site) currently under construction.

Total Number of
Units/Area Planned
in Original Project:

Neighborhood Upgrading:
316 Ha. area & 150,000 individuals

Sites and Services:
105 Ha. area & 44,000 individuals

Total Number of
Units/Area Completed:

Neighborhood Upgrading
316 Ha.
(Abobo 112, Port Bouet II,
Palieuville and Adjame North)

Sites and Services:
56 Ha. & 576 lots (Abobo)

Rental Housing:
830 Units (Marcory East)
approx. 2,000 (Koumassi)

Construction Activities
Currently Underway in
Attiecoube:

Neighborhood Upgrading:
2 Health Units:
(Dispensary & Maternity)
1 Market
Roadworks &
Associated Drainage Networks

IV. HG004 LOAN

Participants:

USAID (RHUDO) / Government of Cote d'Ivoire (GOCI)

Amount:

Total 25 million dollars
RHUDO Participation 20 million dollars
GOCI Participation 5 million dollars

Protection of Distribution
of Project Funds in Dollars and by
Percentage:

Community Facilities (markets, social
& cultural centers, transportation
depots, schools, slaughter houses etc.
4,650,000 (32.26%)
Neighborhood Upgrading (roadworks and
associated drainage networks)
13,870,000 (69.33%)
Serviced Sites 900,000 (4.51%)
Equipment 580,000 (2.89%)

Date Authorized:

1980

Project Sites
& Project Components:

Original Sites (Population)

Bongouanou (pop. 25,000):
Roadworks and Drainage Networks
Covered Market
Slaughter House
Day Care Center
Social Center
Approx. 500 Serviced Sites

Boua (pop. 11,600):
Covered Market
Socio-Cultural Center
Day Care Center
Slaughter House
Primary School

117

Dabou (pop. 38,100):
Roadworks and Drainage Networks
Covered Market
Cultural Center
Approx. 500 Serviced Sites*
(Training Component later added)

Iggia (pop. 20,500):
Roadworks and Drainage Networks
Covered Market
Artisanal Center
Slaughter House
Technical Services Equipment
(Training Component later added)

Lakota (pop. 22,800):
Roadworks and Drainage Networks
Covered Market
Social Center
Slaughter House
Youth Center
Technical Services Equipment
(Training Component later added)

Nan (55,600):
Roadworks and Drainage Networks
Drainage of Central Market
2 Health Units (each composed of
a Maternity Clinic & a Dispensary)
Technical Services Equipment

Odienne (pop. 15,700):
Roadworks and Drainage Networks
Cultural Center

Quere (pop. 25,800):
Roadworks and Drainage Networks*
Socio-Cultural Center
Day Care Center
Covered Market
Approx. 600 Serviced Sites
(Training component later added)

PK 108 (Bodo Off. est. pop. 5,000):
Studies completed- Construction
postponed indefinitely: Proposed
components include:
Road works and Drainage Networks
Covered Market
Health Center
Serviced Sites

11/12
207

Sassandra (pop. 10,700):
Roadworks and Drainage Networks
Renovation of Covered Central Market
"Groudou" Neighborhood Market
Fish Market
Cultural Center
Renovation of Women's Center

Yayoua (pop. 18,000):
Roadworks and Drainage Networks
Covered Market
Renovation of Cultural Center
Football Stadium
Technical Services Equipment

Zouan Hounien (pop. 10,700):
Roadworks and Drainage Networks
Platform and Drainage of Central
Market
Primary School (two small buildings
each composed of three classes)
Health Center (composed of Maternity
Dispensary and Mother/Child Care
Center)
Slaughterhouse
Cultural Center
Day Care Center

Seven Site(s) Added at a Later Date
and Proposed Project Components

*NOTE: Owing to current debt repayment problems and consequent reduction of available project funds additional project components in the seven Add-On Cities may be Indefinitely Postponed (Indef. Post.) or cancelled.

Abengourou (pop. 50,000):
Roadworks and Drainage Networks
(Upgrading) (Indef. Post.)
Market (Indef. Post.)
Equipment

Abouisso (pop. 25,000):
Roadworks and Drainage Networks
(Neighborhood Upgrading)
Covered Market
Serviced Sites (Indef. Post.)
Transport Depot
Water Works
(Training component included)

Agnibilikrou (pop. 15,600):
Roadworks and Drainage Networks
(Neighborhood Upgrading)
Market
Technical Services Equipment.

Bettie (pop. 4,200):
Roadworks and Drainage Networks
(Neighborhood Upgrading) (Indef. Post.)
Market
Technical Services Equipment

Didievie (pop. 3,700):
Covered Market
Transport Depot
Water Works
Social Center
Technical Services Equipment

Gagnea (pop. 93,500):
Roadworks and Drainage Networks
(Neighborhood Upgrading) (Indef. Post.)
Covered Market (Indef. Post.)
Transportation Depot (Indef. Post.)
Construction of Technical Services
Depot (Indef. Post.)
Technical Services Equipment
(Training Component included)

Niable (pop. 3,600)
Covered Market (Indef. Post.)
Serviced Sites (Indef. Post.)
Roadworks and Drainage Networks
(Neighborhood Upgrading) (Indef. Post.)

Construction Began:

Various Dates post 1983

Current Construction
Status:

Better than 95% of components at
twelve original sites completed
between 1986 & 1987.
Seven Add-on sites in various states
of completion, but expected to be
terminated by end of CY 1991.

Estimated Number
of Beneficiaries:

Estimated beneficiaries = Combined
population of all 17 project communes
460,000 (approx).

11/10/87
202

V. HG-005

Participants:

USAID (RHUDO)
Ivorian Government

Amount:

15.2 million dollars
RHUDO Participation 10,000,000
GOCI Participation 2,833,000

Date Authorized:

1983

Status
Of Project:

Project deauthorized August 1988

V1. HG004A

Participants:

USAID (RHUDO)
Ivorian Government

Amount:

Total =22.580 million dollars
RHUDO Participation 17,864,000
GOCI Participation 4,466,000

Date Authorized:

1987

Signed Implementation Agreement

1989

Proposed Borrowing

Indefinitely Postponed

Location:

Proposed Sites:

Bingerville (pop. 18,700):

Gulglo (pop. 20,700):

Sinfra (pop. 29,000):

Tabou (pop. 8,400)

Tiebissou (pop. 10,100):

Proposed Project Components:

Neighborhood Upgrading

Community Facilities

Sites and Services

Municipal Incentive Fund

Private Sector Promotion

Training

Community Participation

Constructed Projected To Begin:

(Note: Project indefinitely postponed).

100
200

ANNEX N
PROCUREMENT PLAN SUMMARY

ITEM	METHOD	AGENT	SOURCE ORIGIN	WAIVER	EST.COST (in \$000s)
1. TECHNICAL ASSISTANCE					
A. Inst. Training Contract (ITC)					
	DIRECT	RED/RHU	US	No	
Personnel					
Long-term Coord.		ITC	US	No	475
Short-term TA		ITC	US	No	155
Long-term Asst.		ITC	Local	No	80
Short-term TA		ITC	Local	No	55
Support Costs					
Clerical		ITC	Local	No	50
Office/Equipment		ITC	Local	No	90
Operating Costs		ITC	Local	No	36
Training Commodities					
Aud/Vis Equip.		ITC	US	No	25
Office Equip.		ITC	US	No	41
Training Support Activities					
Manual Preparation		ITC	Local	No	13
Comm. Dev. Support		ITC	Local	No	16
Training Events					
TOT		ITC	Local	No	62
Environ Awareness		ITC	Local	No	35
Computer Use		ITC	Local	No	50
Financial Management		ITC	Local	No	55
Urban Services Delivery		ITC	Local	No	60
Privatization		ITC	Local	No	52
Admin. Management Skills		ITC	Local	No	45
Econ. Dev. Planning		ITC	Local	No	60
Community Organization		ITC	Local	No	25
Community Organization Sup.		ITC	Local	No	16
B. Expatriate Long-Term Technical Advisor					
	Direct	RED/RHU	LOCAL	No	150
SUBTOTAL COMPONENT					1,646

7-1

ITEM	METHOD	AGENT	SOURCE ORIGIN	WAIVER	EST. COST (in\$000s)
2. <u>BASELINE AND SPECIAL STUDIES</u>					
Cadastral Surveys	Direct	RED/RHU	Local	No	575
Cadastral Collect.	Direct	RED/RHU	Local	No	66
Environ. Rev. Prep.	Direct	RED/RHU	Local	No	24
Privat. Urban. Ser.	Direct	RED/RHU	Local	No	16
Inst. Assessment	Direct	RED/RHU	Local	No	18
SUBTOTAL COMPONENT					699
3. <u>FACILITIES CONSTRUCTION</u>					
(Markets Transport Depots Slaughterhouses Comm. Centers)	FAR	GOCI	Local	No	
SUBTOTAL COMPONENT					2,280
4. <u>COMMODITIES</u>					
Computers	Direct	RED/RHU	US	No	150
5. <u>MONITORING & EVALUATION</u>					
Monitoring	Direct	RED/RHU	US & Local	No	100
Evaluation	Direct	RED/RHU	US	No	100
SUBTOTAL COMPONENT					200
TOTAL PROJECT ACTIVITY COSTS					5,000

Fin

Pursuant to Section 611(e) of the Foreign Assistance Act of 1961, as amended, and Delegation of Authority No. 404, I hereby certify, for receipt and consideration by the Assistant Administrator for Africa, that the Republic of Cote d'Ivoire has the capability (both financial and human resources) to effectively maintain and utilize the Municipal Development Support Project for the Cote d'Ivoire.

I. Project Description.

The Municipal Development Support Project will build from earlier activities which helped to develop the institutional capacity of the government of the Cote d'Ivoire (GOCI) to implement its urban decentralization program. The project will further strengthen the capacity of the GOCI to implement the decentralization program by upgrading the training capacity of the Ministry of Interior's Department of Local Government and by providing direct training and technical assistance to selected municipal agencies. Also, the revenue generating capacity of selected municipalities will be enhanced by the provision of cadastral surveys for updating property tax roles and by rationalizing the collection of user-fees in service facilities including those whose construction will be funded under the project. The project will, therefore, provide technical assistance, in-country training and facilities construction in pursuit of the stated objectives.

After the Project Assistance Completion Date, the structures and facilities constructed with project assistance will be managed and maintained by the local municipal government. The proposed facilities are similar in nature to facilities already being managed and maintained by local governments, and the project facilities will generate sufficient revenue to cover their costs of management, administration, and maintenance. The physical maintenance of each facility will be carried out by the local government public works department. The project is not introducing new types of facilities, but is providing substantial technical assistance and training to the public works departments in project cities to reinforce their capacity to carry out maintenance tasks.

Recurrent costs for the facilities will be met through the collection of user-fees and vending taxes. In fact, the facilities will generate far more revenue for the municipality than just that needed to cover recurrent costs. In part, the incremental revenue from each facility will be used to procure the vehicles, equipment, and services that will be needed to assure maintenance services over the active life of the facility.

II. Prior History with sustainability of similar projects in Cote d'Ivoire.

A.I.D. has more than ten years of experience in Cote d'Ivoire with the types of project activities described above. Since 1980, A.I.D.

ANNEX P

PLANS AND COST ESTIMATES

Four standard types of facilities will be developed under this project. They include markets, commercial centers, transport depots and slaughterhouses. Prior A.I.D. sponsored RHUDO implemented municipal development activities have included financing the construction of several of each of these facilities. The standard plans and specifications evolved during earlier assistance programs and have been refined to accommodate relatively low technology building practices. Each of the facilities foreseen to be financed under the current project will use the standard plans, as shown on the following pages, and will benefit from the experiences gained from past collaboration with the GOCI implementation agency, the Direction et Controle des Grands Travaux (DCGTX).

The implementing agency for the construction component, DCGTX, with an in-house staff of more than 600 technicians, has more than adequate engineering, financial and supervisory personnel to enable sound technical management of the development phases of the project and to ensure that estimated budgets and detailed construction specifications are respected.

DCGTX has implemented large and small scale construction projects for the GOCI. Many of the development projects have been financed by the World Bank, the African Development Bank, the European Development Fund and other international donors. Since the early 80s, the DCGTX has managed a volume of works ranging from 120 to 450 million dollars annually.

DCGTX will be required to submit to A.I.D. for formal approval a complete and detailed technical portfolio for each facility prior to actual site development. In addition to the detailed plans and specifications, this technical portfolio will include an IEE type document to address environmental concerns. A recommendation will be made that either construction will not adversely effect the natural environment, or that a need exists for continued environmental review. In the latter case, an environmental impact assessment type document will address the full range of issues identified in the initial environmental examination.

The sketches and specifications on the following pages, although not of detailed engineering quality, are intended to serve as an illustrative demonstration of the technical capacities of the DCGTX and to provide examples of the types of facilities that will be developed under the new Municipal Development Support Project. Two separate market facilities are presented in the sketches.

201
201

Depending on the nature of the site topography, the most appropriate standard plan will be chosen. One of the markets is designed to be sited on a relatively flat area whereas the other is adapted to a radical slope. Individual site selection will be a function of the technical portfolio submitted to A.I.D. for approval.

Determination of Estimated Costs of Facilities

The estimated costs of the facilities described in the following pages have resulted from the following data base:

- on-going or completed construction contracts;
- historical costing data provided by DCGTX;
- financial accounting of prior A.I.D. projects; and
- current materials and labor costing data.

Although intended to be illustrative in nature, the cost estimates reflect a determination of projected real costs for the construction industry in Cote d'Ivoire beginning in the fiscal year 1991 and continuing through FY 1993. It is expected that the construction phase will begin in earnest toward the end of FY 91 and that the majority of expenditures will be incurred during FY 92 and 93. The costs here-in are considered to be as reasonably firm as possible at the present time and take into account the projected rates of inflation, depreciation, and taxing base. There is also a contingency budget line item to be approximately 10 percent of the overall cost of any particular facility.

The costing assumptions mentioned above are consistent with the detailed project budget as stated in the main body of this project paper. This technical annex describes the facilities in further detail and is intended to serve as a guide for the implementing agencies that will become involved in the execution of the project.

The facilities described here-in are designed to be constructed in a modular fashion depending on the need for physical space in the facility for a given city. To determine the size of a facility, DCGTX will conduct or contract for the conduct of a study to survey the number of vendors or individuals that will be using the facility upon completion. The user market survey will be conducted prior to the architectural and engineering studies which will locate the facility on the agreed upon site. The modular design will also permit the city itself to physically expand the facility by developing identical additional modules or wings.

MARKET STANDARD PLAN NUMBER ONE

LAKOTA MARKET FACILITY

This facility is designed to embrace a relatively flat site and as such has a single ground level for the entire market.

The technical characteristics of the Lakota market consist of 500 covered vending stalls, 8 enclosed drygoods boutiques, 2 walk-in freezers (one for meat and one for fish), a separate sanitary facility for men and women, a solid waste collection cubicle, and all weather parking for up to 22 vehicles.

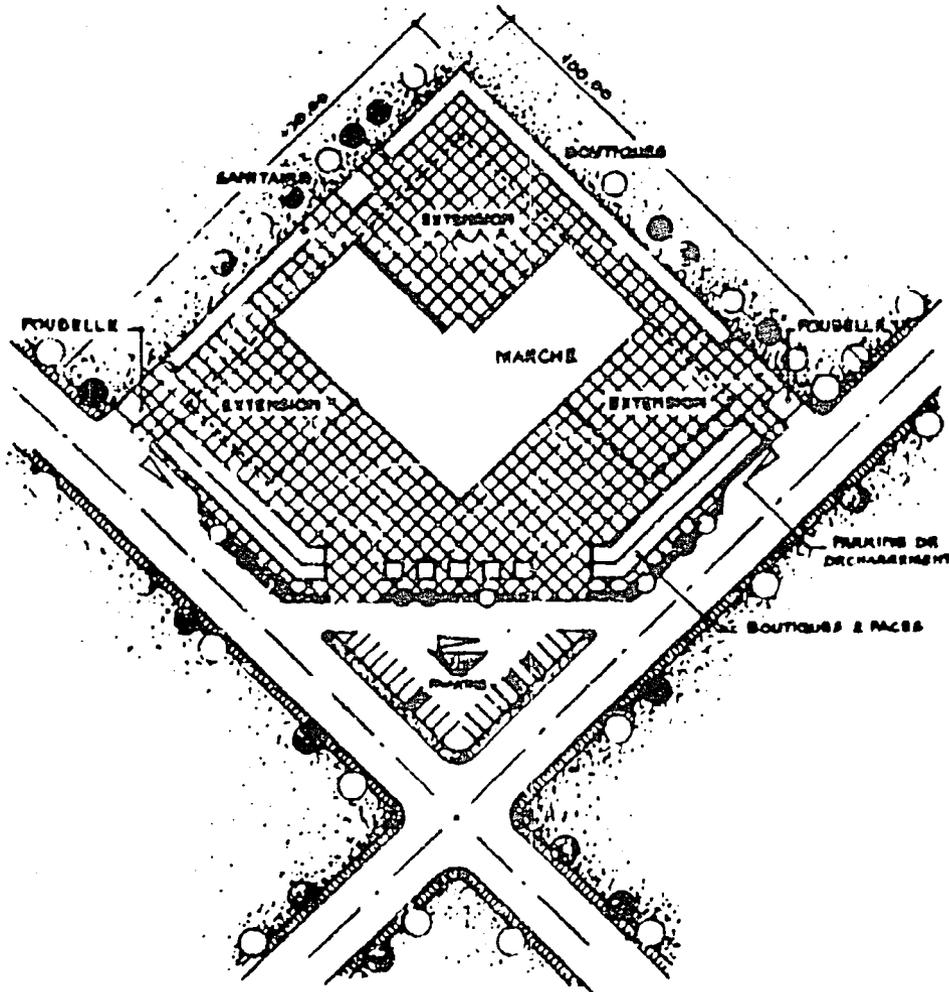
The 1985 cost of the construction of the Lakota market was 79 million CFA or approximately 316 thousand dollars at current exchange rates. However, the costs of technical studies, electrical and water hook-ups and implementation fees were not included in this cost estimate. To develop a facility of this nature in the 1991 economy, additional cost estimates must be added. Additional costs will include but will not be limited to the following: inflation (although currently very low in the construction industry due to the reduced volume of activities in recent years), site specific engineering studies, environmental assessment studies, water and electrical utilities hook-ups and any supplemental earth work that may be necessary to modify topographical features to conform to the site design. In addition, an implementation fee of approximately 3 percent will be charged by the implementing agency.

An outstanding design feature of this market is the expandable nature of the building itself. Population and economic growth can be accommodated by simply repeating the same roof structure and ground surfacing techniques found in each of the perifial wings. In the case of Lakota, three future extensions can be developed on the existing site before saturating the available space.

The Financial Analysis of this PP reflects a per unit cost for markets of approximately 520 thousand dollars. Although it is far too early to define precise development costs for a particular facility, it can be safely stated that given the current economic situation in the Cote d'Ivoire, a facility similar to the Lakota market would not exceed the per unit budget as described above.

MARCHE SOUTERRAIN (LAKOTA)

177



DESRIPTIF

- TERRAIN : 100m x 100m = 10.000 m² B.O.I.
- MARCHÉ COUVERT : 1052 m²
- AIRE MARCHANDE NON COUVERTE : 5
- DIVERS : BOUTIQUES EXTERIEURES -
POUBELLES - PARKING : 2.52
(EXTENSION : 1304 m²
- ETALE : 500 PLACES (570 m²)
- SURFACE BOUTIQUE (B) : 06 m²
- 2 CHAMBRES FROIDES :
 - 1 POISSONNERIE : 12 m²
 - 1 BOULNERIE : 12 m²
- BLOC SANITAIRE EXTERIEURE
- LOCAUX POUBELLES (2) AVEC POINT D'E.
- PRESTATIONS :
 - POTRAU B.A
 - CHARPENTE BOIS
 - COUVERTURE BACS ALU.
 - DALLAGE B.A AVEC CHAPE INCORPOR
 - 2 POINTS D'EAU POUR NETTOYAGE

PLAN DE FONCTIONNEMENT
Ech 1:1000

10-4
505

MONTANT

REALISE A LAKOTA EN 1985
PAR APPEL D'OFFRES

COUT TOTAL : 79.000.000 F.CFA

BOIT :

- MARCHE COUVERT :

1852 m² x 36.600 F = 71.420.000 F

- BLOC SANITAIRE :

45 m² = 440.000 F = 6.800.000 F

- POUBELLES :

2^e x 32 m² = 20.000 F = 4.200.000 F

- AIRE MARCHANDE NON COUVERTE

(DALLAGE EN BETON) : 10.000 F/m²

- BOUTIQUES EXTERIEURES : 45.000 F/m²

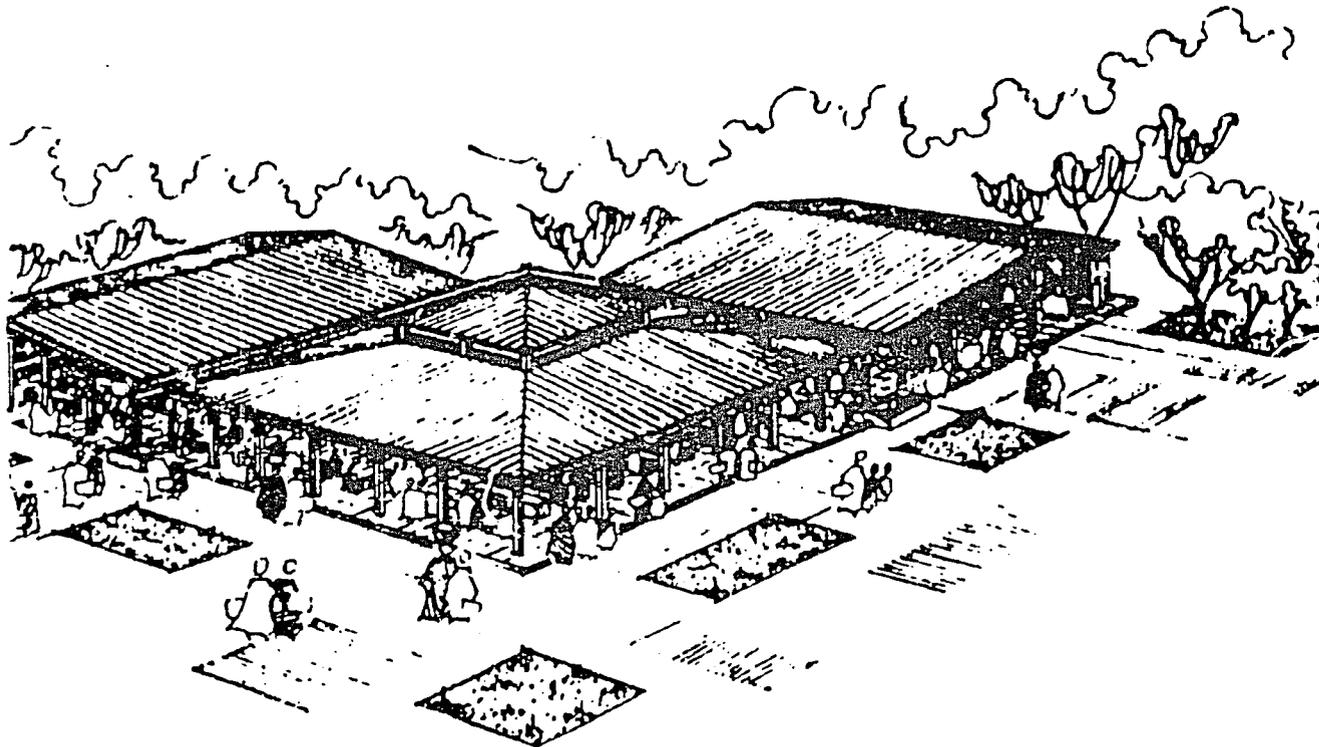
QUANTITATIF

DES MATERIAUX PRINCIPAUX

1. CIMENT : 95 TONNES
2. GRAVIER : 150 m³
3. SABLE : 150 m³
4. ACIER : 10 TONNES
5. BOIS : 70 m³
6. TOLES : 2.000 ml 75x110
7. AGGLOS 10.20.40 : 3.200 v
8. AGGLOS 15.20.40 : 3.700 v



COUPE 1:250



VUE PERSPECTIVE

MARCHE DE LAKOTA

10-5-85

MARKET STANDARD PLAN NUMBER TWO

ABOISSO MARKET

Design considerations for the Aboisso market were constrained by the radical slope of the site on which the market was to be built. To accommodate this constraint the architect conceived a modular system that could be built on varying ground levels, and which, by using steps and ramps to connect the pedestrian walkways, would dramatically reduce the need for expensive earth work and extensive surface water drainage systems.

Technical characteristics include 550 covered vending stalls, 400 open air vending spaces, 122 slots for dry goods boutiques, separate male and female sanitary facilities, 2 walk-in freezers and 2 solid waste collection cubicles. There is all weather parking for up to 38 vehicles.

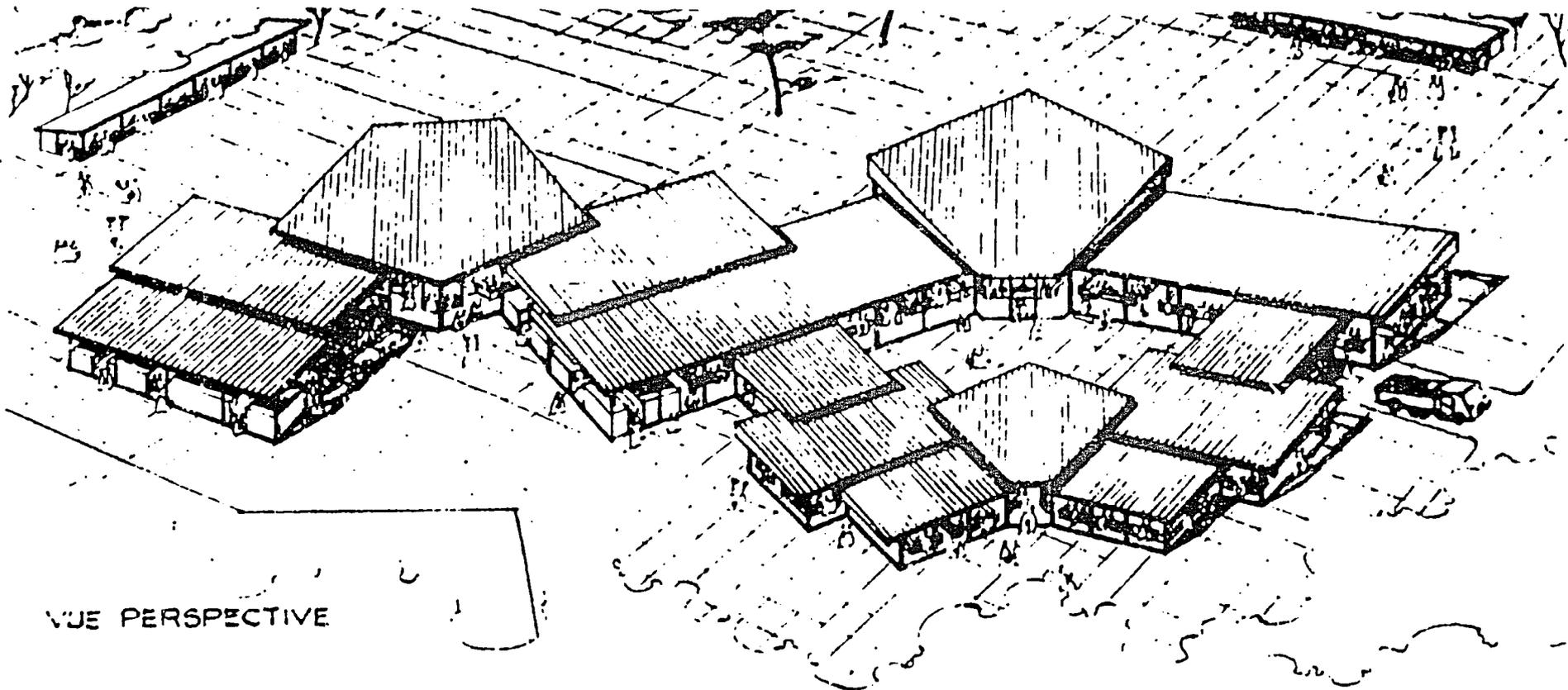
The 1990 construction cost of this market facility is estimated to be 86 million CFA or 344 thousand dollars at current exchange rates. Again, this does not include utility hook-ups, inflation, site specific engineering design, potential earth work, initial environmental examination and implementation fee.

Considering the current economic situation in the Cote d'Ivoire and an annual inflation rate of 4 per cent, the cost of constructing this facility in 1991 would be approximately 360 thousand dollars. Adding to that the cost of site specific engineering studies, utility hook-ups, an environmental examination, an implementation fee of 3 percent and a 10 percent contingency budget line item, the total cost of a similar facility would be approximately 490 thousand dollars, which is well within the range estimated for a single market.

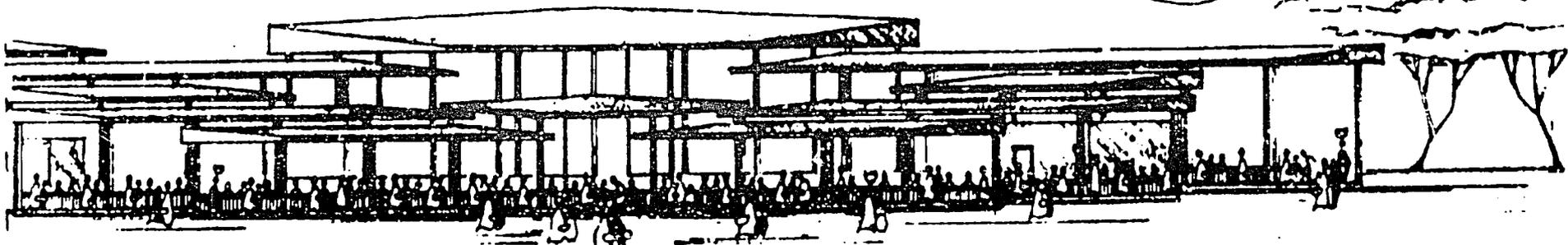
The building techniques and materials used for this market are very simple in nature. This market is a single story building with the roof structure supported by cast in place concrete columns. Testing the quality of the concrete by dynamic and static methods is a standard practice of DCGTX using their in-house laboratory facilities. The floor covering for this market is cast in place concrete pads that can be removed in the event of a need to repair plumbing or electrical wiring.

A distinctive feature of this market is the possibility to extend the covered area by simply building an additional wing identical in design to the original structure.

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VUE PERSPECTIVE



FACADE Ech 1/200

MARCHE D'ADONIS

P.F.
2/3

MONTANT

1152 A 2801360 EN 1980 PAR APPEL D'OFFRES

COUT TOTAL : 86.000.000 F.CFA

(SOIT 27.000 F/ML)

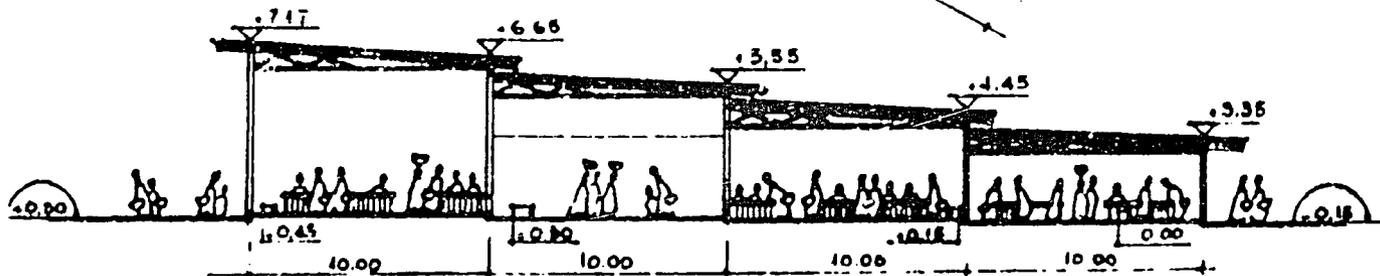
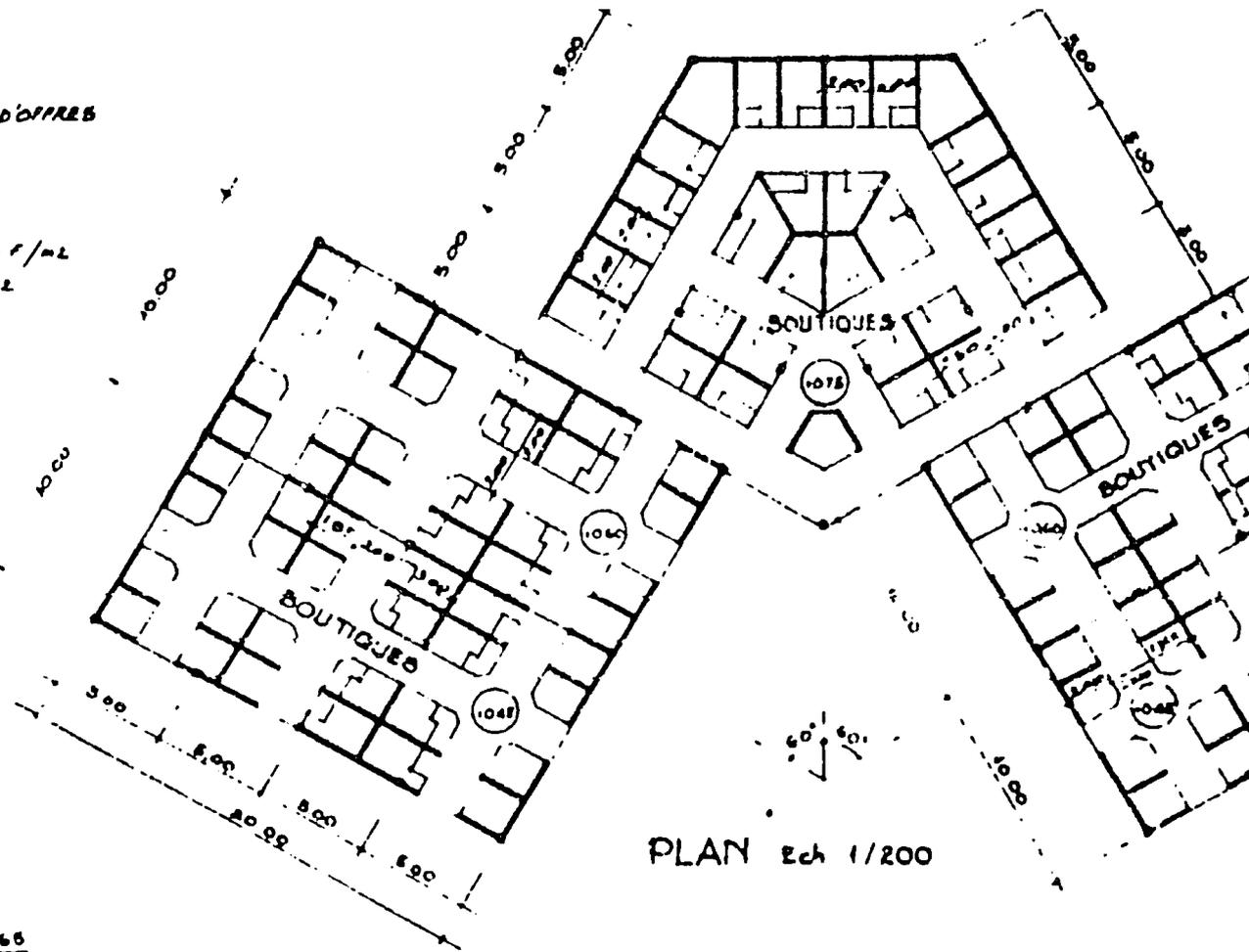
AIR PARCHANDE NON COUVERTE : 40.000 F/ML

BOUTIQUES EXTERIEURES : 45.000 F/ML

QUANTITATIF

DES MATERIAUX PRINCIPAUX

1. CIMENT : 570 TONNES
1. GRAVIER : 775 M3
3. SABLE : 740 M3
4. ACIER : 37 TONNES
5. BOIS : 25 M3
6. TOLES : 6.100 M2 TAISI (type 200)
7. AGGLOS 10.20.40 : 1700 M3
8. AGGLOS 15.20.40 : 11.500 M3

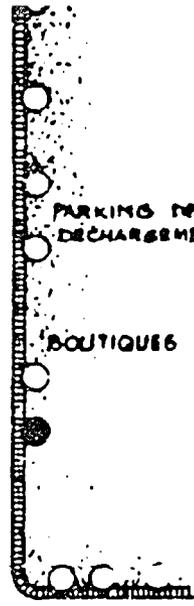
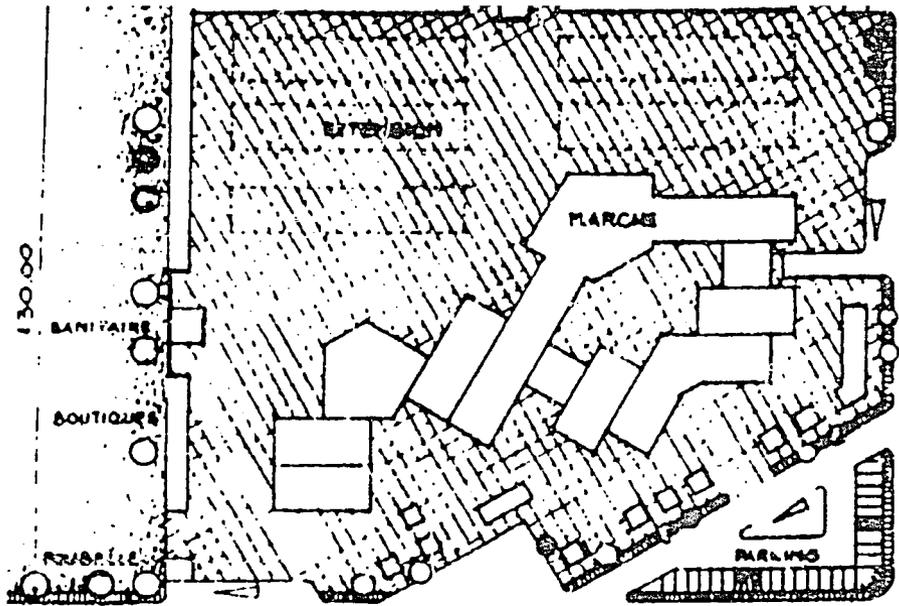


COUPE AA

Ech : 1/200

MARCHE D'ACCES

20
35

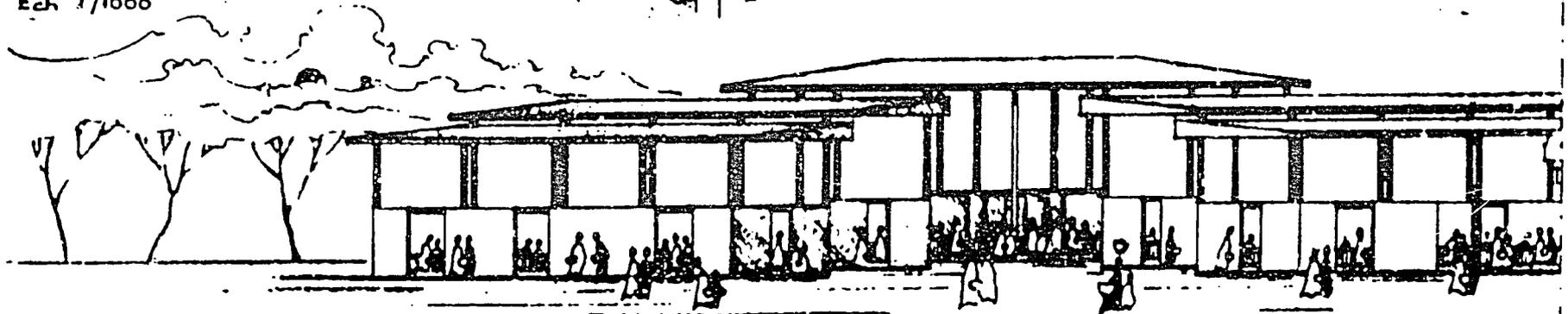


DESRIPTIF

- TERRAIN : 180 m x 150 m = 27.000 m² soit :
- o MARCHÉ COUVERT : 3.100 m²
- o AIRE MARCHANDE NON COUVERTE : 14.500 m²
- o DIVERS : BOUTIQUES EXTÉRIEURES, SANITAIRES
POUBELLES, PARKING : 1.900 m²
- (EXTENSION : 2.500 m²)
- SURFACE BOUTIQUES (122) : 2.000 m²
- 2 CHAMBRES FROIDES, 1 POISSONNERIE : 25 m²
1 BOUCHERIE : 80 m²
- ETALS : 500 PLACES (164 m)
- BLOC SANITAIRES EXTÉRIEURES (8)
- LOGEA POUBELLES (2) AVEC PONT D'EAU
- PRESTATIONS :
- o POTEAU B.A
- o CHARPENTE BOIS
- o COUVERTURE BACS ALU.
- o DALLAGE B.A AVEC CHAPE INCORPORÉE
- o ETALS B.A SUR TAMBAGE MACONNERIE
- o 2 POINTS D'EAU POUR NETTOYAGE

PLAN DE FONCTIONNEMENT

Ech 1/1000



FACADE Ech 1/200

1-2-17

2-3

SLAUGHTERHOUSE STANDARD PLAN

BONGOUANOU SLAUGHTERHOUSE

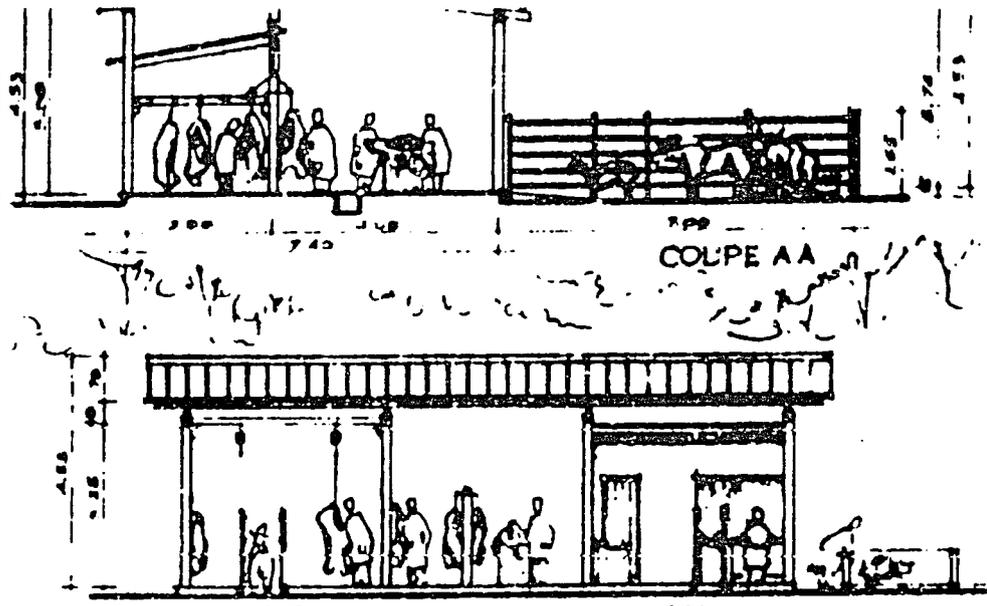
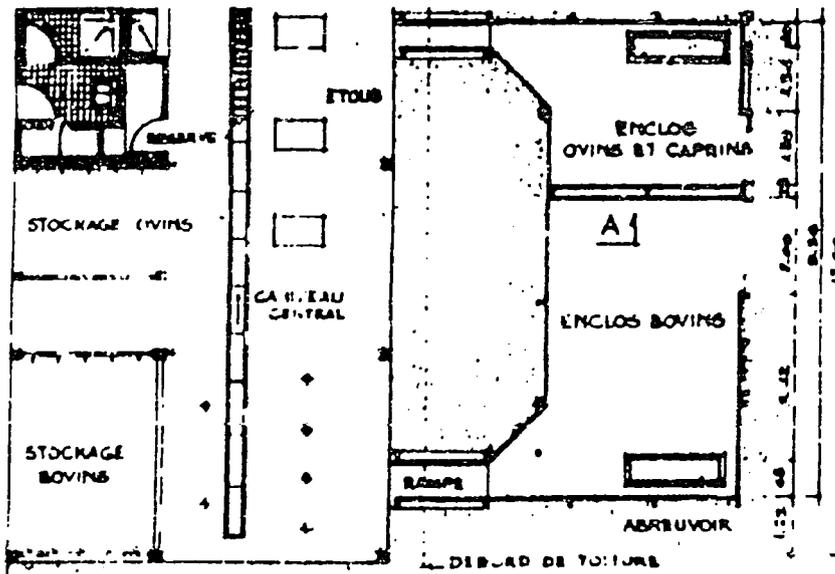
The slaughterhouse is a very simple facility consisting of a roofed structure covering the entire working area of butchering, hanging stocks and a small sanitary installation. Both sides of the floor are sloped towards the center drainage canal which is evacuated into a large septic tank and down stream percolating field. There are concrete benches covered with hard wood surfaces on which butchering and sectioning take place. There is a hanging rail located centrally on which all carcasses are moved from the benches to the transport vehicles. Holding pens for the stock are located on the exterior of the roofed area and are divided for different types of stock.

The slaughterhouse facility is equipped with piped water for cleaning the benches and floor area at the end of each day and to service the sanitary facilities. The contaminated water is then collected by the central drainage canal and evacuated into the septic tank and drain-away field. Design precautions have been taken to size the septic tank and drain away field large enough to adequately treat the contaminated effluents through organic decomposition and percolating into the soil.

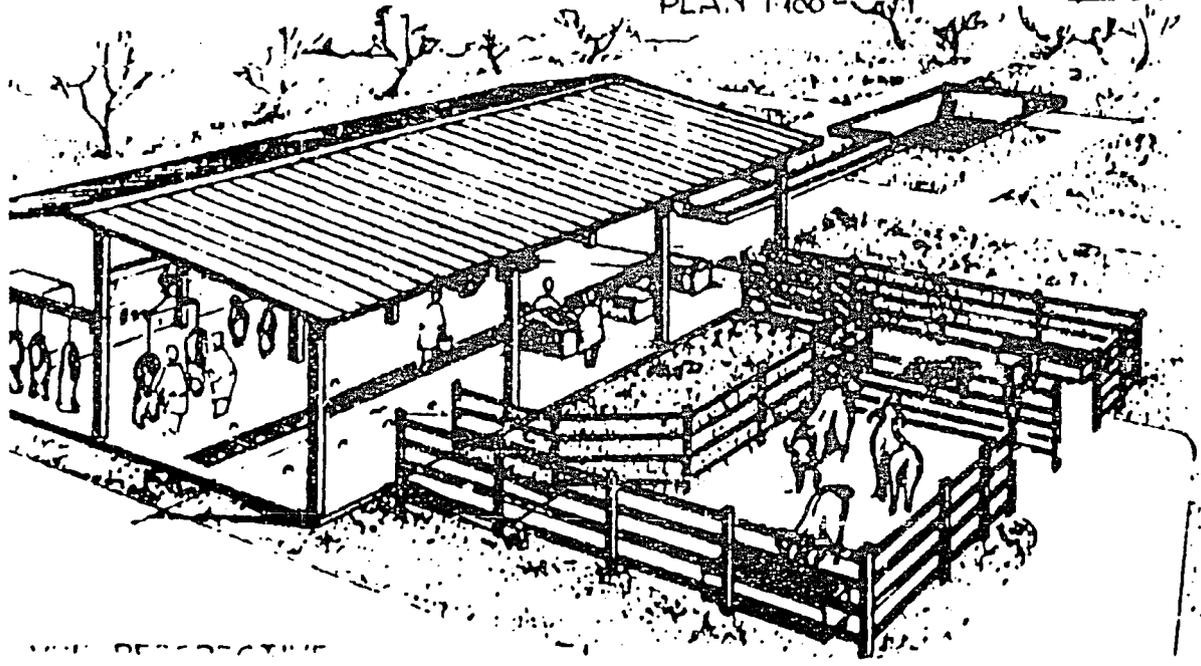
Environmental considerations will be addressed during the site selection for each slaughterhouse. DCGTX, the local municipal technical staff and A.I.D. personnel will collaborate to select an appropriate site for each slaughterhouse contemplated for funding under this project. Plans and specifications, including site location, will be submitted to A.I.D. for formal approval prior to tendering and or construction start-up.

The construction cost of the Bongouanou slaughterhouse was 12 million francs in 1985 or 51 thousand dollars at current exchange rates. Adding annual inflation, environmental examination, an implementation fee of 3 percent and a small contingency margin, it can be safely stated that the 82 thousand per unit budget estimate will be sufficient for the development of slaughterhouses under this project.

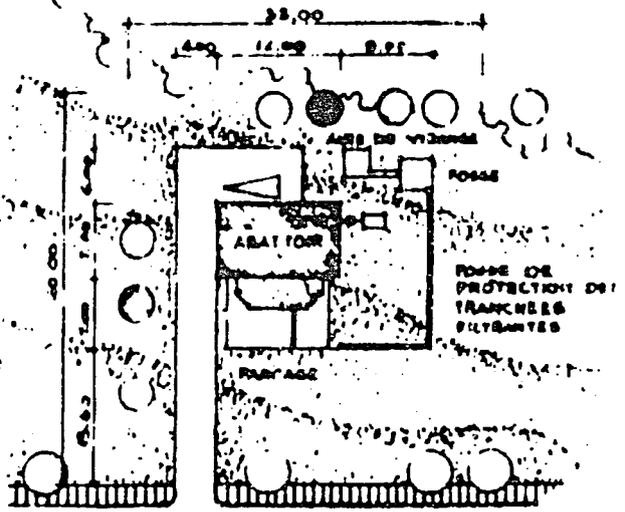
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PLAN 1/100



VUE PERSPECTIVE



PLAN DE FONCTIONNEMENT

ABATTOIR 90 m² (BONGOUANOU)

DESCRIPTIF

- TERRAIN : 35 m x 40 m = 1.400 m²
- SURFACE COUVERTE : 90 m²
- SURFACE ENCLOS : 52 m²
- PRESTATION :
 - * POTEAU B.A
 - * CHARPENTE BOIS
 - * COUVERTURE BACS ALU.
 - * CHAPE CIMENT LISSE
 - * GRES CERAME POUR SANITAIRES
 - * CLOTURE ENCLOS : PROFILES METAL
 - * PALAN (1)
 - * BARRES A CROCS (3)
 - * ETOUS (3)
 - * AIRE DE VIDANGE ET FOSSE
 - * FOSSE SEPTIQUE ET TRANCHEE FILTRANTE

MONTANT

REALISE A BONGOUANOU EN 1985 PAR APPEL D'OFFRES

COUT TOTAL : 12.000.000 F. CFA

DONT : 9.000.000 F : BATIMENT (SOIT 100.000 F/m²)
ET : 3.000.000 F : ENCLOS - PORTAIL - PALANS.
BARRES A CROCS

QUANTITATIF DES MATERIAUX PRINCIPAUX

1. CIMENT : 12 TONNES
2. GRAVIER : 25 m³
3. SABLE : 22 m³
4. ACIER : 3.700 kg
5. BOIS : 5 m³
6. TOILES : 170 ml tôles larg 0,8 m
7. AGGLOS 10, 20, 40 : 350 u
8. AGGLOS 15, 20, 40 : 100 u

TRANSPORT DEPOT STANDARD PLAN

M'BATTO TRANSPORT DEPOT (GARE ROUTIERE)

Transport depots are little more than an all weather parking and circulation area around which small boutiques are installed to cater to the commercial needs of the passengers and vehicle repairs. Traditionally, transport depots are located on the outskirts of a city and provide a resting spot for commercial and private traffic traveling on major national highways.

Technical characteristics include traditional sand asphalt paving material approximately 12 centimeters thick laid down on a graded and compacted subcourse or foundation. Depending on the type of soil material found on a particular site, some cement soil stabilization may be necessary to provide the structural qualities necessary to support a commercial heavy load parking facility. Particular attention will be given to the pedestrian versus vehicular traffic patterns in the transport depot area and to fire and public safety requirements.

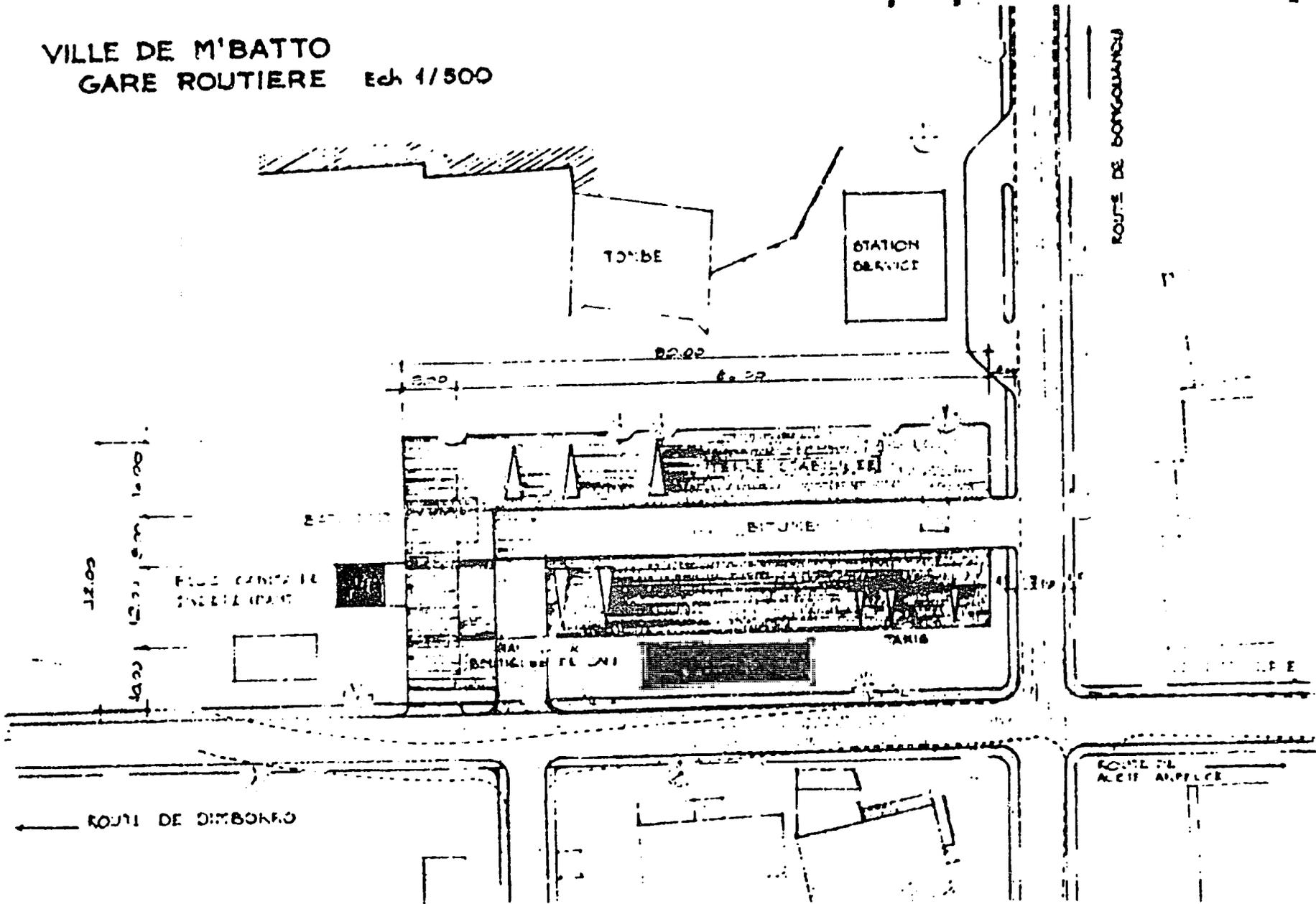
The cost of the M'BATTO as indicated on the accompanying drawing was 20 million francs or 80 thousand dollars. The unit cost estimate in this project paper is 179 thousand dollars. The difference comes from the fact that the M'BATTO transport depot did not include all weather paving on the areas reserved for parking only. To insure the stability of a low maintenance, long life facility, the A.I.D. project will include all weather paving on all of the surfaces where vehicle traffic is projected to circulate.

As well, additional costs include site specific engineering studies, inflation, implementation fees and a slight contingency budget line item.

Environmental considerations will be addressed during the site selection and the site engineering of each transport facility. Public safety and the risk of hydrocarbon spillage will be assessed during the studies and appropriate measures will be designed into the final package to protect the interests of the general public and the natural environment.

VILLE DE M'BATTO
GARE ROUTIERE Ech 1/500

1207



VILLE DE M'BATTO

GARE ROUTIERE

- TERRAIN : 94m, 42m : 3.948 m²
- 40 VEHICULES DE TRANSPORT
- 10 TAXIS

* ESTIMATIF

- CIRCULATION BITUMEE : 816 m² x 7000 F : 5.700.000 F.C
- AIRE DE STATIONNEMENT : 2256 m² x 3000 = 6.800.000 F
- SANITAIRES : 30 m² x 100.000 : 3.000.000 F
- HANGAR : 143 m² x 18.000 : 2.600.000 F
- DALLAGE : 175 m² x 7000 : 1.200.000 F
- BOUTIQUES DE CAFE : 2.350.000 : 700.000 F

TOTAL :

20.000.000 F.

2017

COMMERCIAL CENTER STANDARD PLAN

ISSIA COMMERCIAL CENTER

A commercial center is a simple single story modular building that is divided up into standard box like cubicles that can be leased out for any type of commercial activity. Commercial centers are traditionally located near or adjacent to areas of concentrated commercial, transportation or business activities. These centers are intended to provide goods and services to the general public in safe and environmentally sound facilities. Traditional activities in commercial centers are restaurants, tailor shops, dry goods stores, carpentry and electrical services and various light vehicle and heavy truck repair services. Separate male and female sanitary facilities are included in the standard design package for this type facility.

Location is a critical factor for the success of a commercial center. Poor location means low revenue generating activities. Prime locations are the key to attracting the volume of clientele needed to generate sufficient commercial transaction to amortize the facility and to provide meaningful incomes to the businesses located in the center.

The cost of the ISSIA commercial center was 23 million CFA or 92 thousand dollars. The per unit cost estimate in this project paper is estimated to be 37 million CFA. Given the additional costs of utilities hook-ups, inflation, site specific engineering, environmental examination and contingencies, the 37 million estimate is accurate for the current economic situation in the Cote d'Ivoire.

Building techniques and materials are of the traditional standard used in the Cote d'Ivoire. Cement block exterior and interior walls and a roof structure supported by cast in place concrete columns are the design specifications. Roofing materials can be either corrugated tin or aluminum or fibro-cement tiles.

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